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Railroads and American Political Development



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1. The Problem of Federalism and State Building

Railroads first appeared in the United States in 1827, and they were not quite the grand engineering marvels that we might imagine today. The very first American railroad constructed was the Granite Railroad in Quincy, Massachusetts. The Granite Railroad was three miles long, and its sole purpose was to move building stones from the quarry to the shipyard. In the late 1820s and early 1830s, a number of rail lines similar to the Granite Railroad emerged, particularly in the coal-rich regions of Pennsylvania. These early railroads, while modest, served an important role in filling gaps in the existing turnpike and water infrastructure of the early nineteenth-century United States (Larson 2001; Stover 1997). However, from these quiet beginnings, there would emerge a massive infrastructure network that would radically alter American economic, social, and political development.

In fact, the value of railroads to the American infrastructure network was almost immediately obvious. By the late 1820s, there was an explosion of railroads being built. Rail projects quickly emerged in Maryland, Pennsylvania, and South Carolina (Larson 2001). And, contrary to popular expectations, the American rail story was never really about private industrialists building the nation's infrastructure (Sellers 1991; White 2003, 2011). From the very beginning, rail development was a mixture of public and private resources, often with public funds providing a critical piece of any given project. Of course, the public funds involved were often not from the federal government. During the early days of rail development, a number of legal battles over whether federal action on railroads was permissible combined with sectional rivalries to prevent Washington, DC, from taking an active hand in railroads. Instead, as a consequence of American federalism restricting federal authority over a range of policy issues, rail development was a local affair. States, counties, and cities stepped into the gap created by federal inaction and contributed land, granted money, directly invested in private rail companies, and offered tax breaks to the very first rail projects.

Given the importance of local funds to jump-starting many early railroads, it is not surprising that one of the first American railroads to propose actu-

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ally carrying freight and passengers over a meaningful distance also benefited from active local governments. At the end of the 1820s, the state of Pennsylvania undertook a massive infrastructure project to more effectively connect the two distant ends of the state. The Pennsylvania Mainline was a hybrid project comprising both rail and canal sections. While never especially successful financially, the Mainline nonetheless opened up Philadelphia to western markets and also displayed the possibility inherent in rail technology. Further, the Pennsylvania legislature's support of the Mainline was the first in a trend. Many states invested in their local railroads, and many quite successfully. For instance, Maryland's legislature invested in the Baltimore and Ohio Railroad, and that railroad was eventually so successful it could barely keep up with demand (Goodrich 1960; MacGill 1917; Riegel 1926; Stover 1997). At first glance, then, it appears that state governments were able to support railroads without any federal support. This suggests that local state actions could coalesce into a larger entity without any kind of central support or coordination, thereby constructing a state from decentralized and local piecemeal contributions rather than a single federal action.

Unfortunately, the story is not quite that simple. There were two barriers that emerged that prevented states from being able to successfully supplant the federal government in rail development. First, it turns out that not all states were swayed by the demands of local industrialists or competition with the rail projects of their neighbors. Thus, many states simply did not offer support of any kind to rail development. Some states, such as Ohio, had built new canal systems just a few years prior and simply were not well situated to spend funds on another major infrastructure project (Larson 2001; Scheiber 1969). Other states, like Iowa, had state constitutional limits for public spending on infrastructure (Larson 1984). Even some states that engaged in rail promotion did so as minimally as possible: Alabama supported only one rail project (Cline 1997). Thus, the first impediment to a rail system built primarily through local efforts was a lack of action on the part of many state legislatures. Without this kind of public support, many early rail lines struggled to gain traction and grow.

