

Syllabus
Economics 341
American Economic History

Spring 2019 – Blow Hall 333

Prof. Will Hausman

Economics 341 is a one-semester survey of the development of the U.S. economy from colonial times to the outbreak of World War II. The course uses basic economic concepts to help describe and explain overall economic growth as well as developments in specific sectors or aspects of the economy, such as agriculture, transportation, industry and commerce, money and banking, and public policy. The course focuses on events, trends, and institutions that fostered or hindered the economic development of the nation. At the end of the course, you should have a better understanding of the antecedents of our current economic situation. The course satisfies GER 4-A and the Major Writing Requirement.

Blackboard: announcements, assignments, documents, links, data, and power points will be posted on Blackboard. Importantly, emails will be sent to the class through Blackboard.

Text and Readings: There is a substantial amount of reading in this course. The recommended text is Gary Walton and Hugh Rockoff, *History of the American Economy* (any edition 7th through 12th; publication dates, 1996-2015). Older editions are widely available under \$10 in on-line used bookstores; I personally use the 8th edition (1998). The 10th edition is also widely available. This will be used mostly for background information. There also will be articles or book chapters assigned every week, as well as original documents. I expect you to read the articles and documents thoroughly and carefully. These will all be available on Blackboard, or can be found directly on JSTOR (via the Database Links on the Swem Library home page), or the journal publisher's home page via Swem's online catalog.

Course Assignments and Grades: (1) Most weeks there will be either an in-class quiz on the readings or a short writing or data presentation assignment. I will let you know several days in advance what will be covered and when. The short quizzes on the readings will be open-note (but without accessing the original reading). One purpose of these is to keep your reading current. These quizzes or assignments may be taken or handed in on the next class date; after that you will have to provide article summaries to receive partial credit. Most of these will be worth from 4 to 16 points each. (2) There will be a take-home midterm assignment. (3) There will be a short research paper of 4-6 pages. The topics for the papers will be assigned after the midterm. (4) There will be a take-home final exam containing various options. The quizzes/short writing assignments will comprise roughly 25% of your grade (with class participation/attendance included in this portion of your grade); the midterm, research paper, and final exam each will comprise approximately 25% of your grade, with all grade ties broken by the research paper. The target due dates, subject to adjustment but never earlier, are indicated below.

My office is 335 Tyler. Office hours: 1:30 –2:30 MW and 11:00-11:55 TTh and by appointment.
Email: wjhaus@wm.edu.

Course Outline

Week of Jan. 16 (Wed.): Intro, the Very Long View, and Encountering the “New World”

- a. Walton and Rockoff, Ch. 1, 2 (or equivalent)
- b. Bernard Bailyn, *The Barbarous Years, 1600-1675*, Vintage Books, 2012, ch. 2, “Death on a Coastal Fringe,” pp. 35-62.
- c. (document) Middle Plantation Treaty of 1677

Week of Jan. 21: The Colonial Economy

- a. Walton and Rockoff, Ch. 3-5 (or equivalent)
- b. Terry Anderson and Robert Paul Thomas, “Economic Growth in Seventeenth-Century Chesapeake,” *Explorations in Economic History*, October 1978, 368-87.
- c. David Galenson, “The Market Evaluation of Human Capital: The Case of Indentured Servitude,” *Journal of Political Economy*, June 1981, 446-67.
- d. (document) “An Exact Table to bring Old Tenor into Lawful Money,” Boston, 1750.

Week of Jan. 28: The Revolutionary War and Economic Conditions in the New Nation

- a. Walton and Rockoff, Ch. 6, 7 (or equivalent)
- b. Ben Baack, “Forging a Nation State: the Continental Congress and the Financing of the War of American Independence,” *Economic History Review*, November 2001, 639-56.
- c. Richard Sylla, “Financial Foundations: Public Credit, the National Bank, and Securities Markets,” in D. Irwin and R. Sylla, ed., *Founding Choices: American Economic Policy in the 1790s*, Univ. of Chicago Press: 2011, 59-88.
- d. (document) Alexander Hamilton, *First Report on the Public Credit*, 1790.

Week of Feb. 4: Westward Expansion and Transportation Infrastructure

- a. Walton and Rockoff, Ch. 8, 9 (or equivalent)
- b. R. Pereira, A. Pereira, and W. Hausman, “Railroad Infrastructure Investments and Economic Development in the Antebellum United States,” *Journal of Economic Development*, Sept. 2017, 1-16 (Sections 1-2, 4-5)
- c. John J. Wallis, “Constitutions, Corporations, and Corruption: American States and Constitutional Change, 1842 to 1852,” *Journal of Economic History*, Mar. 2005, 211-65.
- d. (document) *American Railroad Journal*, front pages Apr. 18, 1835; Nov. 7, 1835; May 27, 1837; Jan. 6, 1856.

Week of Feb. 11: The Industrial Revolution comes to the U.S.

