

Sentinels Research Fellowship 2012

*For Prospective Business Owners in Williamstown, Massachusetts:
A Guide to Challenges, Policy and Change*

Topic

My research would seek to identify what challenges exist for individuals seeking to start small businesses in Williamstown, MA and address them formally.

There are unique challenges that a small town community experiences due to various policies in action on local, state and federal levels. I would be interested in how factors of social, economic and political life are at work relative to economic development.

Research Work

My research would address how challenges manifest at the local level and, from that, answer the question of how such challenges are created or promoted at various levels of government policy. Interviews with local business owners, government officials and academics would form the core of my research, but I would also look at previous scholarship that has tried to explain the economic development of small businesses in Williamstown. Hopefully, sufficient time will have passed since prior studies so that I can evaluate some of the conclusions and make suggestions.

I hope to make use of the resources at Williams College as well as the University of Massachusetts Small Business Development Center. Though I would be based at Williams College Campus, I would make trips to the surrounding areas of North Adams and Pittsfield as funds allow.

Outcomes

I would seek to evaluate what, if any, policy changes or new policies entirely would aid individuals in overcoming such challenges in Williamstown. At the conclusion of my internship, I would produce a formal guide with analysis of the economic and social situation of Williamstown to aid would-be small business owners in opening the business. With input from

the town leadership and other local authorities near the area, I would also like to write a policy advisory divided into three parts evaluating possible changes at the local, state and federal level. It is entirely possible that there exists laws and ordinances that help small businesses but may also be at odds with new policy or changes over time. This advisory would highlight such tensions and attempt to suggest solutions.

Background and Preparation

I am currently taking economics and am learning an incredible amount about business and development, which will help me better express my research in writing. For the past two tax seasons, I have been certified by the Volunteer Income Tax Assistance Program run out of the Berkshire Action Coalition in North Adams, MA. While working there, I have learned some about a few of the difficulties that are present to individuals living in this specific area. I am also aware of some of the challenges small businesses face living on campus, a more active economic center relative to the rest of the town but still slow growing. Though there are certainly rumors about why, for example, Spring Street is the “center” of Williamstown, I am not entirely sure I understand what is meant by that. After three years in the area, I want to know the answer and if I can help.

I have dealt with personal hardships throughout my life and want to, with the opportunities I have been lucky to receive, bring them into this research. As I learned with the tax program, I have a different perspective than someone who is not emotionally invested in this work that would lend itself nicely to the project that is economic, emotional and human. The interviews I would conduct would not only be based on the questions I ask but an ability to make an empathetic connection with the business owner, which I think I am capable of doing.

Thank you for taking the time to read this application. I appreciate it a great deal.

T. McCants Stewart: American Race Relations in Transition

Racism is one of the most destructive and pervasive forces in America today. According to a 2008 poll, 51% of Americans harbor racial prejudices against people of color.¹ In the interest of understanding and eventually overcoming this racism, it is important to look back into our nation's past; to examine how this racism came about and particularly to observe moments in our history when race relations were in transition. To this end, this summer I would like to study race relations in the American South at the end of Congressional Reconstruction, a period characterized by an "intimacy of contact between the races of the South."²

My goal is to learn more about this brief period of greater racial equality and acceptance, which lasted from the end of congressional reconstruction in 1877 to the advent of Jim Crow legislation in the 1890s. I think that by studying this time of social fluidity and cultural understanding, we can gain insight into an alternative, more accepting racial culture. I began to explore the dynamics of race relations in the post-Reconstruction era by taking "The History of the New South" and "The History of the Old South" with Professor Dew. While reading "The Strange Career of Jim Crow" by C. Vann Woodward, in a chapter entitled "Forgotten Alternatives," I found references to two travel accounts written during the late 1870s and early 1880s. These accounts, one written by T. McCants Stewart, a black lawyer and newspaper correspondent, and the other by Sir George Campbell, a member of British parliament, both depict an American South in which whites and blacks mingled without hesitation in restaurants, railway cars, and public buildings. At this time blacks and whites lived in apparent accord. Although Campbell's writings were published in a book entitled "White and Black; The Outcome of a Visit to the United States" in 1879, Stewart's writings have never been collected or published together since their original printing as a serial in a black newspaper. The only book about Stewart and his family (which devotes more time to his descendants than to him) spends just three pages on his southern tour.³ The last scholarly article about Stewart, published in 1979 in the South Carolina Historical Magazine, spends an equally small amount of time on Stewart's journey.⁴ This summer I would like to research Stewart's travel accounts by collecting them and analyzing them together with the aid of other contemporary observations from this time period.

I feel prepared to work closely with primary sources in order to complete this project, after taking three semesters of American history and another three semesters of world history. In particular,

¹ AP Survey: "Racial Attitudes Survey" conducted by the gfk Group on 10/29/2012.