But the second problem with relying on local actors to supply the American rail system was that many states were simply not very good at rail development. For instance, many states, acting on the competitive spirit that exists between rival states, were reluctant to connect local railroads with the rail systems emerging beyond their own borders. Just as problematic were states that simply could not launch rail programs at all. For instance, by the 1830s,

Illinois's legislature was ready to engage in rail development. As a western state rich in resources, it is not surprising that Illinois's citizens and political leaders would view a railroad as a sound investment. But the rail project itself quickly grew out of control, with more and more miles of track being added. This ambition, combined with an economic recession, ultimately doomed the Illinois rail project (Corliss 1950; Stover 1975). What the Illinois case underscores is that while federalism placed responsibility for internal improvements with the states, federalism did not always give states the power necessary to complete those tasks (Rodden and Rose-Ackerman 1997). The combination of indifference to railroads, poor regional coordination, and failed rail projects reveals that while there was a possibility for states to use their funds and legal powers to build a rail system without federal assistance, the reality was much more grim and difficult.

Of course, the American rail story hardly ends with the failure of the state governments to support the nascent American rail system. After all, by 1869, the Transcontinental Railroad would directly connect the Atlantic and Pacific coasts, both symbolically and literally linking the nation together in the wake of the Civil War. The federal policies that supported infrastructure projects such as the Transcontinental Railroad appeared because, in light of local difficulties with rail development, railroad development became a federal concern. This federal intervention began in Illinois, as a consequence of Stephen Douglas's work in the Senate. Illinois's political elite, perhaps smarting from the failure to build a railroad on their own, turned to the federal government for aid. In effect, Illinois's state legislature took its policy mishaps and, taking advantage of the vertical nature of American federalism, shifted the problem from the local level to the federal level. While it took several attempts to secure federal aid, and a fair amount of compromise due to the separation of powers between the three federal branches, the Land Grant Act of 1850 turned federal lands over to Illinois, Mississippi, and Alabama for the purpose of supporting regional rail development (Corliss 1950; Stover 1975). The Land Grant Act of 1850 was a crucial piece of American legislation, in terms of both American infrastructure development and the process of American state building. First, the Land Grant Act of 1850 opened up new resources for rail development, resources that allowed for the nation's rail network to finally fully emerge. As a result of greater federal control over internal improvements, the spatial development of the nation was altered to further centralize political power. In addition, the Land Grant Act of 1850 also highlights how American federalism im-

pacts the process of state building. The early American state is often noted for its small size and lack of administrative might, which raises questions about how the modern, more robust American state emerged (Skowronek 1982). The Land Grant Act of 1850 suggests that political centralization can occur through federalism placing responsibility for major initiatives at the local level and then later the federal state being prompted to act due to an inability of state governments to meet those policy demands. Hence, the Land Grant Act of 1850 presents a critical puzzle for American state building, namely, the Land Grant Act of 1850 raises the question of why states were unable to build a national rail network, as well as how that previously local issue migrated to the federal state and how federal action then altered American rail planning. Put another way, the question is, how did federalism, in shaping both the local and the federal responses, impact American railroads and state building more generally?

In picking up this puzzle, my aim is to emphasize the importance of federalism in state building. Most theories of American state building emphasize the growth of federal power, overlooking both the role of local actors and the three branches of the federal government in accomplishing that feat. However, increasingly there is an understanding that much of the debate over federal power has actually, all along, been a conflict over the exact nature of federalism itself. In that way, federalism is both the object of political conflict and a determining factor in those conflicts (Robertson 2012). Expanding on these themes, I particularly aim to emphasize how state governments factor into the American state-building process. I am interested in considering how states use their powers and resources to contribute to state capacity building through providing resources and services at the local level, which cohere into a larger good that improves national administration, defense, economic growth, and other public goods. While states possessed the legal and administrative power to provide some needed goods, my analysis suggests that local limitations prevent states from truly building national capacity through these decentralized, localized state-building efforts and eventually lead state issues to migrate to the federal level. Second, through discussing federalism, I also aim to shed particular light on how the separation of powers at the federal level shaped the state-building process. While my primary focus is on the vertical interaction between state and federal governments, I also consider the role of separation of powers in securing greater federal authority in order to address how federalism shapes state building as comprehensively as possible. My analysis considers how state issues are first transformed as a result of congressional co-

alitions and then only realized when executive support is forthcoming. Taken as a whole, this analysis underscores not only that federalism initiated and directed American state-building enterprises but also that institutional change itself can often be the result of internal tensions within an institution. Thus, I challenge ideas that institutions merely always re-create themselves or only change due to external pressures, by underscoring how American federalism has undergone considerable centralization due in part to its own political logics (DiMaggio and Powell 1983).

