from the institutional particularities and fragmentation of the U.S. government. The implication is that federal lawmakers therefore had no idea that their legitimization of mortgage-backed securities would lead banks to innovate more and more risky forms of asset-backed securities, paving the way for the financial meltdown that occurred forty years later.

Thanks to its use of primary sources this final episode on the origins of modern securitization constitutes the book's most important original contribution—although Quinn develops the argument in greater detail in her 2017 article "'The Miracles of Bookkeeping': How Budget Politics Link Fiscal Policies and Financial Markets" (*American Journal of Sociology* [2017]). Otherwise, Quinn's stated methodology is inspired by the "targeted primary" approach consisting of building a narrative based almost exclusively on the secondary literature and only using primary sources when needed (p. 19). While her mastery of the literature is indeed impressive, assiduous business historians will already be familiar with a large part of the historiography she mobilizes and therefore with parts of her story.

Nevertheless, business historians who engage with questions of government-market relationships—or specialize in the history of banking and housing—will appreciate this sweeping, yet clear and relatively concise, long-term overview of U.S. government involvement in credit markets. They may also find it useful in teaching undergraduate courses on related questions. Furthermore, Quinn's use of concepts from sociology reminds readers of *American Bonds* of the *social* bonds that underlie all credit relationships, thus adding a compelling political economy dimension to the story and offering a stimulating read to social scientists across disciplines.

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The Great Reversal: How America Gave Up on Free Markets. *By Thomas Philippon*. Cambridge, MA: Belknap Press of Harvard University Press, 2019. xii + 343 pp. Figures, tables, glossary, appendix, references, index. Cloth, $29.95. ISBN: 9780674237544.
doi:10.1017/S0007680520000409

Reviewed by Marc Levinson

I recently met a young historian who teaches at a leading business school. In the course of our chat, I asked whether he had gotten to know anyone in his university's renowned economic history department. To my surprise, he responded in the negative. The economists and the business historians, he said, don't have much to do with one another.

That conversation stuck in my mind as I read Thomas Philippon's fascinating book, *The Great Reversal*. Philippon, a finance professor at New York University's Stern School of Business, makes a compelling case that competition has declined across the U.S. economy over the past two decades, with regrettable consequences. Unfortunately, Philippon bases his analysis entirely on econometric studies: almost every work cited in his lengthy bibliography is either an economics working paper or an article in an economic journal. By ignoring the very rich historical literature on competition and market power, he omits important historical perspectives that could have made this a richer and more appealing book.

Philippon marshals several types of evidence to support his claim that market power has strengthened. Prices of some important products—airline flights, mobile phone calls, broadband Internet service—are higher in the United States than in many other countries, notably those in Europe. In many industries, the Herfindahl-Hirschman Index (HHI), which measures concentration by squaring the market shares of the firms in the industry, is on the rise. The persistence of high corporate profits (at least prior to the outbreak of the COVID-19 pandemic), whether measured by various ratios or by the amounts companies pay out to shareholders through dividends and share buybacks, hints that many firms may face less intense competition than they used to. As Philippon puts it, "The fact that payouts have increased suggests that many firms feel like they have a lot of cash to spare" (p. 58).

There are complications with each of these measures; the HHI for food retailing, to take one example, is hard to interpret when supercenters, drugstores, dollar stores, gas stations, meal kits ordered online, and prepared meals delivered by DoorDash all offer food for at-home consumption in competition with grocery stores. More consequential, but even harder to measure, is that technology has blurred the lines between product categories. Honeywell and Google both sell household thermostats, but while Honeywell may seek to maximize profits from thermostat sales, Google may be more interested in targeting ads more precisely using information that its home automation systems collect about their owners. Whatever the HHI, these firms may not share an interest in raising thermostat prices.

Despite such complexities, Philippon's evidence that firms in many industries are exercising greater market power is very strong. He links that situation to the declining rates of new business formation and public stock offerings and the greater number of corporate acquisitions.