- a. Walton and Rockoff, Ch. 10, 11(or equivalent)
- b. Alfred D. Chandler, Jr., *The Visible Hand: The Managerial Revolution in American Business*, Harvard Univ. Press, 1977, Ch. 2.
- c. Claudia Goldin and Kenneth Sokoloff, “Women, Children, and Industrialization in the Early Republic: Evidence from the Manufacturing Censuses,” *Journal of Economic History*, Dec. 1982, 741-74.
- d. (document: *Hunt’s Merchants’ Magazine* selections, Sept. 1839)

Week of Feb. 18: Money and Banking in the Antebellum Period

- a. Walton and Rockoff, Ch. 12 (or equivalent)
- b. Peter Temin, "The Economic Consequences of the Bank War," *Journal of Political Economy*, Mar.-Apr. 1968, 257-74.
- c. (document) Andrew Jackson's veto of the re-charter of the Second Bank of the U.S.

Week of Feb. 25: The Southern Economy and the Economics of Slavery

- a. Walton and Rockoff, Ch. 13 (or equivalent)

Midterm due: Fri., Mar. 1, in class or emailed

Spring Break, week of Mar. 4

Week of Mar. 11: The Civil War, Readjustment, and Farm Protest Movement

- a. Walton and Rockoff, Ch. 14-15 (or equivalent)
- b. Marc Weidenmier, "Turning Points in the U.S. Civil War: Views from the Grayback Market," *Southern Economic Journal*, April 2002, 875-90.
- c. Robert A. McGuire, "Economic Causes of Late Nineteenth Century Agrarian Unrest: New Evidence," *Journal of Economic History*, Dec. 1981, 835-52.
- d. (document: National Party Platforms and election results, 1876)

Week of Mar. 18: Railroads and the Rise of Federal Regulation

- a. Walton and Rockoff, Ch. 16 (or equivalent)
- b. Richard White, "Information, Markets, and Corruption: Transcontinental Railroads in the Gilded Age," *Journal of American History*, June 2003, 19-43.
- c. George W. Hilton, "The Consistency of the Interstate Commerce Act," *Journal of Law and Economics*, Oct. 1966, 87-113
- d. (document: article on Cullom report, *New York Times*, Jan. 19, 1886)

Week of Mar. 25: The Rise of Big Business

- a. Walton and Rockoff, Ch. 17 (or equivalent)
- b. Alfred D. Chandler, Jr., "Organizational Capabilities and the Economic History of the Industrial Enterprise," *Journal of Economic Perspectives*, Summer 1992, 79-100.
- c. Christopher Wells, "The Road to the Model T," *Technology and Culture*, July 2007, 497-523.
- d. (document: *New York Times* articles on merger that created General Electric and on automobiles, Feb. 21, 1892; Sept. 28, 1902; Sept. 22, 1907; Jan. 2, 1910; Dec. 31, 1911)

Week of Apr. 1: The Progressive Response to Big Business

- a. Walton and Rockoff, Ch. 18, 20 (or equivalent)
- b. Gary Libecap, "The Rise of the Chicago Packers and the Origins of Meat Inspection and Antitrust," *Economic Inquiry*, April 1992, 242-62.
- c. Richard John, "Robber Barons Redux: Antimonopoly Reconsidered," *Enterprise & Society*, March 2012, 1-38.
- d. (document: Sherman Antitrust Act, 1890)

Week of Apr. 8: Money, Banking, and Finance in the Populist/Progressive Era

- a. Walton and Rockoff, Ch. 19 (or equivalent)
- b. Hugh Rockoff, "The Wizard of Oz as a Monetary Allegory," *Journal of Political Economy*, August 1990, 739-60.
- c. Kerry Odell and Marc Weidenmier, "Real Shock, Monetary Aftershock: The 1906 San Francisco Earthquake and the Panic of 1907," *Journal of Economic History*, Dec. 2004, 1002-27.
- d. (documents: *Wall Street Journal* on Panics of 1893 and 1907, on legislation leading up to passage of the Federal Reserve Act, and Woodrow Wilson on central banks in the U.S.)

Research Paper due Friday, April 12, in class or emailed

Week of April 15: World War I, Return to "Normalcy," and the Roaring 20s

- a. Walton and Rockoff, Ch. 21-22 (or equivalent)
- b. John Neufeld, William Hausman, and Ronald Rapoport, "A Paradox of Voting: Cyclical Majorities and the Case of Muscle Shoals," *Political Research Quarterly*, June 1994, 423-38.
- c. Eugene White, "The Stock Market Boom and Crash of 1929 Revisited," *Journal of Economic Perspectives*, Spring 1990, 67-84.
- d. (document: *New York Times* articles on stock market crash, Oct. 25, 29, Nov. 2, 11, 1929)

Week of April 22: The Causes and Course of the Great Depression

- a. Walton and Rockoff, Ch. 23-24 (or equivalent)
- b. Ben Bernanke, "The Macroeconomics of the Great Depression: A Comparative Approach," *Journal of Money, Credit and Banking*, Feb. 1995, 1-28.
- c. Michael Bernstein, *The Great Depression*, Cambridge U. Press, 1987, Ch. 7.
- d. (document: Franklin D. Roosevelt's inaugural address, March 1933)

Final Exam: due by noon, Wed. May 1.