THE HISTORY OF AMERICAN INFRASTRUCTURE

Why the Land Grant Act of 1850 is such a crucial moment for American federalism as well as American infrastructure becomes more evident when a cursory history of American infrastructure policies is considered. To be clear, the Land Grant Act of 1850 was not the first time the federal state had taken an interest in the nation's internal improvements. There were a handful of cases of federal action on transportation infrastructure in the antebellum United States. For instance, the Cumberland Road was a federally funded project that connected the Atlantic coast with the expanding frontier, eventually reaching Illinois. Additionally, federal assistance aided in the clearing of harbors and rivers, and military engineers provided key technical support to early canal projects (Hill 1957; Maass 1951). Finally, federally funded post roads were a central piece of American infrastructure, facilitating communication between distant points and building a sense of nationhood in the early, highly diffused United States (John 1995). However, even these early successes were plagued by conflict among states. For instance, the Cumberland Road's initial approval was delayed by debates over whether the road would begin in Baltimore, Philadelphia, or Richmond (Larson 2001). Though these federal actions served a critical role in enhancing the American transportation system, they also only minimally met the nation's growing infrastructure demands. Further, they were hardly the norm. For the most part, the federal government was not involved in developing early roads or canals, and the contributions made by the federal government were generally modest.

More common than actual federal action on infrastructure was a series of ongoing conversations, equally fruitless and frustrating, surrounding possible

federal policies on internal improvement. Early American political leaders were neither ill informed nor naive: the need for grander action on a national transportation system, beyond these early limited efforts by Washington, DC, was widely recognized in the antebellum United States. Despite having a very real understanding of the problem the nation faced in terms of transportation infrastructure, repeated attempts to generate a broad, federal program around infrastructure failed. One of the earliest efforts at federal transportation building was the Gallatin Plan. Published in 1808, the Gallatin Plan was drafted by the secretary of treasury Albert Gallatin and became the essential blueprint for nineteenth-century American infrastructure. Working under President Thomas Jefferson, Gallatin argued that the federal government should identify and aid local infrastructure projects that were of federal concern, such as vital turnpikes or particularly valuable water routes. However, Congress disagreed over the federal government's role in internal improvements, still wary of both the constitutionality of such actions as well as the potentially unequal benefits that would accrue for states and regions that received federal aid. Over the next few decades, numerous attempts would be made to realize Gallatin's vision but they were all ultimately undone by American federalism's inherent barriers (Larson 2001).

Similarly, the Bonus Bill of 1817 underscores the role of constitutional limitations in undermining attempts to expand the federal government's role in American transportation infrastructure. The Bonus Bill was introduced by Senator John C. Calhoun of South Carolina, as a response to the War of 1812. After the nation nearly lost the war to the British, Calhoun suggested an internal improvements policy that would increase the nation's struggling defenses by allowing for faster troop movements. At the same time, facing an increasingly volatile domestic polity wracked by local interests and partisanship, Calhoun sought to promote a plan that could benefit the country as a whole. Through such a plan, Calhoun hoped to log roll his infrastructure plan through Congress. As an additional incentive, Calhoun believed that linking the country together via internal improvements would also increase national unity. Ultimately, the Bonus Bill was in actuality Calhoun's attempt to revitalize the moribund Gallatin Plan.