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One notable omission from his list of relevant factors is the increasingly complex relationships among firms. The *Wall Street Journal* reported in 2017 that Samsung, the Korea-based electronics giant that supplies parts to Apple, was expecting to collect more revenue from each Apple iPhone X than from each Galaxy 8 phone manufactured by Samsung itself (Timothy W. Martin and Trip Mickle, "Why Apple Rival Samsung Also Wins if iPhone X Is a Hit," 3 Oct. 2017). How does this relationship between the two companies, simultaneously friend and foe, affect competition in the smartphone market? Such questions may be better answered by case studies than by quantitative analysis.

Perhaps the most novel part of *The Great Reversal* is Philippon's analysis of the implications of greater market power. "The consequences of a lack of competition are lower wages, lower investment, lower productivity, lower growth, and more inequality," he asserts (p. 10). In popular discussion, the market power of high-tech firms is justified by their contributions to the U.S. economy. Philippon demonstrates in a lengthy table that this argument is fallacious (p. 246). "The defining feature of the new stars is how few people they employ and how little they buy from other firms" he writes, adding that "Facebook, Apple, Google, and Microsoft are smaller than the star companies of previous decades. When their productivity increases, it has less of an effect than similar productivity increases at GM once had" (pp. 256, 258). The current stars' pretax profit margins, he adds, are similar to those of stock market stars of earlier years; what distinguishes them is their much higher after-tax profit margins, a function of tax policy rather than productivity.

Philippon's analysis becomes more problematic when he wades into the political economy of regulation and antitrust enforcement. Here, he ties lobbying expenditures and campaign contributions to weakened merger enforcement and regulation. In addition to drawing on published economic research, he presents his own findings that companies use state-level campaign contributions to shield themselves from future nonmerger antitrust enforcement. The import of these findings is not clear; in this century, the number of state-level nonmerger antitrust cases in any year has never been large, and it is not obvious that firms can predict in an election year that they might be subject to a particular state's antitrust enforcement activities three or four years down the road. Philippon ignores the extensive historical literature on merger enforcement. He also ignores the likelihood that enforcers see little reason to bring antitrust cases when judges, indoctrinated by scholars of law and economics who teach that antitrust concerns are largely illusory, will throw their cases out of court.

Nonetheless, Philippon has broken important ground. His fundamental point—that is, "when competition weakens, capitalism loses much of its appeal"—should stimulate discussion across the political spectrum (p. 23).

Marc Levinson is an independent historian in Washington, DC. His book about market power, The Great A&P and the Struggle for Small Business in America*, was recently published in a second edition.*

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Red Meat Republic: A Hoof-to-Table History of How Beef Changed America. *By Joshua Specht*. Princeton: Princeton University Press, 2019. xv + 339 pp. Photographs, illustrations, bibliography, notes, index. Cloth, $27.95. ISBN: 978-0-691-18231-5.
doi:10.1017/S0007680520000392

Reviewed by Michael S. Kideckel

"America made modern beef at the same time that beef made America modern," argues Joshua Specht in his compelling new history of the beef industry, *Red Meat Republic* (p. 2). Exploring the entanglement of individuals, companies, technology, courts, and the national state, Specht deftly shows the variety of factors that aligned to foster the American processed-beef industry. In so doing, Specht argues that the consolidation of beef processing aligned with the emergence of a strong central government and national consumer market. The book at times promises more than it can deliver, but it is ultimately a valuable addition to American historiography that explains how industrial capitalist food production helped make the state, and vice versa.

Specht seems to use "modern" to mean large and national, and he argues that large national beef companies helped build the technological and legal infrastructure that sustain other large national companies. He makes this argument, refreshingly, with attention to both individuals and systems. *Red Meat Republic* is meant to deepen older works of scholarship: Specht positions it as adding people to capital-heavy classics such as William Cronon's *Nature's Metropolis* (1991). Specht shows that the rise of beef trusts resulted from the competing interests of manufacturers, butchers, wholesalers, regulators, shippers, and ranchers—that arguments about regulating trusts relied on understandings of how best to deliver fresh, cheap food. In his capable hands, the insights of Western, environmental, and business historians come together.

As Specht introduces new historical content, then, he also argues that history is about how people tell stories. Referring to Native