

The weakest part of the book is the chapter in which trial lawyer Adrian Brooks speculates as to what might have happened in the trial of Constable Campbell for manslaughter. To be sure, Brooks displays an impressive knowledge of legal strategies and procedures. However, even such well-informed speculation is unsatisfying, especially given that Stonebanks shows at length, in his treatment of the grand jury's decision not to indict, that legal proceedings can produce the most bizarre and outrageous results.

There are also some stylistic and editing concerns. Parts of the book are blemished by considerable amounts of repetition. In a particularly jarring instance, Stonebanks reuses one of the most dramatic passages in the book. In the opening paragraph of the introduction, Stonebanks describes the party that searched for Goodwin and notes that one of the guides was "a famous cougar hunter. But the prey this day was human" (p. 1). In the opening of chapter 6, one reads again that the guide was "well known as a cougar hunter on Vancouver Island. The prey this time, however, was human" (p. 92).

Despite these drawbacks, Stonebanks's work will be of interest to both scholars and activists interested in organized labour and the working class, socialism and leftism, and the history of British Columbia. Above all, for those who remain inspired by Goodwin's charisma, experiences, and activism or who remain interested in the mystery behind the events leading up to and following his murder, *Fighting for Dignity* is essential reading.

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SUMMERHILL, William R. — *Order against Progress: Government, Foreign Investment, and Railroads in Brazil, 1854–1913*. Stanford, CA.: Stanford University Press, 2003. Pp. xx, 297.

This book argues that no other technological innovation before 1914 had the impact of the railroad on Brazil's economy, decreasing transport costs as much as one order of magnitude between 1860 and 1900. Brazil, like the United States, made extensive use of shipping by water, but largely in the form of coastal shipping rather than river transport. In judging the impact of railroads, William Summerhill therefore chooses to compare railroad transport with pre-rail forms of overland transport.

Following in the steps of Robert Fogel, Albert Fishlow, John Coatsworth, and others who have measured the economic impact of railroads elsewhere, Summerhill uses a counterfactual approach to show how great were the "social savings" produced by the railroads. That is, he establishes the savings that railroads provided by estimating the costs that would have been incurred for moving the same amount of goods (and passengers) by pre-rail means of overland transport — chiefly by muleback.

Railroads were the most important category of British investments in Brazil, and "easily the most expensive" investment projects in the country in the nineteenth century. The Brazilian government attracted foreign (largely British) investment, prima-

rily by guaranteeing minimum profit rates; yet it required that the foreign (and soon, national) companies share profits with the government above specified levels. Over time, however, the national government became the largest owner of railroads (measured in track mileage), reaching 61 per cent in 1914. This occurred because the government often assumed ownership to meet the demands of politically powerful planters, even if that meant operating at a loss. Also, as the Brazilian *milreis* depreciated, government-guaranteed dividend payments in hard currency grew so expensive that national authorities bought out some foreign lines, then leased them back to private companies.

Chapter 4 sets out the method of measurement of savings in detail. Here the author also makes explicit the assumptions required for his calculations. Among these are constant returns to scale across the whole economy and the existence of perfect competition, both of which are patently unrealistic. Therefore this “strong” (and unrealistic) assumption renders the numeric results “suggestive” rather than conclusive. Summerhill also estimates upper and lower bounds of direct savings on freight produced by the railroads, establishing a band in which the savings most likely fell. “Sensitivity tests” provide estimations of the price-elasticity of demand for transport in 1913. That demand was relatively inelastic — that is, a unit change in fees charged had a less than proportional effect on demand. The author estimates that the direct social savings provided by the rail system as a whole equalled something between 5 and 15 per cent of gross domestic product in 1913 — a large amount. The savings for Brazil were higher than for most countries at similar levels of development. Savings resulted from rail passenger travel, too, but only in the range of 1.3 to 3.7 per cent of GDP.