Significantly, the Bonus Bill plan itself did not designate any specific routes for roads or canals. Calhoun knew that any such discussions would quickly break down into sectional interests, stalling the plan in endless legislative debate. Instead, Calhoun's bill would merely have authorized and established a

fund to support future internal improvements. Specifically, Calhoun's suggestion was to fund the infrastructure account through money owed to the United States government from the new federal bank as well as any future dividends the federal government would accrue from that bank. In just addressing the funding, and not the planning, Calhoun attempted to sidestep both sectional rivalry as well as debates over the constitutionality of his plan. Calhoun's political ingenuity is admirable: once the money was allocated, constitutional and sectional rivalries would have been almost beside the point in constructing a national transportation network. In practice, the Bonus Bill aimed to spread the benefits of a national transportation infrastructure to as many states as possible, as a means to quiet interregional conflict. Further, state control over any proposed project would ensure that states could develop their own internal network according to local specifications and interests. As a result of its clever political design, the Bonus Bill was able to successfully pass the House. However, the Bonus Bill was defeated when James Madison, who, as will be discussed later, had misgivings about the bill, vetoed it. Thus, while regional conflict shaped the scope of Calhoun's plan, the formal federal structure of American government doomed it to defeat by way of presidential veto (Larson 2001).

The failure of the Bonus Bill was just one in a series of unsuccessful attempts to expand the national infrastructure network. For example, presidential action would also thwart efforts to expand the Cumberland Road, when Andrew Jackson vetoed a proposed extension to the project, in part over concerns about how his constituents would react to such overt support of federal action (Holt 1999). Additionally, other transportation proposals were rejected because of imbalanced regional benefits. For instance, Henry Clay's American System was defeated by the House because it was perceived as a centralizing plan that aided established eastern states over the emerging western states (Larson 2001). Thus, while political leaders and citizens both demanded improved transportation infrastructure, American federalism routinely upset efforts at those plans. This combination of regional conflict and debates over the legitimate reach of federal political authority halted progress on almost all attempts at a national transportation system.

The federal stalemate on infrastructure projects led state and local governments' attempts to engage in their own, locally developed infrastructure projects (Baker 2002; MacGill 1917; Scheiber 1969; Taylor 1951). Though some of these projects were unmitigated successes, providing much needed tran-

sit routes not just locally but to the nation as a whole, other state-level projects failed to achieve their goals of furthering the American transportation network. The most famous state-based infrastructure project of the antebellum period is certainly the Erie Canal. The Erie Canal, which opened in 1825, stretched from Albany, New York, to Buffalo, New York. The canal provided a continuous waterway from the Atlantic Ocean to the Great Lakes, opening up the interior of the continent to easier trade. The canal's construction was difficult: the engineers were amateurs, the cost was high, and internal state conflicts over the canal's route all constantly threatened to lead the plan to ruin. However, the Erie Canal was a massive success and locked in New York's dominance of the Atlantic trade for generations to come (Goodrich et al. 1961). New York was not alone in its success with locally designed and funded infrastructure projects. The state of Ohio built a massive canal system that provided efficient, easy transportation across much of the state (Larson 2001; Scheiber 1969). New Jersey, though relying on private funds rather than public monies, also achieved infrastructure success with the Morris as well as the Delaware and Raritan Canals (Goodrich et al. 1961). Much like the Erie Canal, the New Jersey canals opened up new areas to economic development and were at the same time economic successes in their own right through large toll collections.

But, while some states did enjoy considerable success supporting early infrastructure projects, the experience of building a self-sustaining infrastructure system was not universal among antebellum American states. For instance, Virginia's attempts to build a canal system were resounding failures. The canals that were constructed were too shallow, too narrow, and lacked sufficient locks to deal with changes in the water levels. In addition, Virginia's Dismal Swamp Canal was rife with corruption, and many state funds were wasted due to embezzlement. This theme, of corruption and poor planning due to a lack of expertise, plagued many state canal projects. Some states, such as North Carolina, simply avoided funding antebellum canal projects due to wariness over any government action, even at the state level. Yet other states, such as Indiana, simply borrowed too many funds and were unable to support their debt load, leading to failed canal projects (Larson 2001). Thus, at the onset of the railroad era, state legislatures were doing their best to contribute to the national infrastructure system through local projects at a time when federal aid was not forthcoming. These local projects continued with railroads, as state governments supported railroad companies in their efforts to lay track and purchase locomotives. In some cases, these local projects made significant