² Woodward, C. Vann. *The Strange Career of Jim Crow*. New York: Oxford UP, 1974. Print. 34

³ Broussard, Albert S. *African-American Odyssey: The Stewarts, 1853-1963*. Lawrence: University of Kansas, 1998. Print.

⁴ Wynes, Charles E. "T. McCants Stewart: Peripatetic Black South Carolinian." *The South Carolina Historical Magazine* 80.4 (1979): 311-17. *JSTOR*. Web. 16 Mar. 2014. <<http://www.jstor.org/stable/10.2307/27567583?ref=search-gateway:38fa8af1ff45f4b11abc3daa3fe60090>>.

during my course with Professor Spero this past fall, I worked intensely with digital databases and online archives (including some of those listed below) to analyze primary sources. My research this summer will focus on collecting and investigating the travel accounts of T. McCants Stewart using Readex's "African American Newspapers" online digital collection (an archive to which Williams subscribes) to create a cohesive narrative. To contextualize this narrative I will look at Whitelaw Reid's book "After the War; A Southern Tour" published in 1866, Campbell's 1879 book and Ray Standard Baker's "Following the Color Line" published in 1908. Using Stewart's work in conjunction with these three books, I will make use of the Library of Congress's "Chronicling America" digital archive and the University of North Carolina's digital archive, "Documenting the American South," (both databases to which Williams subscribes) to help further contextualize and verify Stewart's narrative. I hope to find accounts of greater racial intimacy and acceptance in the personal diaries, contemporary newspaper articles and publications available in these databases.

Lastly, I will compare my synthesized narrative of race relations in the 1880s to present-day race relations. One of my main goals with this project is to better understand the shifting nature of race relations in America from the post-Civil war era to the present. I want to focus on the 1880s because I believe this is an often-overlooked time period that can provide important lessons for those who view the present as a period of great racial harmony. By comparing the present political climate with the past, we learn that this harmony is short-lived if important issues are ignored (such as the legal right to vote.) Last year in Shelby County vs. Holder, the US Supreme Court overturned section 4b of the Voting Rights Act, effectively removing the legal requirement that states obtain Federal preclearance before enacting changes to their voting laws. Since this landmark case, numerous states have passed strict legislation requiring photo IDs to vote. Advocates maintain that this legislation is necessary to protect the integrity of the ballot box, while opponents claim that it is an attempt to prevent low-income and minority groups from voting. I believe that the present political climate is in a transitional period which can be interpreted by examining a similar era in the 1880s when many states were also on the verge of enacting widespread changes to voting rights laws.

The goal of my study this summer is to lay the foundation for an honors history thesis on race relations during this period. *Using this information, I will look for parallels between the 1880s and the present-day in the hope that these comparisons can suggest whether the new Voter ID laws are similar to those passed in the 19th century (and thus inherently racist) or if they are fundamentally different and a necessity of the modern era.* Next fall I will continue this study, working with my thesis advisor

Professor Dew, by comparing the information I learned from online sources this summer to more traditional printed sources. My goals for the summer are:

1. To organize Stewart's Newspaper accounts into a cohesive narrative using digital archives.
2. To gain background knowledge about race relations in the American South between 1865 and 1900 by reading the books by Reid, Campbell and Baker listed above.
3. To analyze and contextualize Stewart's narrative using primary sources from digital archives.
4. *To describe this 19th century period prior to the widespread disenfranchisement of black voters and compare this period to the current political climate. Through this comparison I plan to posit whether recent voting ID laws are inherently racist or a modern necessity.*

Is private provision of passenger rail a viable transportation option?

While intra-city passenger rail is used in most large US cities, intercity passenger rail has lost its once important position in moving persons between cities or regions in the US. Despite this, intercity passenger rail operations in other countries have demonstrated great potential to unite economically, politically and socially disparate spheres. Through this project I will investigate and better understand the framework underlying the functioning of these systems in the United States. This understanding will permit me to evaluate possible policy approaches to our nation's transportation system and explore the potential for improving rail access to the local region of Western Massachusetts.¹

Because of the many positive social and environmental impacts of rail, I'm passionate about its potential and feel that it deserves a closer examination. A local company, the Housatonic Railroad, is has proposed an expansion of passenger rail service, effectively connecting Berkshire County to New York City. This proposal raises many important policy questions. While some governmental support for the project may be required, the best means of public support remain unclear and I hope to investigate the options in my research.

Our national history of rail shows what type of impact it has had. There was once a time when our nation ran on rail. Communities, industries and the individuals who built them and even our conception of time were grounded in the comings and goings of rail transport. Wars were won, cities were created, and American commerce reached heights never before seen due in part to the US rail network built during the 19th century. Train stations served as temples of American excellence, the encapsulation of our highest values — progress, technological innovation, cooperation, beauty, and a balanced equilibrium between government and private enterprise. Even in our quiet village of Williamstown, a train would come by five times a day.