Summerhill devotes a chapter to testing claims made by the “dependency” school that railroads, like most other foreign investments, had a net negative effect on the Brazilian economy. Yet Summerhill contends that the railroad likely had strong positive effects on domestic industry, because the integration of economic space dramatically lowered the cost of transporting inputs to factories and final products to national markets. Nor did rails lock Brazil into ever-greater export dependency. The study offers estimates that the domestic economy grew even faster in the period under review than the export economy. Exports’ share of GDP fell on average by 1.6 per cent annually for 1861–1914. Furthermore, users of railroads enjoyed economic rents — the sum of resource savings and benefits redistributed to consumers of railroad services in the form of lower freight rates. This was most obviously the case where the government bought out foreign lines and operated them at a loss. On the “leakages” abroad to foreign investors, the author estimates the total outflow of profits and payments for inputs and fuel amounted only to half of 1 per cent of GDP in 1913, and he establishes that, on average, foreign railways did not have higher profit rates than domestic ones. But the British-owned San [*sic*] Paulo Railway that monopolized the coffee “funnel” line from the plateau to the port of Santos — like the domestically owned Companhia Paulista — did so well that it renounced its claim to profits guarantees so that it would not have to share “excess” revenues with the government.

Another way in which consumers of railroad services benefited from government

regulation was in the fall of the value of the *milreis* against the pound sterling, a continual if uneven process over the long term, in a system in which railroads' rates in *milreis* were held down by government regulation. Ultimately, the government permitted a sliding scale of *milreis* to sterling, whereby companies could raise rates to ensure continuing profitability. Since the Brazilian government only had to guarantee a minimum competitive rate of return, as measured against alternative investments on the London capital market, regulation tended to capture most of the benefits of rail transport and keep them in Brazil.

All these arguments tend to refute dependency theory, notes the author, as represented in the works of Bradford Burns, Peter Evans, Gunder Frank, and, in a more limited way, Richard Graham. All in all, and contrary to dependency, "Brazilians, rather than foreigners, reaped the vast bulk of the benefits that railroads created" (p. 194). But railroads may have worsened the distribution of income within Brazil. They may also have increased the concentration of rural property and lengthened the life of Brazil's slave regime. Yet Summerhill shows that national wage levels as a share of GDP did not exhibit any downward trend from the latter nineteenth century to 1913.

Some might think that the attention devoted to refuting the dependency school is wasted energy, given the decline of dependency's influence 20 years ago, but on some issues dependency interpretations still have wide currency, and Summerhill provides rigorous refutations of dependency claims. He furthermore makes his assumptions explicit and acknowledges the weaknesses of his carefully ordered data — practices that dependency writers have generally failed to follow.

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VAUGHN, Frederick — *The Canadian Federalist Experience: From Defiant Monarchy to Reluctant Republic*. Montréal and Kingston: McGill-Queen's University Press, 2003. Pp. 225.

On se demande parfois ce que George Grant pourrait dire du Canada, aujourd'hui en 2005, s'il avait à réécrire son fameux *Lament for a Nation*. On en a probablement une bonne idée dans ce beau livre de Frederick Vaughan. S'il s'agit d'un livre de théorie politique et d'histoire politique, et non d'un pamphlet, il reste que l'argument de l'auteur est fidèle à l'esprit de ce classique. La publication du livre de Vaughan confirme le regain de l'histoire des idées dans l'étude de la politique canadienne. Des livres comme *Getting It Wrong* (Paul Romney), *The Invisible Crown* (David Smith), *Liberal, Conservative or Republican?* (Janet Ajzenstat et Peter J. Smith) ont contribué, ces dernières années, à nuancer les interprétations matérialistes de la genèse du régime politique canadien. Ce livre de Vaughan s'inscrit résolument dans la veine ouverte par cette constellation intellectuelle. *The Canadian Federalist Experience* soulève des hypothèses audacieuses et sérieuses, que les chercheurs devront sérieusement examiner dans les prochaines années.