contributions to the United States' internal improvements system: the Erie Canal opened the west and cemented New York's dominance in maritime shipping. However, not all of these projects were as successful, and not all states even attempted major infrastructure projects of their own. These setbacks at the state level highlight that while states could make serious contributions to state building through decentralized actions at the local level, there were also serious limits to how far state projects could truly reach. What this brief history makes clear is not only that internal improvements were a major political issue in the nineteenth century but also that, up until the Land Grant Act of 1850, internal improvements were also decidedly local political issues. Thus, the eventual federal action on railroads was significant both for the importance of railroads to American political life and for the change in federalism that act represented. Hence, railroads serve as an ideal case to consider how the actual structure of American federalism prompted alterations to the division of local and federal political authority.

FEDERALISM AND STATE BUILDING

The question of how federalism interacted with American rail development to transmit more authority for infrastructure development to the federal government is fundamentally a story about American state building. The state itself is a system of legal systems and administrative organizations that are utilized to govern a given territory. The state is obviously a central concern of political research because of its massive scope, in terms of authority and resources: the state orders the economy, monopolizes violence, and commands the loyalty of more citizens than any subnational unit (Weber 2004). The legal rules and administrative bodies that compose the state emerge as elected officials and bureaucrats struggle to compete internationally against other states or to solve internal political crises. In attempting to address these issues, governing officials create a series of rules and institutions to implement policies, enforce decisions, and achieve various social goods (Skocpol 1985). Importantly, each agency or system created has some basic objective at its core, which animates its activities. This original inspiration for a rule or agency's development does not disappear with time, but as institutions resist change, that original inspiration will continue to shape the rule's future uses or the agency's later endeavors. On some basic level, the process described is one where governing

officials create a bureaucracy—though the state is more than that, as it encompasses rules and political institutions along with executive-style agencies. The form of those legal systems and administrative organizations will actually shape policy development and implementation, as future policies are filtered through the original purposes and means of these earlier bureaucratic agencies and rule systems. Beyond supplying a core purpose to each administrative agency or legal idea established, in creating this administrative capacity on top of the basic system of governance, elected officials also place resources in the hands of the agencies they create. These resources are means by which agencies can accomplish their goals. However, these resources, when combined with previously developed institutional goals, also remove administrative agencies (to some degree) from citizens' control. This independence from social preferences is definitional to the state and serves to expand the state's power over society (Skocpol 1992). From this insight, it becomes evident that the state has two features: it possesses interests distinct from society (interests that originate with an agency's or rule's initial founding in some institutional past) as well as the capacity to pursue those interests. Thus, the state exists as a network of institutions, agencies, and legal rules that are autonomous from society, developing interests that specifically relate to its competition with other states or solving particular domestic crises (Skocpol 1985).

With the basic outlines of both the state and the resistance many institutions have to change, a perennial question arises in relation to the American state: Where exactly did the modern American state come from? The early American state is often noted for its absence. The lack of strong federal authority combined with no real bureaucratic might meant the American federal state as established by the Constitution in the late eighteenth century was actually quite limited in its reach and in the force of its actions (Skowronek 1982). But that state has changed tremendously in the last two centuries, attaching to itself a wide range of powers and a massive administrative staff. American political development theorists attempt to explain these transformations in American political authority (see Orren and Skowronek 2004). A range of explanations, including responding to crises, institutional learning, and even the slow accumulation and swapping of rules, have accounted for various aspects of American state growth (see Canaday 2009; Schickler 2001; Skowronek 1982).

In the American context, attempts to explain changes in the American state are further complicated by federalism, which divides power and authority in a complex system that often makes predicting and explaining changes in the

