

# *The Forum*

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*Volume 8, Issue 3*

2010

*Article 17*

POLITICAL SCIENCE AND PRACTICAL POLITICS

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## *Review of *A Government Out of Sight: The Mystery of National Authority in Nineteenth-Century America**

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**Recommended Citation:**

Sheldon D. Pollack (2010) "Review of *A Government Out of Sight: The Mystery of National Authority in Nineteenth-Century America*," *The Forum*: Vol. 8 : Iss. 3, Article 17.

Available at: <http://www.bepress.com/forum/vol8/iss3/art17>

**DOI:** 10.2202/1540-8884.1374

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*A Government Out of Sight: The Mystery of National Authority in Nineteenth-Century America* (Cambridge University Press, 2009), by Brian Balogh. 428 p. \$85.00 cloth, \$23.99 paper.

Reviewed by Sheldon D. Pollack, *University of Delaware*

The United States emerged from the throes of the Second World War as the preeminent economic power in the world, wielding its vast resources to its advantage in world affairs and international relations. With the collapse of the Soviet Union in 1991, the United States became the world's only global military superpower. On the domestic front, national policymakers built piecemeal a social welfare system that, while structured differently, is nearly comparable to those of the democracies of Western Europe, Scandinavia, and Australia. Today the United States is a fiscal-military behemoth, which makes it all the more ironic that the enduring image of America is that of a "stateless" nation, a decentralized political organization with a weak center.

In light of the postwar reality, that image is largely an anachronism—part ideology, part national mythology. That said, the image was highly descriptive of America in the late eighteenth and early nineteenth centuries. The institutional deficiencies of the original American state were all too real and could be traced to fundamental decisions of the Founders who met in Philadelphia during the summer of 1787 to draft a new constitution to replace the Articles of Confederation and the dangerously weak national government it established. After protracted debate, the delegates to the Constitutional Convention proposed a national government of vigorous but limited powers. Even still, their plan for enhancing the powers of the national government was denounced by the Antifederalists and their allies, who feared a return of European "corruption," monarchical government, and distant rule imposed on the states by an oppressive national government. Those who supported a stronger national government (ironically referred to as Federalists) retorted that such distrust was unwarranted. The nationalists themselves had relatively modest goals and were hardly looking to build a powerful nation-state in America modeled on those of continental Europe. Furthermore, from the outset it was assumed by the delegates to the Constitutional Convention that the traditional powers of the state governments would be preserved within the federal structure while the powers of the national government would be confined to a few narrow spheres—things like managing foreign affairs, making war, regulating interstate commerce and international trade, and suppressing the native Indian populations. Among the delegates, only Alexander Hamilton of New York and George Read of Delaware advocated abolishing the states and creating a unitary (or in the parlance of the late

eighteenth century, “consolidated”) government. Later, as the first Secretary of the Treasury, Hamilton sought to build an American fiscal-military state modeled on Hanoverian England. But his campaign for state building was opposed by some within his own Federalist party and in any event, was halted by the Jeffersonian Revolution of 1800, which (at least in theory) favored a more limited and less vigorous national government.

The new American state ratified by the states in 1789 was an improvement over that of the Confederacy; nevertheless, it remained extraordinarily weak even by contemporary standards. The national government still possessed only a minimal military force and administrative apparatus, asserted negligible control over social and economic activity within its territory, and notwithstanding new fiscal and tax powers granted under the Constitution, lacked the financial means to sustain even this insignificant state apparatus. Over the next two centuries, political elites would struggle to expand the powers of the national government. This proved a daunting task. For good reason, the United States was widely regarded in Europe during the early nineteenth century as a “non-state” state. On the Continent, it was assumed that strong states possessed a large standing army, an insulated bureaucratic class, and centralized administration under a unified executive. All this was conspicuously absent from America.

