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Review of Northern Naval Superiority and the Economics of the American Civil War by David G. Surdam

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Recommended Citation

JEFFREY ROGERS HUMMEL. "Review of Northern Naval Superiority and the Economics of the American Civil War by David G. Surdam" *North & South* (2004): 90-91. doi:10.1017/S0022050702000852

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brief historical overview of the industry's development, its unfortunate consequences for Baton Rouge, the state capital, and that city's largely unsuccessful efforts to deal with them. Detailed and rigorous examinations of the industry's impact on the larger region's human and fish populations are the subjects, respectively, of Barbara Allen's and H. L. Bart's essays.

Transforming New Orleans and Its Environs, essentially an historical environmental impact statement of the settlement and development of a region of the Deep South, is also a fine example of institutional economic history. Its editor and contributors are to be commended.

PAUL PASKOFF, *Louisiana State University*

Northern Naval Superiority and the Economics of the American Civil War. By David G. Surdam. Columbia: University of South Carolina Press, 2001. Pp. xxiv, 286. \$34.95.

The contribution of the blockade to Union victory during the American Civil War has long been controversial. Among those historians who have questioned the blockade's efficacy are Richard E. Beringer, Herman Hattaway, Archer Jones, William N. Still Jr., Raimondo Luraghi, Frank Lawrence Owsley, and Stephen R. Wise. They note that, until the war's last year, the blockade remained a leaky sieve and that the agrarian South never lost a major battle for lack of arms and ammunition. The blockade's scholarly advocates, including Edwin B. Coddington, Bern Anderson, and Stanley Lebergott, stress in contrast such indirect impacts as the disruption of internal trade, the over-taxing of southern railroads, and the dislocation of the Confederate economy overall.

Economic historian David Surdam has waded into this debate with a boldly conceived, valuable book employing more explicit theoretical models and greatly expanded data. Not confining himself to the blockade alone, Surdam makes four interrelated arguments: First, the blockade of southern ports imposed heavy burdens on the Confederacy at very low cost to the Union. Second, the blockade also precluded Confederate wielding of its near monopoly position in the international market for cotton. Third, the world demand for American cotton, contrary to previous findings, was not "destined for a severe downturn, whether temporary or permanent" (p. 150). Fourth, Union policies relating to cotton in occupied areas and trade across the lines weakened somewhat the blockade's effectiveness. None of these points, save the third, is entirely original, but Surdam's book certainly pumps up their quantitative muscle.

Surdam pursues the first argument by comparing the blockaded South with an ideal Confederate war effort facing no military barriers to trade with Europe or to transport over inland and coastal waterways. He is therefore able to corroborate Coddington's thesis that the blockade was responsible for the universally acknowledged wartime breakdown of the South's railways. Astronomically higher shipping costs and reduced tonnage—despite the continued success of blockade runners—also prevented construction of a Confederate navy, deprived civilians of many imported necessities, brought a region self-sufficient in foodstuffs to the verge of starvation, and thereby proved instrumental in undermining morale.

On the one hand, Surdam is to be applauded for his emphasis on logistics, a subject often neglected in straight military accounts. No study does a better job of showing exactly why Union control of the Mississippi River was so debilitating for the Confederacy. The author has mastered a vast secondary literature on two usually disparate subjects: military and economic history. And he has profitably revisited some classic but musty academic discus-

sions, such as that over southern food supplies originally sparked by Douglass North's 1961 work on antebellum interregional trade.

On the other hand, the author of *Northern Naval Superiority and the Economics of the Civil War* is guilty of overstatement when he claims that "the blockade alone might have rendered asunder the nascent Confederacy . . . [,] albeit more slowly" (p. 186). As he proceeds through his laundry list of all the great things that could have been accomplished without the Union blockade, Surdam seems to lose sight of other constraints the Confederate war effort would have hit, due to limited southern resources. It is not at all clear that even the increased revenue from optimal cotton exports could have purchased enough iron both to maintain southern railroads at full throttle *and* build a Confederate navy rivaling that of the Union. Moreover, Surdam counts as part of the blockade many combined naval-land operations that the Union would have mounted anyway for other military reasons. As the book's evidence demonstrates, the capture of New Orleans in April 1862 was the most devastating single blow to Confederate foreign commerce and intraregional trade. How much of the Union's control over rivers and the oceans should be credited to the blockade as opposed to mere naval superiority, the importance of which no one denies? The detractors always admitted that the blockade inhibited the Rebel war effort at the margin. To prove that the blockade would have been decisive, Surdam must pay greater attention to similar conflicts, where a combatant successfully withstood equally overwhelming naval disadvantages, for instance the Americans during either the Revolution or the War of 1812.

Perhaps the book's most interesting revision relates to wartime cotton demand. Whereas the previous estimates of Gavin Wright and John R. Hanson II assumed a constant elasticity, Surdam presents compelling evidence that the demand elasticity for American cotton not only changed over time but was not even constant at any one time, instead becoming more elastic at higher prices. This insight unfortunately works at slight cross purposes with Surdam's simultaneous endorsement of Lebergott's suggestion that the Confederacy could have exploited its price-setting power over cotton. Not that the tension matters much. A careful look at Surdam's figures shows that any enhanced revenue from output restrictions would have been almost trivial compared to the revenue lost from the blockade-induced wedge between cotton prices in the Confederacy and in Europe.

The book's major weakness is its presentation. Not simply does the author write with the impenetrable prose that characterizes too much of cliometrics, but he apparently had no clear notion about his intended audience. The allocation of material between text and appendices displays no obvious consistency. Some very technical economics remain within the text to befuddle any Civil War historian untutored in the subject. Yet Surdam fails to provide sufficient historical details about such relatively obscure topics as the Confederate cotton embargo or Union cotton policies for economists not experts in the period. As a result, *Northern Naval Superiority and the Economics of the American Civil War* will have trouble reaching the two groups most interested in its conclusions. Surdam's editors at the University of South Carolina Press must share some of the blame for these unfortunate blemishes on what is otherwise a fine addition to Civil War scholarship.

JEFFREY ROGERS HUMMEL, *Hoover Institution*

Indian Reservations in the United States: Territory, Sovereignty and Economic Change. By Klaus Frantz. Chicago: University of Chicago Press, 1999. Pp. xxvi, 370. \$25.00, paper.

As its title indicates, American Indian reservations are the subject of this book. In particular, this book deals with issues pertaining to the economic conditions of federally recog-