

Overall, Denial convincingly demonstrates that the “Dakota and Ojibwe had their own sense of order and duty that did not answer to American [marital] law” (125), and that “laws could indeed help create a new world. . .but they could not legislate away patterns of living that had existed in the region for centuries” (128). Readers seeking a racially diverse exploration of antebellum marital practices in the Upper Midwest will enjoy Denial’s book. The study does not, however, make connections to the broader histories of marital regulation in the American West or the antebellum period, which readers might expect. For example, she ignores antimiscegenation statutes, although Minnesota and Wisconsin Territories stand out as the only territorial legislatures that never passed racialized marriage laws, an anomaly she might have discussed. Occasionally, her explanations for legislators’ choices in regulating marital practice in the Upper Midwest are questionable, but Denial has certainly brought valuable evidence of racial-ethnic marital diversity in an oft-homogenized region to light, and readers will thank her for it.

Katrina Jagodinsky

University of Nebraska-Lincoln

Jonathan Levy, *Freaks of Fortune: The Emerging World of Capitalism and Risk in America*, Cambridge, MA: Harvard University Press, 2012. Pp. 432. \$35.00 cloth (ISBN 978-0-674-04748-8).
doi:10.1017/S0738248014000091

Jonathan Levy’s brilliant, prize-winning book *Freaks of Fortune: The Emerging World of Capitalism and Risk in America*, reconstructs the nineteenth century world in which, what he calls, “the economic chance world” of capitalism took hold. As Levy argues, risk was paired with/fundamental to capitalism’s development. The word “risk” is all too often read as synonymous with hazard, peril, or danger. Two things, at least, are lost in such a reading. First, is that of the potential upside of future uncertainty: in the emerging world of capitalism, risk-taking held out the promise of unparalleled gains as much as devastating losses. And second, is that risk began its life as a financial instrument for coping with the uncertainties (“the perils of the seas”) of long-distance maritime trade. Risks were then themselves commodities that could be and were bought and sold independent of the underlying commodity (rice, lumber, slaves) to which they related; they made the maritime trade that underlay the modern birth of capitalism possible.

As Levy explains, nineteenth century Americans faced the new insecurities of capitalism and embraced the language and financial instruments of risk in the same context that they grappled with the “moral struggle over freedom

and slavery” (5). And so it was that owning one’s own risks became seen as a fundamental characteristic of self-ownership: the free man owned his own risks; the slave or the married woman did not. Self-ownership was then in its origins, in this particular as in so many others, both racialized and gendered. The moral conundrum posed by capitalism and risk went beyond this, however, because freedom, defined in terms of ownership of one’s risks, as Levy shows, brought new forms of dependence: dependence upon a corporate financial system that while it claimed to tame risk, brought with it new forms of uncertainty and insecurity.

Levy beautifully relays this dramatic history over eight chapters. Drawing on, but modifying Karl Polanyi’s notion of a “double movement,” Levy describes the nineteenth century in terms of a series of “counter movements”—landed independence, slave mastery, new fraternal societies, trusts—“against the generative insecurity and radical uncertainty of capitalism” (18), but increasingly, as he shows, financial instruments and practices, such as insurance, mortgages, and futures trading, took center stage, so that by century’s end the corporate financial system was in place.

Levy lays the conceptual and definitional foundations of risk and self-ownership in a capitalist landscape in the first two chapters (“The Assumption of Risk” and “The Perils of the Seas”). You might have thought that there was nothing new that you could learn from Chief Justice Lemuel Shaw’s opinion in *Farwell v. Boston and Worcester R.R. Corp.*, but as Levy shows, Shaw fashioned the new legal concept—assumption of risk—denying Farwell’s claim to compensation from the railroad for his injuries, from maritime precedents. Farwell, as a free man, owned his own risk: “No different from his own body, Farwell’s ‘risk’ was part of his selfhood” (8). There was not, at the time of Shaw’s decision in *Farwell*, any place that workingmen such as Farwell could sell their newly commodified risk, but soon enough, accident insurance corporations would develop. “As *Farwell* well illustrates,” Levy notes, “from the start the identification of running one’s own risk with personhood and freedom went hand in glove with new efforts to financially manage that very same risk” (13).

In the following chapter, Levy traces the history of marine insurance with its concepts of “double commodification,” “risk community,” and “reinsurance,” through the dramatic story of the *Creole* in which a handful of male slaves in a much larger cargo of slaves took control of the ship and sailed to freedom in the Bahamas. The slaves had been “cargo,” and, as such, insured. What happened to that insurable interest when some of the slaves revolted? Could their owners recover their value? The Louisiana Supreme Court held that the answer was “no,” that when the slaves revolted, they became free men and, as such, owned their own risk.

Levy turns from here to chapters on the development of life insurance (ch. 3), the failure of the freedmen’s bank (ch. 4), the failure of landed independence

(ch. 5), fraternal associations (ch. 6), the development of futures trading (ch. 7), and, finally, the trust question (ch. 8). In a short but powerful epilogue, he brings the history of corporate and governmental risk management to the present, focusing briefly, but importantly, on Social Security, which, whatever its claims, rested on the insurance principle, and with it notions of male individual entitlement and right, and the returned longing for, even celebration of, at century's end, a "reinvigoration of the old link among freedom, self-ownership, and the personal assumption of risk": "free men" facing the economic chance world of capitalism.

Levy is a master storyteller. Chapter 5 may be my favorite, in which Levy traces the failure of the counter movement of landed independence, as farmers, determined to keep hold of or extend their land holdings, sign mortgages, and then life insurance policies to pay off their mortgages in the event of their death, and in the end, are unable even to know who held their mortgage that had been sliced and diced, repackaged, and sold—on the Western farm mortgage market—as the first mortgage-backed securities owned in large part by the very insurance companies that issued the life insurance policies that the indebted farmers bought to pay off their mortgages in the event of their death. Rich individual portraits abound: abolitionist Elizur Wright who becomes the "father" of actuarial science; Rosie Ise, the industrious Kansas farm wife whose labor, like that of all farm wives was essential to, but hidden in, the narrative of landed independence, uninsurable by virtue of marriage, who shouts out her frustration at the abstract, impersonal system farmers found themselves sucked into to a visiting evangelical minister (153); and George Walbridge Perkins, Sr., whose sense that individual risk bearing had become too risky, that giant trusts that eliminated competition and decided on the well-being of their employees were the solution, who died a broken man in the wake of scandal and tragic personal loss. As we see in Levy's careful portrait, capitalism and its essential pair, corporate risk management, were not forces outside of history and without human agency. Moreover, the modern American corporate financial system he traces is given shape through law: assumption of risk, insurance, mortgages, futures markets, corporations and trusts, are all creations of or fundamentally shaped by law.

It is important to note in closing that Levy did not start here from scratch. He benefited from important earlier work on the history of slavery and personhood, accidental injury, insurance, actuarial science and probability, and fraternal societies. But that said, this is a singularly important and original book, written with grace, and exhibiting a deep moral sensibility. Risk has a history, indeed. You might say, risk has found its historian.

Barbara Young Welke
University of Minnesota