

national politicians (like Theodore Roosevelt), academics, members of the press, as well as religious and other community leaders.

In the regional assessments, Pearson explores the ten intense years of industrial sparring in Cleveland beginning around 1900. In this case study, there is further evidence that a multifaceted approach is necessary to limit strikes and the intimidating power of the closed-shops in manufacturing. The open-shop movement enlists the aid of lawyers, organizers, politicians, as well as writers and poets to sway legal and public opinion toward increased freedoms for independent workers and employers. In another case study, (“Avenging McKinley”), Pearson holds his microscope over the city of Buffalo to assess the movement’s reaction to labor challenges in a city with heterogeneous factory owners representing different religious and economic classes and reeling from the recent assassination of President McKinley by a reactionary, leftist.

Economists generally agree that strikes are a wasteful method for resolving workplace disputes. Of course, the threat of a strike must be credible for a labor union to gain bargaining power; however, the inefficiencies of picketing and protesting low pay and harsh working conditions may have been rivaled by the tremendous effort required to mobilize the anti-union effort. Pearson’s historical narrative demonstrates that while the public ultimately accepted the pro-employers’ open-shop stance, it was not a swift or costless endeavor. It took years of resolute determination in spite of the understanding that union strikes and protests were inherently welfare-reducing.

Pearson’s prudently fashioned prose represents a superb and intimate understanding of the critical actors in this era of American labor history. His use of word play to exploit the nuances of contemporary industrial labor relations makes up for the lack of illustrations and figures to represent the state of these local economies in the midst of turmoil. Pearson makes a substantial contribution to our understanding of the open-shop movement.

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Slaughterhouse: Chicago’s Union Stock Yard and the World It Made. By Dominic A. Pacyga. Chicago: University of Chicago Press, 2015. Pp. xvii, 233. \$26.00, cloth; \$18.00, e-book.
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This book concerns the history of Chicago’s Union Stock Yard and its surrounding neighborhood, the Square Mile. The growth of the railroad network and the development of the refrigerated rail car during the late nineteenth century facilitated the concentration of meatpacking and slaughtering in a central location. As a consequence, Chicago’s Square Mile became the most important nexus of this burgeoning meat trade. The largest meatpacking firms, including Armour, Swift, and Morris, located their central operations within this area. *Slaughterhouse* furnishes an exciting and highly readable account of the emergence, rise, decline, and rebirth of this neighborhood, the meat-related industries that located within it, and the working class (often immigrant) communities that lived nearby.

Slaughterhouse tells this story in more or less chronological order. Chapter 1 describes how the Union Stock Yard, which organized the killing and processing of

meat on an unprecedented scale, was a spectacle of the modern age. Chapter 2 concerns the origins of stockyards in mid-nineteenth century Chicago and the formation of the Union Stock Yard. Chapter 3 details what life was like for workers in the yard, the rise of organized labor, and the conflicts that arose between labor and management in the slaughterhouses and packinghouses. Chapter 4 discusses the Union Stock Yards during its peak years, the managerial revolutions that swept the large packinghouses, the rise of the Beef Trust, and the impact of Upton Sinclair's *The Jungle* on regulation of the industry. Chapters 5 and 6 describe the gradual decline of the Union Stock yard during the middle decades of the twentieth century and the transformation of the neighborhood in terms of its socio-economic and industrial base.

As Dominic Pacyga notes in the opening of the Preface, *Slaughterhouse* is principally a history of a place. Indeed, he notes that “[It] is not strictly a business history, nor is a labor history, an ethnic history, or a social history” (p. ix). While this makes the book somewhat challenging to situate within a literature, it does suggest that many different audiences will find much to like. Pacyga paints his story about the rise and decline of the Union Stock Yards on a broad canvas that touches on important themes in labor history, urban studies, as well as business and economic history. Indeed, it is difficult to resist the author's apparent enthusiasm for this topic. Pacyga, himself a native of Chicago, has long standing personal connections with the Union Stock Yard, having grown up hearing stories about the packinghouses told by friends and relatives who once worked there. Additionally, Pacyga has spent much of his academic career studying various aspects of the history of Chicago, of which the Square Mile is an important component. This book is clearly a labor of love.

However, because *Slaughterhouse* is so broad ranging, it may not completely satisfy any one constituency of readers. Let me point out two issues that I believe some readers of this JOURNAL might like to have seen discussed in this book.