state even more difficult. Beyond complicating our understanding of American state building, federalism actually contributes to political centralization in important ways. Federalism's distribution of power and authority tends toward instability, and the result is often the location of ever-greater responsibility at the federal level. Given that my analysis aims to elaborate on how federalism shapes state building, an important first step in that process is sketching out the structure of American federalism, its political implications, and how federalism has changed over American history. At the most basic level, federalism requires there be two levels of government, with each level having its own protected political autonomy, such as taxation power or control over certain policy arenas (Riker 1964, 1987). Thus, within a federal system, both the political center and the peripheral subunits have significant political power. Within a federal structure, the periphery lacks some capacity to stand on its own, and the center is somehow held back, either by a lack of resources or by ideological predisposition, from simply overpowering its composite subunits (Riker 1987; Ziblatt 2006). The result is a split of power across many levels of government, each with its own interests and each in possession of the resources to pursue those aims. In the United States, this split of political power results in a federal state with specific constitutional powers and states with more wide-ranging powers but also more limited resources. This division of power in the American political system aims to limit the reach of any one political institution, and thereby preserve individual political liberty. Dividing power among federal and local actors was a conscious act on the part of the Founding Fathers. Therefore, the divided nature of American political power, as well as the ambiguity that it produces in terms of state power, is an intentional element of American state building (Robertson 2013).

In addition to dividing local and federal political authority, American federalism also divides authority at each of these two vertical levels. First, the separation of powers fragments federal power as a means to limit the reach and slow the actions of the federal state (Oates 1972). In addition, at the local level, the power is divided across a whole range of political institutions, most obviously at the state level but then again even further into county and city governments. Further, federalism also has a horizontal dimension at the local level. Horizontal federalism refers to the separation of power among many states and other subnational units at the local level. As a consequence of this local division, states are often engaged in direct competition with one another to attract skilled workers, new businesses, and investments (Hwang and Gray

1991; Peterson 1981). This competition among states actually creates a theoretical possibility for bottom-to-top state building, where states, in the process of copying their neighbors' policy innovations, converge on a handful of optimal policies that serve federal needs through local actions (Novak 1996; Teaford 2002). However, as further analysis will indicate, there are significant limitations to local governments' power and authority that will limit their contributions to state building. American federalism's horizontal powers, vertical powers, and separation of powers all exert an important influence on state building.

In many ways, the fundamental debates of American politics, including over the power of the federal state, are really conflicts over the nature of federalism and where political power will be located in the American political system (Robertson 2012). Ultimately, the ways in which debates over vertical federalism are resolved determine how much federal state building happens: Is power located at the center, or carefully parceled out to the periphery? Thus, federalism, as an institution, provides a structure that explains ongoing changes in American political development. The notion that federalism shaped American rail policy is hardly novel. Colleen Dunlavy (1994) argues that the many access points of American federalism encouraged aggressive public action on rail development, while David Brian Robertson (2012, 2013) stresses that American state-building conflicts are really discussions around the nature of federalism. Building from this insight, I go further and suggest that federalism not only creates the opportunity for more state action, but actually generates conditions that encourage shifting local issues to the federal government, thereby ensuring an expansion of the federal state.

Bringing together these ideas on American federalism and state building, and returning to the question of how the federal state came to dominate railroad construction, I argue that American state building occurs due to the features of vertical powers, horizontal powers, and separation of powers in American federalism. First, American federalism limited federal power over all but a few critical policy areas, leaving many policies—including transportation infrastructure—to the states. However, local action on internal improvements was often problematic and incomplete. Specifically, I argue that local resource limitations combined with horizontal competition among states resulted in state governments being unable to effectively build a national rail system on their own. In particular, states lacked the resources to invest in railroads as well as the vision to coordinate local railroads across state lines with their rivals. In

the end, this led to an antebellum rail system that was disparate and poorly connected prior to federal action. Despite these policy difficulties, states still understood the need for an expansive, continental railroad as a necessary part of nineteenth-century defense and economic development. Taking advantage of federalism and the presence of a more capable federal state, state legislatures turned to the federal government for support on rail development.

Of course, any federal action on railroads needed to overcome two critical barriers at the federal level: congressional disagreements and the problem of separation of powers. First, states seeking federal aid needed to develop rail proposals that appealed to a wide variety of congressional interests in order to secure passage. Many early rail projects, when raised to Congress, were basically local proposals with little benefit offered to other states. Not surprisingly, these proposals were quickly killed. Only as legislators from states seeking federal aid expanded the scope of their proposals, mainly by including federal rail grants to other states, did rail plans begin to build a stable coalition and subsequently be approved by the House and Senate.

