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Richard G. Healey. *The Pennsylvania Anthracite Coal Industry, 1860-1902.* Scranton: University of Scranton Press, 2007. 650 pp. $60.00 (paper), ISBN 978-1-58966-150-9.

Reviewed by Michael Connolly (Purdue University North Central)
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Coal and Capital

R. G. Healey sets out to write a comprehensive history of the Pennsylvania anthracite industry between the Civil War and the presidency of Teddy Roosevelt, not from the perspective of workers, immigrants, or unions, but from management. Along the way, he considers the development and application of technology, the conquest of difficult terrain, cooperation with regional railroads, and the shifting vagaries of the American coal market in the "second industrial revolution." Healey convincingly demonstrates how coal companies reacted to factors beyond their control, in particular geography, uncertain consumer demand, and the late nineteenth-century business cycle of booms and panics. In so doing, his book will become a standard reference work for anyone studying Pennsylvania coal.

"Adjustment theory" provides the theoretical backdrop to Healey's *Pennsylvania Anthracite Coal Industry, 1860-1902*. This economic theory rejects traditional neoclassical economics because it assumes a perfect equilibrium of circumstances to allow for the natural action of supply and demand. But circumstances are never perfect and all sorts of interruptions, distractions, obstacles, and blockages enforce economic disequilibrium on individuals and communities. One of these distractions is geography, preventing people from acting "as they should" in the rarified atmosphere of neoclassical economics. That said, Healey studies how geography requires economic actors (in this case Pennsylvania coal companies and railroads) to adjust their actions for economic success. His study is as much "regional historical geography" as it is business history, a study of decision-making in a less than perfect environment (p. 2). He also links the business cycle to this disequilibrium and adjustment, or what he calls "decision-making under constraints" (p. 5). Coal capitalists made tough choices, temporal and spatial, short- and long-term, amidst the waves of the business cycle and the fits and starts of an emerging national market.

This is not a study of labor. This is a study of management and capital. Labor historians will not find what they are looking for here, which Healey readily admits. He writes the book because "the economics and managerial aspects" of this story have been either forgotten or "neglected" (p. 5). This oversight, deliberate or accidental, drives economic forces into the background, thereby distorting the picture of the Pennsylvania coal fields and rendering it far less rich. "In the mining region, therefore, the direction of causality tends to run from the economic to the social, rather than the reverse," he writes. "Industrial activity was unrelated to the earlier agricultural society of the area. It was firmly based on coal and powered by speculation, investment and the growth of the mining and railroad corporations.... Until after the turn of the century, the production and reproduction of social life in the coalfields was thus largely disconnected from the economic structures of the capitalist corporate culture that drove the region forward" (p. 6).

Healey's first four chapters define adjustment theory and present a detailed picture of investment, technology, and Mid-Atlantic and Northeastern urban growth. Philadelphia, New York, and Boston all demanded denser, longer-lasting, less smoky anthracite coal. At first, riverboats and barges managed traffic to market, but soon railroads and canals ("feeders" to the railroads) trumped river transit. Early locomotives burned wood and by the 1850s many railroads turned toward anthracite, as did steamship companies. Transportation improvements represented attempts to break down "topographical constraint" and widened the market for Pennsylvania coal (p. 45). By the Civil War, the anthracite industry had a well-established trade on the eastern seaboard. Chapters 5 and 6 explore the complex and uneven growth of the major anthracite railroads of eastern Pennsylvania, like the Delaware, Lackawanna, Western, and the Lehigh

Valley, as they pushed to open markets around the Great Lakes and eastern Canada. This market competition, at a point of origin in the fields and a port of destination for the water shipment of coal, led to a variety of business techniques like leasing smaller feeder lines into New York City, building highly expensive new routes, or arranging "traffic agreements" and strategic alliances with competitors. Some managed the business cycle and weathered the depression of the 1870s, while others floundered.

Chapters 7 to 11 detail shifting demand for bituminous and anthracite coal, the success and efficiency of Great Lakes coal shipping, and the necessary cutting of waste and thrifty use of smaller size coal by 1900. Coal sizes that would previously have been discarded were now used for profit. By the 1870s, coal companies and anthracite railroads also had begun a three-decade-long movement toward combination, or what Healey calls "metaorganization," to control costs and competition (p. 219). "Individual operators" became increasingly rare (p. 248). Chapters 12 through 15 delve into the day-to-day financial operations of coal fields and railroads, including leases, contracts, and loans. After the mid-1880s, tremendous amounts of money were invested in expanding railroad capacity as well as the opening of new mines, although the sometimes precipitous peaks and valleys of the late nineteenth-century business cycle delayed many improvements. Through it all, coal-field operators did not act in a predictable environment of reliable supply and demand. Facing difficult geography, unpredictable market fluctuations, economic panics, mine accidents, and a bevy of unforeseen financial twists, capitalists adjusted in admirably creative ways to supply America with anthracite.

Healey's book is a labor of love, and the amount of research and statistical detail is astounding. The text (over 400 double-columned pages) includes 183 charts, graphs, and tables illustrating everything from railroad coal shipments, freight rates, and coal prices by grade, to lease arrangements, corporate earnings and losses, and labor costs. There are also twenty beautifully reproduced nineteenth-century photographs of various scenes in the Pennsylvania coal fields. Although this is a history of capital, labor historians would do well to consider Healey's arguments, as they would help contextualize the development of unionism and labor consciousness in the years prior to the Anthracite Strike of 1902.

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