The tariffs placed on foreign sugar made Louisiana sugar production competitive and profitable. The oversight, or lack thereof, of banking institutions made possible the massive extension of credit used to buy people, lands, and seeds, which allowed small enterprises to become large firm and companies.

Schermerhorn's *The Business of Slavery* effortlessly blends economic, social, and geo-political history and is a critical addition to the growing scholarship on slavery and capitalism. Through meticulous details and succinct prose, Schermerhorn explains how the business of slavery enriched individuals, institutions, and the nation as a whole. This social-economic history is intensely personal, fleshing out the backgrounds, personalities, and lives of its subjects. Schermerhorn simultaneously notes the creativity of slavery's businessmen and highlights the human cost of their economic ambition: the violent and morally devastating expansion of race-based slavery. He illuminates what is for many Americans the very uncomfortable truth that the United States of America became an economic power on the backs of enslaved black people, and the ingenuity, hard work, and entrepreneurial spirit celebrated in the popular narrative of the successful American businessman was made possible by a system of extreme and brutal exploitation.

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Scott Sumner. *The Midas Paradox: Financial Markets, Government Policy Shocks, and the Great Depression*. Oakland, CA: Independent Institute, 2015. xv + 507 pp. ISBN 9-781598-131505, $37.95 (cloth).

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The causes of the Great Depression remain an active debate between historians and economists. Often fueling that debate, which can expand to include what ended the Depression, is current policy debates on finance and labor policies. What is the appropriate response to a financial downturn? Starting in the 1930s, policy makers and scholars have examined a variety of causes that include, but are not limited to, World War I and the economics of the Treaty of Versailles, the policies of 1920s Republican administrations in the United States, new Wall Street practices, Herbert Hoover's policies, and Franklin Roosevelt's

New Deal. The debate often includes the money supply, central banking policy, and international trade, and can take on partisan and ideological dimensions. This was especially true after the financial panic of 2007–08. During a financial crisis, what, if anything, should the government do?

Scott Sumner has stepped into this debate with *The Midas Paradox: Financial Markets, Government Policy Shocks, and the Great Depression*. It is the culmination of decades of work on the Depression. Sumner, as he recounts in the book and on social media, started blogging in an attempt to correct what he considered the wrong response to the financial crisis that followed the collapse of the housing bubble. Policy makers, he argued, had learned the wrong lessons from history. Sumner argued that the Federal Reserve Board should have changed its target to increase nominal GDP, rather than continue its traditional focus on inflation rate. He believed that twenty-first-century policy makers were repeating the mistakes that created the Great Depression, prompting him to return to his long-standing project on the gold standard and the Depression. From Sumner's perspectives, policy makers learned the wrong lessons and continue to apply these mistaken monetary and wage policies.

The *Midas Paradox* is a substantial piece of scholarship in which Sumner captures the complexities of the Great Depression. In Part I, he lays out his theoretical approach. In subsequent parts, he provides detailed narratives that supply qualitative and quantitative evidence to flesh out his argument. Sumner focuses on the gold reserve ratio, concluding that world monetary policy tightened between 1929 and 1930 because of hording by central banks and private citizens. Sumner argues that a broken gold standard was the problem. It would have been better either to use a repaired gold standard or no gold standard at all, but the crippled gold standard hindered policy makers' response to the Depression. Sumner's other major cause of the Depression were the policy shocks created, primarily, by New Deal labor policies. Sumner critiques President Herbert Hoover's policies, but he reserves most of his criticism for Roosevelt's New Deal. In summary, he writes, "The basic message is easy enough for even non-specialists to follow. Gold hording led to deflation and the Great Contraction of 1929–1933, and also the depression of 1937–1938, and five attempts to artificially raise wages during the New Deal slowed the recovery" (xvii).

Sumner has staked out a position as a Market Monetarist, with an emphasis on nominal income rather than on other traditional targets used by central banks. Sumner's position is that markets reacted rapidly and rationally to policy. Here, he disagrees with monetarists such as Milton Friedman and Anna Jacobson Schwartz (*A Monetary*

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*History of the United States, 1867–1960,* Princeton NJ: Princeton University Press), who argued that markets reacted slowly to policy. Sumner makes heavy use of financial reporting to gage business and public awareness and responsiveness to policies. Sumner's extensive and impressive research into the financial reporting contributes heavily to his narrative.