But was America “stateless”? If the standard is the territorial nation-state of nineteenth-century Europe, then the answer is affirmative. On the other hand, as a political organization exercising authority over a vast territory and growing population, America actually “worked” quite well. True, its political institutions were structured *differently* than those of Europe, but that does not mean there was no government. As Stephen Skowronek and Karen Orren have observed in *The Search for American Political Development* (2004): “Though the forms and instruments of government have changed substantially over the years, America in the nineteenth century was no less fully governed than America in the twentieth.” Moreover, American national political institutions proved highly adaptable throughout the nineteenth century. While the military performed poorly during the War of 1812 (especially the state militias), the “weak” American state managed to defeat a great (if distracted) European power and defend its territory from invasion—albeit at the loss of its capital city to British torches. Thereafter, national political leaders built *ad hoc* political institutions as needed. In his authoritative study of state building during the Civil War, *Yankee Leviathan* (1990), Richard Bensele shows how a powerful administrative apparatus was built by the Republican Party in the North in response to the constitutional crisis occasioned by the secessionist movement. This was no weak state; it possessed a standing army of more than one million men and an efficient system of public finance to support it.

That “Yankee Leviathan” proved an aberration in the nineteenth-century and was dismantled soon after the war—just as had been the case following the War of 1812 and the Mexican War. Despite such institutional retrenchment, the nineteenth-century American state (taking into account the national and state governments) performed all the basic functions of government and then some. It directed the construction of roads, canals, railroads, and other “internal improvements,” operated a national post office, and maintained as much of an army and navy as was necessitated by circumstances. All this was financed by a highly efficient system of indirect taxation (the tariff) that generated enormous annual budget surpluses throughout the latter half of the century. Even without the centralized administrative capacity of the European states, this state of “courts and parties” (Skowronek’s phrase) provided a good measure of direction from the center. Later in the century, progressive reformers would expand the institutional capacity of the national government, creating a “patchwork” administrative state by grafting new functions and agencies onto antiquated eighteenth-century political institutions. A period of intense state building during the New Deal of the 1930s finally produced a “modern” administrative state, albeit one lacking coherent lines of authority and organizational structure. Most significantly, military and fiscal powers were greatly expanded during the Second World War, and these institutional innovations became permanent features of the American state. Despite the precedent of a “stateless” America in the early nineteenth century as well as a persistent strain of anti-state ideology in contemporary American politics, the reality of the twentieth-century American Leviathan soon became impossible to deny.

Reflecting this new reality, political scientists and historians in recent years have challenged the familiar narrative of America as a nation with a weak state. Their insight is that the American state is efficient in governing in its own way, even while lacking a European-styled administrative apparatus. Be that as it may, it is one thing to point out that the United States now has a powerful national government that indirectly regulates a good deal of social and economic activity while maintaining the most powerful military in the world; it is something else to claim that the image of a weak nineteenth-century American state is a “tired myth.” Such is the provocative thesis recently advanced by William J. Novak in the *American Historical Review* (June 2008). Novak is not alone in his efforts to debunk the “mythology” of a weak American state. To be sure, revisionism such as this is always in the air in the academy, and our national mythology surrounding the American Revolution, the Founding Fathers, our Constitution, and “American exceptionalism” is in need of some serious debunking. It is more than fitting that a new generation of scholars should reexamine our most comfortable self-perceptions and national mythology. But we should avoid carrying the argument to its illogical conclusion. The notion of a “strong state”

with a centralized bureaucratic administration, large standing army, and effective system of revenue extraction is *not* a relative construct borrowed from Eurocentric scholars. These are the indicia of strong states. The presence of such institutions provides an objective measure of what McAdam, Tarrow, and Tilly refer to as “state capacity”—meaning “the degree of control state agents exercise over persons, activities, and resources within their government’s territorial-jurisdiction.” That the national government of the late eighteenth and early nineteenth centuries was able to govern through indirect modes of public administration does not alter the fact that it was a highly decentralized, structurally incoherent, and extraordinarily weak nation-state. At the turn of the nineteenth century, the U.S. Army consisted of but a few thousand troops—most stationed at remote frontier outposts. There was virtually no civilian administrative staff found in the largely unfinished capital city of Washington just constructed on the banks of the Potomac River. The challenge for scholars of American political development is not to debunk the “myth” of a weak early-nineteenth-century American state but to explain how that weak state evolved into the world’s preeminent fiscal-military superpower.

