

Econ 8534
American Economic History

Professor Ann Carlos
Econ 208A

Fall 2008

This course explores the economic history of the United States from colonial times to the present. Its purpose is to expose you to economic history as a method of economic analysis and to provide insights into some of the main features of America's economic growth and development. In a very real sense, this course is a sampler. We cannot cover everything in one semester. Depending on the class interests, missing topics can be added.

For those of you who have not had a course in American economic history, two very useful text books are Jeremy Atack and Peter Passell, *A New Economic View of American History*, 2nd edition, 1994 and Linda Barrington, ed. *Other Side of the Frontier*, 1999. Both are available on line and in the UMC bookstore.

Evaluation is as follows: Discussion papers (30%), final exam (30), term paper (40%).

(1) This is a seminar course and depends on student engagement with the material. Students will be assigned readings selected from the material below; each student will prepare a critical evaluation of the reading(s) for discussion in class. The evaluation will provide an overview of the topic; a critique of the sources and methods; suggestions for extension and/or improvement; and three discussion questions to guide the conversation. These will be circulated prior to the class.

(2) There will be a final open book exam.

(3) Term paper. A 15-page discussion of a research question that is motivated by this class. The proposal should be more than a literature review. Rather, you should place your question in the context of the existing literature, explain what you would do to go about answering the question better—you could do this, for example, by providing a sketch of the theoretical framework behind your hypothesis, finding the data sources that provides the necessary evidence, and describing your empirical strategy and methodology. Note that as this is a research proposal, you are not asked to actually produce the final results. However, the elements of your approach must be consistent with the known or available historical evidence. Ingenuity and feasibility are two aspects of your proposal that will be valued and rewarded. All students will be asked to give a short presentation of their proposal during several classes near the conclusion of the semester.

1. Introduction

Atack and Passell, ch. 1.

Donald McCloskey, "Does the Past Have Useful Economics", **JEL** (1976).

Paul A. David, "Clio and the Economies of QWERTY," **AER** (May 1985)

2. Initial Conditions and Development Paths:

- Kenneth Sokoloff and Stanley Engerman, "Institutions, Factor Endowments and Paths of Development in the New World," **JEP** 14 (Summer 2000)
- Daron Acemoglu, Simon Johnson and James A. Robinson, "Reversal of Fortune: Geography and Institutions in the Making of Modern World Income Distribution" **QJE** (Nov. 2002): 1231-94
- Daron Acemoglu, Simon Johnson and James A. Robinson, "Colonial Origins of Comparative Development" **AER** (2001): 1369-1401
- David Albouy, "Colonial Origins of Comparative Development: An Investigation of the Settler Mortality Data", Center for International and Development Economics Research, Institute for Business and Economic Research, UC Berkeley, Center for International and Development Economics Research, Working Paper Series: 1055, 2006

3. Colonial Markets:

- Atack and Passell, ch. 2.
- David Galenson, *Markets in History: Economic Studies of the Past*, Cambridge University Press, 1989.
- Farley Grubb, "Colonial Labor Markets and the Length of Indenture: Further Evidence" **EEH**, 24 (January 1987)
- Farley Grubb, "The Transatlantic Market for British Convict Labor," **JEH** 60 (March 2000)
- Farley Grubb, "The Statutory Regulation of Colonial Servitude," **EEH** 37 (January 2000)
- Winifred Rothenberg, "The Market and Massachusetts Farmers," **JEH** 41 (June 1981)

4. Constitution as an Economic Document:

- Atack and Passell, ch. 2. pp. 75-78
- Constitution of the United States, and Bill of Rights
- Charles Beard, *An Economic Interpretation of the Constitution*, New York: MacMillan 1913
- Robert A. McGuire and Robert L. Ohsfeldt, "Economic Interests and the American Constitution: A Quantitative Rehabilitation of Charles A. Beard." **JEH** 44, (1984)
- Jac C. Heckelman and Keith L. Dougherty, "An Economic Interpretation of the Constitutional Convention of 1787 Revisited". **JEH** 67 (December 2007)
- Douglass North, "Institutions", **JEP** (1991)