Sumner is in line with criticism of New Deal programs such as existed under the National Industrial Recovery Administration, a corporatist attempt by the New Dealers to curtail competition and boost spending. The New Deal made a series of efforts to boost worker pay as part of its alphabet soup of agencies. Sumner argues that these programs, rather than helping the economy, were instead "policy shocks" that—combined with the problems with the gold standard—created the Great Depression. FDR pursued contradictory policies at various points, which is particularly true when we look at his policies around the money supply. This part of his argument brings Sumner in line with critics of the New Deal, but it also separates him from those who see easy money during the 1920s as creating the bubble that burst in 1929.

Sumner's emphasis on the international nature of the gold standard is interesting. In some ways, with his emphasis on the role of central bankers and the dysfunctional international gold standard, the *Midas Paradox* could be read with Liaqut Ahamed's *Lord's of Finance: The Bankers Who Broke the World* (New York: Penguin Press). Sumner observed that if the international rules determined gold ratio, which he emphasizes, then a country truly did not control its monetary policy. Sumner makes clear the international connections created by the gold standard.

It is interesting to consider how scholars reading Sumner might reconcile the approaches taken by academic historians—particularly those who focus on political and social history—and by economists. Clearly, in neither discipline is there an absolute consensus on these issues. There exist interesting areas of disagreement and potential for engagement.

History weighs heavily on policy makers in dealing with a crisis. This is seen in Sumner's, and others' use, of research on the Great Depression during the Great Recession. It can be seen in the Eurozone crisis as Germans promote austerity, perhaps influenced by the memory of 1920s hyperinflation. I suggest there are several layers of historical analysis as work. The first question to ask is: How did people (policy makers, economists, investors) at the time understand events? It is known that FDR reluctantly moved away from austerity and did not fully embrace Keynesian economics. New Deal policies were not, on the whole, consistent. Sumner shows these inconsistencies in his treatment of FDR's policies during 1933. FDR did understand the politics of the Depression. What Sumner sees as policy shocks, New Dealers saw as humanitarian, and Democrats saw as political realignment. The next question to ask is: What lessons did they take from the experience? Here, Sumner asking if they misinterpreted the Depression is valuable. Are the lessons of people caught in the fog of war being misapplied? Finally, how has the economy changed that might alter practical lessons? Sumner makes valuable insight into the gold standard and the Great Depression, and perhaps is right in how those lessons should be applied today, but it should also be considered that today's economy is dominated by different technologies and, to some extent, how we interact with and think about money has changed. New Dealers had to build state capacity as they enacted policy, while modern policy makers already have powerful governmental institutions. Sumner's emphasis on placing policies in context is a worthwhile contribution.

In summary, Sumner's *Midas Paradox* breaks down the Depression into its complex, interconnected parts. Even if you disagree with his conclusions, this is certainly a book worth reading.

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Catherine Cangany. *Frontier Seaport: Detroit's Transformation into an Atlantic Entrepôt*. Chicago: University of Chicago Press, 2014. xi + 288 pp. ISBN 978–0226096704, $48.00 (cloth); ISBN 978-0226096841, $48.00 (e-book).

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Detroit is the city of the American century. Its meteoric rise through the development of the automotive industry in the early twentieth century, and its tortuous decline through racism and deindustrialization, encapsulates the opportunities and disappointments of the American experience.

To understand twentieth-century Motown, however, Catherine Cangany challenges her readers to look backward to the eighteenth and early nineteenth centuries to recover the economic and cultural forces that shaped the Americanization of Detroit. In her excellent book, Cangany argues that Detroit was the product of its unique geographic position at the intersection of the Atlantic World and the American frontier. The rise of an All-American city, then, was not the fruit of frontier exceptionalism and isolated entrepreneurialism. Rather, from its