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Jerry W. Markham. *A Financial History of the United States.* Armonk, NY, and London: M.E. Sharpe, 2002. Three volumes – I) xxi + 437 pp.p; II) xx + 412. $349.00 (cloth), ISBN 978-0-7656-0730-0.

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This three-volume publication defies a normative description. Covering the entire span of U.S. history from the seventeenth through the twentieth centuries, it is perhaps best identified as a chronologically organized encyclopedia, or a gazette, of American financial services. The coverage is undeniably comprehensive. Jerry Markham focuses broadly on the monetary system, commercial banking, savings and loans, investment banking, securities brokerage, consumer credit, insurance companies, and many of their precursors. Totaling over 1,300 pages, the detail is overwhelming and intimidating. A member of the law school faculty at the University of North Carolina, the author relies heavily on the information linked to legal cases involving financial disputes–not surprising given his professional connections.

Unfortunately, this methodology, almost automatically produces a negatively biased interpretative framework. Legal cases arise when something has gone drastically wrong, either for a few participants in financial transactions or for an entire class of litigants. Moreover, most of the secondary literature on financial history dating back over the last two centuries reflects a similar sensationalist, pejorative bias. Therefore, the final result is fairly predictable: an unbalanced historical narrative. The positive contributions by a multitude of firms and individuals in the financial services sector to the growth and development of the overall economy are only occasionally mentioned. As usual, the bad guys get all the ink, while the anonymous contributors to advancement are ignored or quickly passed over. As it happens, the United States still boasts one of the highest living standards found anywhere around the globe, which suggests that most financial actors must have done something positive more often than not.

It's difficult, if not impossible, to determine what audience the author expected to reach with this massive project. The text is too technical for the general public and for all but a few historians; meanwhile, the economists who possess the expertise as well as an intellectual interest in this specialized topic are few in number. Those scholars who are active in financial history will be sadly disappointed by the paucity of supportive information in the abbreviated endnotes. Often I was left wondering about the reliability of the author's sources.

From a scholarly standpoint, the quality of the three volumes varies enormously. The first volume is relatively weak; the second volume shows improvement, and the third volume, which covers just the last quarter of the twentieth century, is original and praiseworthy. All three volumes lack a coherent context for discussion. Subject entries arise helter-skelter, with no transitional paragraphs. The indexes are the best search tool for a given topic, with the segregated "personal name" sections especially helpful.

Volume I covers the period from 1492 to 1900. Markham uncritically recounts the secondary literature published through the 1980s. However, he misses much of the fresh scholarship produced in the last decade. As a consequence, the author fails to draw upon the recent earth-shattering contributions of Richard Sylla, Peter Rousseau, Bob Wright, various collaborators, and myself on the vital importance of the financial services sectors in stimulating economic growth in the early national period (1790 to 1825). Indeed, Markham was trapped by the nay-saying attitude of most of his predecessors. I would contend that a great deal of what earlier generations of financial historians wrote about events through the end of the nineteenth century should be read with a great deal of skepticism. The more recent scholarship has a different tone. Maury Klein's revisionist biography of financier Jay Gould is a case in point.

Volume II, which covers 1900 to 1975, marks an improvement. Markham is on more solid ground, and most of his entries ring true. His coverage broadens to include greater detail on insurance, consumer finance, mortgage lending, and other complementary financial services. Some of the facts in different sections appear contradictory, however. For example, he states that the na-

tion had as many as 18 million stockholders in 1929, but a later entry indicates that brokerage firms had a mere 1.5 million active accounts that same year. Were there 16.5 stockholders without brokerage accounts? Doubtful. In most accounts of the 1920s boom and crash, writers have typically put the figure at 10 million or higher, whereas I believe thenumber was under 5 million and perhaps as low as 3 million stockholders. I could cite more instances of questionable assertions in the text, but we must move on.

Volume III is the prize. Markham proclaims that the last quarter century has been the most innovative with respect to financial services in the nation's history, and it is hard to disagree with that judgment given the evidence he marshals. The author's coverage is superb and his analysis uniformly convincing. Markham discusses such topics as derivatives, junk bonds, REITs, hedge funds, and the final bubble meltdown. I rarely turned a page without discovering something I had not known before. Without question, this volume should be the starting point for anyone seeking information on developments in the financial markets over the last three decades. Financial journalists and historians will be relying on this compilation of pertinent facts for decades.

Every scholar actively involved in U.S financial history should attempt to gain access to the last volume of this publication. If it means asking your institutional library to purchase the whole three-volume set, then youshould send in the request irrespective of the total cost.

Edwin J. Perkins, University of Southern California, is the author of *American Public Finance and Financial Services, 1700-1815* (Ohio State, 1994) and *Wall Street to Main Street: Charles Merrill and Middle Class Investors* (Cambridge, 1999).

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