Rather than deny the institutional deficiencies of the original American state, Brian Balogh wisely takes a more fruitful tack. In his important new book, *A Government Out of Sight: The Mystery of National Authority in Nineteenth-Century America*, Balogh explains the mechanisms through which the minimalist national government of the early nineteenth century exerted authority, and in doing so, provides a convincing explanation of how this extraordinarily weak state, lacking the apparatus of a modern administrative state, nevertheless effectively ordered society and economy. According to Balogh, nineteenth-century national governance was largely “out of sight” because so many of its activities were “directed at the margins of the nation”—in particular, exercising control over its borders and the vast new territories that came under its jurisdiction. Governance over the territories involved more than surveys, public management, and the sale of public land to settlers, although all that was important. It included the introduction of law and institutions of governance, pacification of the native populations, and internal improvements that linked those distant territories to the rest of the nation. As Balogh puts it, managing territorial expansion required the “exercise of national authority to protect land titles, provide security, forge trading opportunities, and reinforce shared values regarding religion, education, and language.” In short, what was required of the national government was a “common vision of orderly economic development and the wherewithal to impose that vision on a mobile, diverse, and economically opportunistic population.” (Balogh, 71–72) This the national government provided notwithstanding its deficiencies in administrative capacity.

Balogh shows that in the late eighteenth century, government was not viewed by contemporaries as distinct from civil society but rather as its principal organizing force. This was no *laissez-faire* state, albeit the national government that structured state-society relations functioned more as a “partner” or “coordinator” than an active participant. Perhaps the best example of inconspicuous governance was the campaign for internal improvements (the so-called American System), which the national government promoted, coordinated, and financed even while the actual canals and roads were built by the states or private companies. The national government was also highly successful in coordinating a campaign of Indian removal that facilitated future territorial expansion to the south and west. (Andrew Jackson was notable for his leadership in this campaign.) Later, in the post-bellum era, the national government (in particular, the federal judiciary) took the lead in transforming private corporations from publicly sanctioned organizations operating within the narrow confines of their state charters into legally protected instruments of economic production. To this end, the national government actively “fashioned a national market that ensured the predictable, stable environment essential to corporate growth.” (Balogh, 15)

While the American state of the first half of the nineteenth century was successful in exerting its authority “at the margins” (i.e., in organizing the territories and in foreign affairs), it had a presence “internally” as it ordered domestic society in several distinct ways. Balogh explains how the Post Office was used to connect the disparate populations of the territories and bind the separate states into a single nation. The Post Office (with even more employees than the armed forces) played a critical role in “disseminating knowledge” by distributing newspapers at subsidized rates. The United States developed a vast network of local postal offices that had a direct impact on social life. As Richard John has put it in his detailed study of the U.S. Post Office, *Spreading the News: The American Postal System from Franklin to Morse* (1995), “for the vast majority of Americans the postal system was the central government.” Post offices were found in virtually every small town and village, and served as communal gathering places. Balogh concludes that the Post Office provided an “essential public service” that greatly stimulated the “expansion of the public sphere.”