However, building such a coalition was only the first step, as separation of powers demands executive approval before any federal action could occur.¹ Ultimately, federal action only emerged when there was a president in office who believed that expanding federal power to include internal improvements was constitutionally allowed and electorally beneficial. In many ways, presidents hesitating to expand federal power, especially on infrastructure, might seem surprising. After all, infrastructure development offers a number of benefits for the executive, including both an easier execution of his power in new territories because of improved access and electoral gains for providing transit systems in which voters were very interested. But despite the apparent benefits to the executive, until 1850 presidents remained wary for philosophical and electoral reasons about rapidly expanding federal authority to include infrastructure development. However, once an executive who was convinced that federal authority included supporting railroads and whose constituents were interested in internal improvements came into office, federal action on railroads was inevitable and quick. But, nonetheless, separation of powers slowed federal action on railroads, and it is worth examining how separation of powers shaped the state-building process.

Furthermore, the process of shifting to the federal level also dramatically altered American rail development, leading to railroads that focused on federal rather than regional or local concerns. In the end, federal action produced

railroads that encouraged even more centralization. In particular, federal intervention altered the American landscape and led to a rail system that funneled more and more economic and political might to Washington, DC. This centralization occurred largely due to congressional coalitions, which demanded rail projects that appealed to wide interests in order to secure congressional passage. Taken together, these claims suggest that state building is often a bottom-to-top process, driven by federalism but still nonetheless reliant on outside circumstances that shape how attractive some policies are over others to federal actors. This analysis emphasizes how state building can often be driven by internal factors, while also accounting for why it is not the case that every issue must inevitably become a federal concern.

Within American political development, my argument aligns with a growing literature that highlights how institutional change results from the inherent nature of certain institutional logics. Institutions are often thought of as being constant, with a tendency to maintain their structure through intentional re-creation (Berger and Luckman 1967; DiMaggio and Powell 1983; Douglas 1986). But of course, institutions do change, and a number of explanations have emerged to account for those transformations. The classic explanation for institutional change in American political development has been crisis and exogenous shock, where a significant outside event causes an institutional breakdown and results in the massive restructuring of the state as a necessary response (Blyth 2002; Skowronek 1982). In contrast to this approach, another vein of American political development increasingly stresses that the state has always been present and powerful, but it is (at times) simply less visible (Balogh 2009; Edling 2008; Mettler 2011). Both of these explanations for state building describe critical aspects of the American state; however, neither of these approaches fully accounts for the growth of federal power in the United States. As an addition to these two approaches, my argument stresses that institutional change often happens not only due to external shocks, but also as an unintended consequence of an institution's own normal operation. Put another way, institutions that are functioning as intended still generate outcomes that produce inefficiency, conflict, or waste. When this occurs, an institution may be forced to undergo changes in order to still meet its intended goals. In fact, institutions often alter to fit into their broader environment, and not always as a result of some catastrophe (DiMaggio and Powell 1983; North 2006). Within American political development, there is ample evidence that existing political systems, such as interest groups or long-standing

political ideas, exert an ongoing influence on state building (Berk and Galvan 2009; Canaday 2009; Clemens 1997; Morone 2003; Orren 1999; Sanders 1999; Schickler 2001; Skocpol 1992; Swift 2002). These approaches to state building emphasize that American political development is rarely a singular act, but instead a slow accumulation of policies, with the federal state accruing power in a piecemeal rather than radical fashion (Johnson 2007). Building from this incremental viewpoint, my analysis attempts to consider how federalism's horizontal and vertical elements contributed to both American state building and the reconfiguration of American political space.