First, Pacyga does not detail the rise of federal meat inspection regulation prior to the 1906 Meat Inspection Act. As has been discussed by Gary Libecap (“The Rise of the Chicago Packers and the Origins of Meat Inspection and Antitrust.” *Economic Inquiry* 30, no. 2 (1992): 242–62), federal government inspection of the packing and slaughtering of meat began in 1891, just after the 1890 Sherman Act, the first federal antitrust statute. Libecap argues that both policies were consequences of the rise of Beef Trust. The same technological changes that fuelled the growth of the Union Stock Yards and the large Chicago-based packing firms also tilted the competitive playing field in ways that were perceived harmful by local slaughterhouses and cattle raisers. According to Libecap, these two regulatory measures were a product of rent seeking by local slaughterhouses and cattle raisers who sought policies to stem the growth of the large Chicago packers. Pacyga is evidently aware that meat inspection was already in place prior to 1906 (p. 127). However, because it is only mentioned in passing, his narratives of the 1906 law as well as of the federal government's subsequent antitrust actions against the Beef Trust are missing important historical context as part of an ongoing battle that pitted large firms against small ones.

Second, while Pacyga's discussion of the rise of the Union Stock Yard includes interesting details about the personalities and companies involved, their disputes, as well as some of the contractual arrangements that were negotiated among these firms (p. 112–19), he does not provide a theoretical framework for understanding these often-complex relationships. The financing and building of the Union Stock Yard, the railroad

connections to the yard, as well as the meat packing plants surrounding it involved enormous non-salvageable (i.e., sunk) investments in specific capital. The success of this industry required many separate firms to solve problems of coordination and co-location. Among others, Benjamin Klein, Robert Crawford, and Armen Alchian (“Vertical Integration, Appropriable Rents, and the Competitive Contracting Process.” *Journal of Law and Economics* 21, no. 2 (1978): 297–326) have shown that in the presence of specific investments, contracting parties have an incentive to behave opportunistically. Vertical integration, long-term contracting, joint ownership, and other contractual forms are viewed as potential solutions to this hold-up problem. The disputes that arose among the various meat industry firms located in the Square Mile, as well as the contractual relationships among these firms that allowed them to co-locate and prosper, could have been fruitfully interpreted along these lines.

Nevertheless, as a history of a specific place, and the use of the rise and fall of the slaughtering and packing industries as a lens through which to view modernity, *Slaughterhouse* is a success. Pagyca provides rare insight into how an industry came to transform a place and reflect an age. One would be hard pressed to find a more readable introduction to the history of one of the most fascinating corners of Chicago.

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The Engine of Enterprise: Credit in America. By Rowena Olegario. Cambridge: Harvard University Press, 2016. Pp. xi, 312. \$39.95, cloth.
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In *The Engine of Enterprise: Credit in America* Rowena Olegario argues that throughout the country’s history Americans have had four major concerns about credit: reconciling differing attitudes about credit, improving credit availability, assessing credit worthiness, and accommodating the risks associated with credit. She also identifies four phases in the history of American credit, and each phase is covered in a chapter.

Olegario characterizes the first phase as the emergence of a culture of credit. From 1790 to 1850 the number of banks and the supply of credit expanded rapidly, and Americans began to experiment with new ways of dealing with the risks of credit. The second phase (1865–1910s) is characterized by an increase in the inequities of credit. The starting point of this phase is the disruption of the Civil War and the creation of the national banking system. Olegario argues that access to credit continued to expand during this period, but concerns about the inequities in access to credit, as well as changes in who bore the risks associated with credit, led to changes such as bankruptcy legislation, the Farm Loan Act, and the Federal Reserve. The third phase (1920–1970s) is characterized by increased access to credit for households. Households obtained increased access to installment credit to purchase consumer durables and mortgages to purchase homes, and, ultimately, they obtained credit cards to purchase whatever they chose. The fourth phase (1980–early 2000s) is characterized by a change in the standards of credit-worthiness. Olegario sees the fourth phase as an “inflection point” during which “[t]he steady erosion of lending standards along with government guarantees of bailouts severed the link between risk and reward.” In a postscript she reviews the events leading up to the financial crisis in the late 2000s, and summarizes her view of the changes in credit over the last two centuries.