5. Other Side of the Frontier: Grubb, Farley

- Linda Barrington, Editor's Introduction: Native Americans and U.S. Economic History, **Other Side of the Frontier**, 1999.
- Richard H. Steckel, "Health and Nutrition in Pre-Columbian America: The Skeletal Evidence", **Journal of Interdisciplinary History**, 36.1 (summer 2005)
- Ann M. Carlos and Frank D. Lewis, "Property Rights, Competition and Depletion in the Eighteenth-Century Canadian Fur Trade: The Tragedy of the Commons, *Canadian Journal of Economics*, May 1999.
- Ann M. Carlos and Frank D. Lewis, "Trade, Consumption, and the Native Economy: Lessons from York Factory, Hudson Bay. **JEH** 61, pp. 1037-1064, 2001.

David M. Wishart, "Evidence of Surplus Production in the Cherokee Nation Prior to Removal." **JEH** 55 (March 1995).

Jared M. Diamond, *Guns, Germs and Steel: The Fate of Human Societies*, New York: Norton, 1997.

6. Transportation and American Economic Growth

Atack and Passell, chs. 6 and 16

Mark Kanazawa, "Possession is Nine Points of the Law: The Political Economy of Early Public Land Disposal." **JEH**, (April 1996).

Robert Fogel, "Notes on the Social Savings Controversy". **JEH** (March 1979)

C. Knick Harley, "Oligopoly Agreement and the Timing of American Railroad Construction". **JEH** (December 1982).

Douglas Puffert, "The Standardization of Track Gauge on North American Railways, 1830-1890," **JEH** 60 (December 2000)

7. Industrialization and Technical Choice

Atack and Passell, chs. 5 and 7

Nathan Rosenberg, "Technological Change in the Machine Tools Industry," **JEH** (December 1963).

John A. James and Jonathon S. Skinner, "Resolution of the Labor Scarcity Paradox," **JEH** (September 1985).

Claudia Goldin and Kenneth Sokoloff, "The Relative Productivity Hypothesis of Industrialization," **QJE** 99 (August 1984)

Naomi Lamoreaux, "Banks, Kinship and Economic Development," **JEH** 46 (September 1986)

Douglas A. Irwin and Peter Temin, "The Antebellum Tariff on Cotton Textiles Reconsidered," and "Comment" by C. Knick Harley, **JEH** 61 (September 2001)

8. Slavery and Southern Development

Atack and Passell, chs 11 and 12

Alfred Conrad and John Meyer, "The Economics of Slavery in the Antebellum South." **Journal of Political Economy** 66 (1958).

Gavin Wright, **Political Economy of the Cotton South**, chs. 2, 3 and 4 (1978)

Robert Fogel, **Without Consent or Contract**, chs 3,4 and Afterword, (1989)

Richard Steckel, "A Peculiar Population: The Nutrition, Health and Mortality of American Slaves from Childhood to Maturity." **JEH** 46 (1986c).

9. Post-Bellum Southern Development

Atack and Passell, chs 13 and 14

Roger Ransom and Richard Sutch, **One Kind of Freedom**, (1977)

Gavin Wright, **Old South, New South: Revolutions in the Southern Economy** (1986)

Lee J. Alston and Robert Higgs, "Contractual Mix in Southern Agriculture since the Civil War: Facts, Hypothesis and Tests" **JEH**, 42 (1981)

Lee J. Alston and Joseph Ferrie, "Paternalism in Agricultural Labor Contracts in the US South: Implications for the Growth of the Welfare State," **American Economic Review** (1993)
Melinda Miller "The Effect of Free Land Access on Former Slaves and their Descendants"
Working Paper, University of Michigan, (2008)