PLAN OF THE BOOK

Picking up these threads, my analysis is divided into three distinct elements. In the first part, I consider how vertical federalism placed states in control of early rail development, and the consequences of giving states purview over internal improvements. In particular, I examine horizontal federalism and how a lack of local resources combined with competition among states undermined local efforts to build a national rail system. Then, I consider both vertical federalism and separation of powers in an effort to reveal why the federal state intervenes in new policy areas when it does. Specifically, I consider how local policies move to the federal level, and the compromise that must occur among the three federal branches to finally produce federal action on railroads. Finally, I attempt to uncover how federal intervention alters local policies and thereby further centralizes political power. What ties all three of these analyses together is an interest in understanding how federalism, in its moments of vertical powers, horizontal powers, and separation of powers, directs and shapes the state-building process. My argument begins by examining why states were unable to build a capable national rail network on their own. In the American state-building literature, there is an increased recognition that state governments possess significant political heft, notably an ability to fund a wide range of projects along with a legal right to regulate a vast array of social activity (Elazar 1966; Novak 1996). However, my analysis will reveal the limits to those local actions and how those limitations often eventually further federal activity.

In chapters 2, 3, and 4, I consider antebellum state-level efforts to build railroads. To evaluate state-level infrastructure policy efforts, I consider how state

shortcomings in rail promotion as well as interstate coordination led to inadequate national rail connectivity. With local resources, it is possible that states could engage in decentralized, local state building, where many local programs combine to meet national needs without any federal action. However, my analysis in chapter 2 reveals that the cost of rail construction caused many state legislatures to hesitate in their support for rail development. Further, I explore in chapter 3 how competition among states hindered rail connectivity across state boundaries. Then, as I will show in chapter 4, these inherent features of federalism, local resource limits and state competition, considerably limited the capacity of state governments to build a continent-spanning rail system on their own. Effectively, the same structure that allows for states to contribute to federal capacity through establishing independent local governments with real authority also undermines the ability of states to accomplish that capacity building through limits on local authority and interstate competition.

Following an understanding of why states could not build the American rail network on their own, chapters 5, 6, and 7 consider the emergence of federal intervention in railroads as well as the impact of that intervention on American railroads. In particular, I examine under what circumstances federal intervention occurs, and how federal action alters local policies. First, chapter 5 will examine how states' inability to construct railroads on their own combined with the ongoing competitive pressures of horizontal federalism led legislatures to turn to their congressional delegations for succor. At the same time, many members of Congress also had an interest in improving the nascent but poorly coordinated American rail system. Thus, vertical federalism provided another outlet for frustrated legislatures to attempt rail development. In this situation, Congress is often happy to step in and provide aid to local actors as a means to please constituents. Thus, the electoral nature of American democracy only eases these shifts in American federalism. In my analysis, I attempt to understand the process by which local actions shift direction and are transplanted to the federal level.

However, despite congressional eagerness, federal action still hinges on the support of the executive branch. Hence, while local horizontal federalism might lead states to seek out federal aid, separation of powers at the federal level can slow down the provision of that assistance. In chapter 6, I will discuss how federal action hinged on presidential understandings of implied powers and the legitimate scope of federal power. Ultimately, as I will show in chapter 7, the influence of both congressional and presidential politics will alter the na-

ture of American railroads, leading to railroads that focus on major trunk lines connecting key cities rather than dense local networks that develop diverse local economies. As a result, a core/periphery relationship develops where the Atlantic economies grew and diversified, while western states became dependent on coastal cities. In this way, the shift in American rail planning is not just an administrative change but also an alteration to the American landscape that furthered political centralization. In addition, chapter 7 stresses the particular importance of railroads, and infrastructure generally, in state building. Railroads established, in physical form, power relations between regions that generated long-term consequences for American political and economic history. What becomes clear through this analysis as a whole is that federalism first pushes policies to the federal level, and then interaction both in Congress and among the three branches of the federal state alters the content of those initiatives. Thus, federalism plays a critical role in both moving local policies to the federal state and then reconfiguring those policies to serve explicitly centralizing ends. Through each phase of the analysis, my aim is to highlight how a particular feature of American federalism not only generates state building by moving more authority to the political center, but also shapes the form of that federal action. What this analysis reveals is that federalism, as a foundational structure, plays a critical role in both driving and shaping American political development.