No longer is rail the dominant mode of intercity transportation in the United States. The seemingly indomitable companies that once were central to our national economy—the Pennsylvania Railroad and the New York Central—have fallen. The car and the aircraft have largely replaced railroads. The enhanced freedom afforded by the spread of these modes of travel brings negative externalities and other policy challenges. The proliferation of automobile transport pollutes our nation's air and both auto and air transport contributes to our high levels of CO₂ per capita.²

Intercity passenger railroads in the U.S., despite their relatively low marginal costs have generally failed to offer an affordable and pleasant option for travelers, becoming instead a nostalgic foray into the past or an opportunity to save an hour of time for a business trip at a much higher cost, devoid of a large portion of practical value. This is a reversal of roles from the past, the car what was a luxury is now seemingly a necessity. Rail, which served as the main mode of travel, has now become a luxury or niche service.³

In contrast to this picture, the United States freight rail system is one of the best in the world⁴, connecting us to goods from across the country with high levels of efficiency and relatively low-costs. Despite, the differing natures of two types of transport, the incongruities of efficiency are startling—and merits further investigation. Some have speculated that the difference between the success of freight

¹ Bowen, Douglas. "Connecticut Urged to Aid Housatonic Rail Route." *Railway Age*. N.p., n.d. Web. 08 Apr. 2014.

² Bitzan, John D., and Theodore E. Keeler. "Intermodal Traffic, Regulatory Change and Carbon Energy Conservation in US Freight Transport." *Applied Economics* 43.25-27 (2011): 3945-63. Web.

³ N.B. "Why Don't Americans Ride Trains?" *The Economist*. The Economist Newspaper, 29 Aug. 2013. Web. 08 Apr. 2014.

⁴ "High-speed Railroading." *The Economist*. The Economist Newspaper, 24 July 2010. Web. 08 Apr. 2014.

and passenger rail is in large part due to the Staggers Act of 1980, which in large part deregulated freight rail, and brought greater levels of efficiency into freight rail, that still do not exist in passenger rail.⁵

There is one company that wishes to buck this trend, and its success or failure can provide important lessons concerning the future potential of passenger rail in the US. Its success would also be an important boost for the struggling economy of western Massachusetts and Connecticut. . The Housatonic Rail Company, a freight rail operation, has proposed to create a passenger rail line that would connect the Berkshires to New York City by railroad. The proposed rail line would connect the New York bound rail line to Pittsfield by way of Danbury, CT through existing and slightly adapted freight track. What differentiates this passenger line from any in the entire the country is that the operating costs for the service would be totally funded by the company itself, creating a private passenger rail line in our own backyard.

Working with Professor Sheppard, I propose to carefully study the economic feasibility of this project. Professor Sheppard has contacted the Housatonic Rail Company to request detailed cost data for the railroad and the required modifications to their existing track. Their cooperation will provide access to their data, which I will use to produce a reliable estimate of their cost function. This cost function will then serve as the basis for an evaluation of the costs of providing the passenger rail service to the region.. This will necessitate me taking into account a wide array of parameters, from track and fuel costs to measuring government restrictions. My training in economics, including Price and Allocation Theory and Econometrics, has provided me with the technical tools I will need to tackle this project. There is also a large existing literature on the topic of estimating rail cost functions that I will be able to draw on for this project. From this wealth of informed scholarship, I will be able to compare models and econometric techniques that are best for this particular situation.⁶⁷

Though this proposal is focused on one firm's proposal to serve a particular market, the implications are potentially very large. If my analysis validates the economic feasibility for this rail line, it has the potential to provide greater understanding of the feasibility of privately-run rail in other settings around the US. This would also provide a better understanding of what role government should play in the process. This framework has the potential to be applied throughout the country, helping us understand the best possible policy solutions to support and extend rail transportation. As a result, we can have a better idea of the best ways to connect our nation together.

In the event that we are unable to obtain the required data from Housatonic rail there remain a large number of transportation policy issues that are potential subjects for examination. Metro North should be more than willing to furnish me with data to do a study with similar impacts.

I am well-equipped to tackle this project, my dual-major of history and economics provides a very useful perspective on this issue, and affords me the opportunity to synthesize a historical prospective on economic development with understanding of contemporary economic challenges to find answers to these important policy challenges. Having completed Price and Allocation Theory, Intermediate Macroeconomics, Statistics and Econometrics provides me with the required training to analyze the data and construct models. My analysis of these models will provide the foundation for a better understanding of the feasibility of passenger rail projects going forward.

⁵ Ibid

⁶ Borts, George H. "The Estimation of Rail Cost Functions." *Econometrica* 28.1 (1960): 108-31. Print.

⁷ Friedlaender, Ann F. "Rail Costs and Capital Adjustments in a Quasi-Regulated Environment." *Journal of Transport Economics and Policy* 27.2 (1993): 131-52. *JSTOR*. Web. 08 Apr. 2014.

<<http://www.jstor.org/stable/10.2307/20052998?ref=search-gateway:83f3ec2aa8a76078265abfbfd2f60ccc5>>.