In developing his argument, Balogh explains how the federal judiciary also played an instrumental role in enhancing the authority of the national government and establishing the preconditions for a national economy. During the first decades of the Republic, Chief Justice John Marshall played a critical role here—first in expanding the powers of the federal judiciary (especially vis-à-vis the states) and then in wielding those powers to craft a national economic policy. Relying on the bare authority of the “necessary and proper” clause of the

Constitution, the Marshall Court boldly asserted the supremacy of national governance and law over the states during the formative period of institutional development of the federal system. It also established the sanctity of contracts, thereby paving the way for a view of economic rights that facilitated national economic expansion. During the second half of the nineteenth century, the Supreme Court would go even further in developing national law and an economic theory conducive to corporations and national commercial activity. In this way, the federal courts effectively shaped local and state affairs without the benefit of an administrative apparatus. As Balogh perceptively notes, the irony is that decades of “judicial expansion and intervention into the civil sphere and local prerogatives” was generally perceived by contemporaries as a “neutral response” compared to the kind of “statist” interventions advocated by workers parties, farmers, and progressive intellectuals. (Balogh, 351)

*A Government Out of Sight* concludes with an interesting chapter on the emergence of a new school of thought by the end of the nineteenth century. While many advocates of the “new liberalism” (a precursor of Progressivism) were comfortable with the traditional nineteenth-century patterns of state-society relations, the movement as a whole provided the “intellectual underpinning” and support for a more active role for the national government. Balogh suggests that to understand the expansion of national governance during the twentieth century, we need to examine how the intellectuals of this new tradition reconceived the relationship between state and society: “New liberalism revised classical liberalism by demonstrating a greater willingness to use the power of associations—including the state—to ensure that individuals had the ability to compete on a level playing field.” (Balogh, 363) The new liberalism was not the public philosophy behind the rise of the administrative state in the twentieth century, but it did anticipate various forms of national intervention in civil society and economy that made possible the latter. As Balogh puts it, the “trajectory” was “toward a more active federal role in coordinating and funding and, in many instances, toward increased administrative capacity.” (Balogh, 388)

In *A Government Out of Sight*, Balogh is particularly successful in linking political thought to practice. The government created in Philadelphia is examined in light of late-eighteenth-century republican thought. Likewise, Balogh provides a convincing explanation of how the American state exerted its authority inconspicuously in the nineteenth century. Still, this reader found the repeated use of the metaphor of a “government out of sight” a bit distracting, which is unfortunate. The expression itself comes from Alexander Hamilton in Federalist No. 27, wherein he sought to discount popular perceptions that the laws of the national government would be more “odious or contemptible” to the citizenry than those of the state governments. To the contrary, Hamilton predicted (perhaps disingenuously) that the more contact the citizens of the states would have with

the “operations of the national authority,” the greater the respect and affection the local citizenry would have for it. Hamilton was not arguing in favor of a government “distant and out of sight” but rather for a *more* vigorous and active national government extending its reach into “internal” matters to become a familiar force in local affairs. That said, the metaphor of a national government “out of sight” aptly describes the indirect modes of governance employed during the antebellum period, even if it is a bit overused.

A more substantive criticism is that while Balogh shows that indirect modes of governing employed in the first half of the nineteenth century were surprisingly effective, that does not mean that the national government was not weak. Most assuredly, Hamilton and those Federalists who wanted a powerful American state lost the battle to those who preferred a national government that was “distant and out of sight.” Because of this, national political leaders struggled during the first decades of the nineteenth century to exercise authority from afar. They were forced to rely on indirect means of governing precisely because they lacked an effective administrative apparatus. *Different* political institutions do not necessarily result in a weaker state, but in this case they did. If Balogh artfully refutes the notion that the early-nineteenth-century American state did not govern, one should not draw the conclusion that it was a strong state. At moments of institutional crisis (most particularly during periods of war), the archaic structures of the national government proved wholly inadequate, requiring political elites to build new agencies, armies, and modes of public administration. These were generally dismantled following the conclusion of each such institutional crisis. Nevertheless, by the end of the nineteenth century, if not yet the military-fiscal behemoth it would soon become, the American state was no longer “out of sight” the way it had been in the antebellum period. Today the national government still relies on *indirect* means of exerting its authority—such as using tax incentives to encourage energy conservation, retirement savings, and employer-provided healthcare insurance—and no one could possibly argue that the national government is very far out of the sight of its citizens. Those innocent days are long gone.

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