In summary, I would like to thank the authors for what they have taught me about economic history, and say that we all look forward to hearing more from you in the future.

JOYCE BURENTTE, *Wabash College*

Comments on Geiger, Marler, and Neumann

I would like to thank President Hohenberg for this opportunity. I received nine submissions for this year's Nevins prize. The topics ranged from the labor market strategies of Walmart to the variation in average heights across the states in the years before the Civil War. As wide-ranging as were the topics, so too were the data sources and methods used to support the arguments. Reading them was truly a pleasure. Choosing three finalists from this strong and diverse field, however, was not.

The three finalists reflect well the diversity of the field of submissions. But they were chosen for the qualities they share. Each proposes a provocative thesis. Each draws from a number of different data sources and employs a variety of methods to construct its arguments. And each will appeal to a broad range of scholars both within economic history and beyond.

MARK GEIGER

Mark Geiger's dissertation uncovers a financial conspiracy that took place in Missouri early in the Civil War and argues that its aftermath had significant consequences for the state both during and after the war. Geiger discovered this conspiracy accidentally; in searching through court records for the 1860s, he stumbled upon a number of check-kiting cases: a bank would transfer funds to an individual as payment for supplies for rebel forces, based on the deposit of a promissory note signed by members of the community, most commonly wealthy planters and merchants. To determine the extent of this scheme, Geiger searched all the surviving circuit court records for Missouri in the Civil War period. He found nearly 2,800 such cases and estimates that almost three million dollars was channeled to the rebellion forces in this way. This is a sizable sum given that Missouri banks only transferred about two million dollars to the Union side over the course of the war. Remarkably, Geiger finds no evidence that this activity was coordinated or directed in any systematic way. Rather, it seems to have spread through family and social networks. Drawing on census records, family histories, and other genealogical databases, Geiger is able to show that the note-signers were linked to each other, and the bankers involved, by family connections.

The resolutions of many of these promissory-note cases were sheriffs' auctions of the note signers' property. It is through these auctions that Geiger connects the financial conspiracy to Missouri's experiences during the war and after. The first effect of these auctions was to create an additional group of angry young men, which further fueled the guerilla insurgency in the state. In the Boonslick region where the promissory-note cases were concentrated, four-fifths of the "bushwhackers" came from families whose property was sold in the estate sales.

The second effect of the sheriffs' auctions was to break up the large plantations in the state. Planters elsewhere in the South managed to maintain their land ownership during the war, but not in Missouri. The large amount of land forced into the market also reduced land prices in the state, encouraging migration from overseas and from

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states in the North. Geiger argues that these economic and demographic changes caused the state to lose its Southern identity.

Geiger's dissertation exploits a truly impressive range of sources—court records, bank balance sheets, family histories, and census records—to tell a clear and coherent story. The discovery of the financial conspiracy is on its own a major contribution to our understanding of the microeconomics of the Civil War financing. Geiger has also convinced me that the aftermath of this conspiracy contributed to the violence in Missouri during the war. But I am still uncertain as to the role it had in changing Missouri's regional identity. Missouri was already very different from the other slave states when the war began. Already, a sizable fraction of the population was born outside the South. When the pro-Southern governor called for a convention to consider secession in early 1861, Missouri voters elected delegates who voted almost unanimously against secession. The implicit counterfactual to consider is, what would Missouri have looked like in 1880 if these promissory note schemes had not taken place? I am not yet convinced that it would have looked much differently than it did. Even without the financial conspiracy, Missouri after the war would have been an inhospitable place for pro-Southern plantation owners.

SCOTT MARLER

Scott Marler's dissertation consists of two loosely interwoven narratives, each of which could be a stand-alone dissertation. The first is the story of the decline in the economic importance of New Orleans over the nineteenth century. Marler places much of the blame for the city's decline squarely on the shoulders of the city's merchant class. Drawing on a wide range of documentary evidence, Marler constructs a portrait of New Orleans' merchant society. Although there were notable voices of warning, most in this group simply overestimated the importance of New Orleans in the trade of Southern cotton and the importance of Southern cotton in the world economy. But also at fault were the ethnic and cultural divides within this group. Marler argues that this lack of class cohesion hampered the investment in the public infrastructure that would have increased the city's attractiveness as a trading center.

The Civil War only accelerated New Orleans' decline. The first blow to the city's economy came from the voluntary cotton embargo engineered by the city's merchants who were convinced that it would entice Britain to enter the war on the side of the Confederacy. Then came the Union occupation and the punitive policies of General Benjamin Butler. Rebuilding after the war was hampered by a significant capital shortage and the inability to attract capital from outside. Aggravating the situation, many of the younger, more innovative merchants had abandoned the city during the war and were never to return. The ones who remained were unable to adapt to the changes in the cotton market after the war as plantation agriculture gave way to small family farms often farmed under tenancy and sharecropping contracts.

Into the breech came small merchants operating in rural parishes outside of New Orleans. These merchants are the subject of the second narrative of Marler's dissertation. In sharp contrast to the picture he paints of New Orleans merchants, Marler depicts rural merchants as innovative and forward-looking. What I found most surprising, though, is that this is how he depicts these merchants both before and after the Civil War. Using records from the R.G. Dun and Company, Marler shows that there were already large numbers of merchants operating in the rural parishes of Louisiana before the War, and many of these conducted most of their transactions on credit. Marler even finds that a number of these firms were able to survive the war.