10. **American Industrial Leadership**

Atack and Passell, ch 17

Gregory Clark, "Why Isn't the Whole World Developed?" **JEH** 47 (March 1987)

Gavin Wright, "The Origins of American Industrial Success," **AER** 80 (September 1990)

Richard Nelson and Gavin Wright, "The Rise and Fall of American Technological Leadership,"
JEL (Dec 1992)

Paul M. Romer, "Why, Indeed in America?" **AER** (May 1996)

Alfred D. Chandler, "Organizational Capabilities and the Economic History of the Industrial Enterprise," **JEP** 6 (Summer 1992)

Alexander Field, "Modern Business Enterprise as a Capital-Saving Innovation," **JEH** (June 1987)

Charles W. McCurdy, "American Law and the Marketing Structure of the Large Corporation, 1875-1890," **JEH** (September 1978)

Naomi Lamoreaux and Kenneth Sokoloff, "Market Trade in Patents and the Rise of a Class of Specialized Inventors in the Nineteenth Century United States," **AER** 91 (May 2001)

Robert J. Gordon, "US Economic Growth Since 1870: One Big Wave?" **AER** 89 (May 1999)

Claudia Goldin, "The Human-Capital Century and American Leadership," **JEH** 61 (June 2001)

Daron Acemoglu, "Why Do New Technologies Complement Skills?" **QJE** 113 (1998)

Alexander J. Field, "Procyclical TFP and the Cyclicity of Growth in Output per House, 1890-2004" Working Paper, University of California Santa Cruz (2008)

Louis Galambos, "The US Corporate Economy in the Twentieth Century" in *Cambridge Economic History of the United States*, vol. III

Alexander J. Field, "The Impact of the Second World War on US Productivity Growth", **EHR** 61 (August 2008)

11. **Labor in American History**

Atack and Passell, ch. 19

Claudia Goldin, "Labor Markets in the Twentieth Century", in *Cambridge Economic History of the United States*, vol. III

Claudia Goldin, *Understanding the Gender Gap: An Economic History of American Women*, Oxford, 1990.

Dora Costa, "From Mill Town to Board Room: The Rise of Women's Paid Labor," **JEP** 14 (Fall 2000)

Claudia Goldin and Laurence F. Katz, "Education and Income in the early Twentieth Century: Evidence from the Prairies," **JEH** (September 2000)

Claudia Goldin and Laurence F. Katz, "Power of the Pill", **JPE** (August 2002)

- Price Fishback, "Operation of 'Unfettered' Labor Markets" **JEL** (June 1998)
- Mark Aldrich, *Safety First: Technology, Labor, and Business in the Building of American Work Safety, 1870-1939*. Johns Hopkins, 1997.
- Price Fishback, Shawn Everett Kantor, "The Durable Experiment: State Insurance of Workers' Compensation Risk in the Early Twentieth Century" **JEH**, (December 1996)
- Shawn Everett Kantor and Price Fishback, "Precautionary Saving, Insurance, and the Origins of Workers' Compensation", **JPE** (April 1996)
- Robert D. Plotnick, Eugene Smolensky, Eirik Evenhouse, and Siobhan Reilly, "The Twentieth-Century Record of Inequality and Poverty in the United States" in *Cambridge Economic History of the United States*, vol. III
- William J. Collins, "When the Tide Turned: Immigration and the Delay of the Great Black Migration," **JEH** 57 (September 1997)
- Martha J. Bailey and William J. Collins, "The wage gains of African-American women in the 1940s" **JEH**, September 2006.
- Price Fishback, William C. Horrace, and Shawn Everett Kantor, "The Impact of New Deal Expenditures on Mobility during the Great Depression" *Explorations in Economic History* (April 2006)
- Carolyn M. Moehling, "Family Structure, School Attendance, and Child Labor in the American South in 1900 and 1910", *Explorations in Economic History*, January 2004.

12. Other topics will be added as interest or time permits.