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The role of the rural merchant in the Postbellum South is a well-studied topic. The focus of most of this work, however, has been the Cotton South. Louisiana provides Marler with a laboratory for comparing the experiences of merchants in economies dominated by different crops and different labor contracts. His general conclusion is that sugar production created an economic environment more favorable for retail trade. In a case study of two parishes, one sugar and one cotton, he finds that the sugar parish had greater entry as well as greater persistence of merchants during the Reconstruction period. He hypothesizes that this was due to the use of wage labor in sugar production. Sugar workers were still poor, but not as poor as cotton farmers. Moreover, the regular payment of wages allowed merchants in sugar parishes to rely less on credit transactions, reducing the risk involved in their day-to-day transactions.

I feel a bit gluttonous to ask for more from a dissertation that is over 500 pages and, as I have already said, could be two dissertations. But I still have a number of questions, many of which I believe could be answered given the data that Marler has already collected. I would like to know, for instance, more about who among the New Orleans merchants were able to stay in business during the war and Reconstruction. I have similar questions about the rural merchants: Were there any characteristics of firms that were systematically related to persistence during the war and after? Were there differences between the sugar and cotton parishes in what types of firms succeeded or failed? I am particularly intrigued by Marler's hypothesis about the connection between the type of labor contract in an area and the profitability of the retail trade. I would like to see this hypothesis put to further test by looking at data from other areas in Louisiana and beyond.

TODD NEUMANN

Todd Neumann's dissertation examines the transformation of the retail sector in the past century. In the first few decades of the twentieth century, the small merchant in the town center that was the focus of Marler's dissertation gave way to the large inventory store on the outskirts of town. The ownership structure, the use of labor, and even the basic interaction between seller and buyer changed in a relatively short period of time. The "usual suspect" in such a transformation is a change in technology on the producer-side of the market. But Neumann focuses his investigation on changes in technology on the consumer-side of the market—namely, the automobile and radio. Both altered the way consumers acquired information, and the automobile made consumers more mobile, changing the types of services they demanded from retailers.

Neumann first examines how the two technologies affected competition in retailing. Assessing competition in any industry is a challenge, but it is a particular challenge in the retail sector for which we have no good measure of output or prices. Neumann cleverly circumvents this problem by adapting a model from the industrial organization literature which estimates profit functions using data on the numbers of retail establishments in markets with different characteristics. The degree of competition is captured in the entry thresholds—the population sizes required to support different numbers of firms. A more competitive market is characterized by larger entry thresholds. Using city-level data from the 1930 Census of Retail Establishments, he finds that the two technologies tended to have opposite effects: greater automobile ownership was associated with larger entry thresholds while greater radio ownership was associated with smaller entry thresholds. Neumann suggests that this latter, somewhat unexpected, effect, may indicate that retailers were able to reduce competition by using radio advertisements to differentiate themselves.

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Neumann also finds different effects of the two consumer technologies on labor demand in retailing. Some of the key innovations in retailing in this period, such as self-service and large inventory stores, involved the substitution of capital for labor. Neumann derives a structural labor demand function from a model in which automobile and radio ownership are allowed to affect the relative productivities of capital and labor. Again using data from the 1930 Census of Retail Establishments, he finds that, as expected, auto ownership increased the relative productivity of capital and reduced labor demand. But he is unable to identify any effect of radio ownership on labor demand.

The strength of these two studies is the clarity with which Neumann describes the empirical models and presents the results. The structural econometric models are complex and highly nonlinear; looking at coefficients alone tells us little about the economic significance of the estimates. Neumann uses predicted values and simulations, as well as back-of-the-envelope counterfactual calculations to illustrate his findings. What I would have liked to see, however, is more analysis of those empirical findings. For instance, Neumann finds that the effects of automobile and radio ownership varied across segments of the retail sector. For example, radio ownership increased entry thresholds for department stores even while it decreased the thresholds for variety stores. This variation would seem to have informational content that could be exploited to explore more fully the mechanisms by which the two technologies altered retail trade. More also can be said about the contrasting findings of the effects of the two technologies. Both the automobile and the radio changed the way that people shopped, but in very different ways. Exploring those differences in light of Neumann's findings could be illuminating.

Neumann has clearly demonstrated the association between the spread of consumer-side technologies and the transformation of the retail sector. But, as I am sure he would acknowledge, there is still much to learn about what was generating this association. The variation in automobile and radio ownership across markets was not randomly determined. By more thoroughly investigating the possible sources of this variation—either by drawing on the work of others or investigating it himself with the broad range of data he has already collected—Neumann may be able to paint a more complete picture of the relationship of the retail revolution to car and radio ownership.

In the final study of the dissertation, Neumann looks at the changes in the retail labor market using data on retail workers from the federal population censuses. He finds that the retail labor force changed dramatically: the share of proprietors fell, the share of females increased, the average age of workers decreased, and occupations became more specialized. Using city-level regressions, Neumann links some of these changes to the increase in store size and the spread of chain stores. Surprisingly, though, he does not look at the relationship between the changes in the labor force and the spread of the consumer-side technologies that are the focus of the rest of the dissertation. Such a study would be a nice complement to Neumann's other research.

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