

TOPICS IN AMERICAN ECONOMIC HISTORY

ECON 425
TTH 8:00-9:15 McClelland 130
University of Arizona
Professor Gary D. Libecap
202 McClelland Hall, 621-4821
glibecap@bpa.arizona.edu
Office hours: email at any time; office, M 8-8:30

The course objective is to provide you with insights into the performance of the American economy across time and with respect to other economies; the underlying sources of growth; and key issues in American economic development. Assigned readings will be discussed in each class.

Grading:	Midterm exam:	25% of course grade
	Final exam:	35% of course grade
	Paper:	25% of course grade
	Paper outlines and class discussion	15% of course grade

Make up exams will be given only with approved absences. Exams are short-answer essay and definitions. There is no curving of grades. The paper must be 10-15 pages with endnotes and references. Each student must select one of the works of American literature listed below or another approved volume and place the work into the context of American economic development at that time. The objective is to determine how economic conditions at the time influenced the author and the work. A series of paper outlines **must be turned in and modified** before the final paper is written. At least one of the starred readings will be discussed in each class and students are required to lead the discussion.

Course material:

- Jeremy Atack and Peter Passell, *A New Economic View of American History*, WW. Norton, 2nd Edition.
- A copy of the US Constitution.
- Gary Libecap, *Contracting for Property Rights*, Cambridge University Press.
- Readings Packet with required readings on Library Reserve and on the net.

Below, required readings are starred (*) and in the packet. Supplemental readings will be useful for your papers and are noted (s). I can assist you in accessing the supplemental readings.

I. An Overview of American Economic Performance Across Time and in Comparison with other Economies.

1. GNP and Per Capita Income:

Atack and Passell, Chapter 1 (*).

Richard Steckel, "Stature and Living Standards in the United States," in Robert Gallman and John Wallis eds, American Economic Growth and Standards of Living before the Civil War, 1992, 265-310 (*).

Paul Romer, "Why Indeed, in America? Theory, History, and ...Economic Growth," American Economic Review, May 1996, 202-6 (*).

Angus Maddison, 1983, "A Comparison of Levels of GDP Per Capita in Developed and Developing Countries, 1700-1980," Journal of Economic History, March, 27-41 (s).

William Baumol, "Productivity Growth, Convergence, and Welfare: What the Long-Run Data Show," American Economic Review, December 1986, 1072-85 (s).

Robert E. Gallman, "Gross National Product in the United States, 1834-1909," in Output, Employment, and Productivity in the United States after 1800, Studies in Income and Wealth, Vol. 30, 1966, 3-76 (s).

2. Income and Wealth Distribution.

Klaus Deininger and Lyn Squire, "A New Data Set Measuring Income Inequality," The World Bank Economic Review, 10 (3), 565-91 (*).

Jeffrey Williamson and Peter Lindert, 1985, "Growth, Equality, and History," Explorations in Economic History 341-77 (*).

Stanley Lebergott, 1976, "Are the Rich Getting Richer? Trends in US Wealth Concentration," Journal of Economic History, March 147-62 (s).

Edward Wolff, 1995, Top Heavy: A Study of Increasing Inequality of Wealth in America, New York, Twentieth Century Fund and Brookings (s).

Jeffrey Williamson, "American Prices and Urban Inequality Since 1820," Journal of Economic History June 1976, 303-333 (s).

Lee Soltow, "Inequalities in the Standard of Living in the United States, 1798-1875," in Robert Gallman and John Wallis eds, American Economic Growth and Standards of Living before the Civil War, 1992, 121-172 (s).

Anne Mayhew, 1972, "A Reappraisal of the Causes of Farm Protest in the 1870-1900," Journal of Economic History, June 464-75 (s).

Robert McGuire, 1981, "Economic Causes of Late Nineteenth Century Agriarian Unrest," Journal of Economic History, March, 835-52 (s).

Simon Kuznets, March 1955, "Economic Growth and Economic Inequality," American Economic Review, 1-28 (s).

Claudia Goldin and Robert Margo, 1992, "The Great Compression: The Wage Structure in the US at MidCentury," Quarterly Journal of Economics, 107 (1): 1-34 (s).

II. Sources of Economic Growth.

1. Labor Force.

Atack and Passell, Chapters 8, 19 (*).

Stanley Lebergott, 1966, "Labor Force and Employment 1800-1960," in Studies in Income and Wealth, Vol. 30, 117-204 (s).

Tom Weiss, 1992, "U.S. Labor Force Estimates and Economic Growth, 1800-1860, in in Robert Gallman and John Wallis eds, American Economic Growth and Standards of Living before the Civil War, 19-78 (s).

Lee Alston and Tim Hatton, 1991, "The Earnings Gap Between Agricultural and Manufacturing Laborers, 1925-1941," Journal of Economic History, March, 83-99(s).

John James, 1981, "Some Evidence on Relative Labor Scarcity in 19th Century American Manufacturing," Explorations in Economic History, 18, 376-85 (s).

Frank Lewis, 1979, "Explaining the Shift of Labor from Agriculture to Industry in the United States: 1869-1899," Journal of Economic History, September 681-98 (s).

Joshua Rosenbloom, 1990, "One Market or Many? Labor Market Integration in the Late Nineteenth Century United States," Journal of Economic History, March 85-107 (s).

2. Demography.

Richard Steckel, "The Fertility Transition in the United States: Tests of Alternative Hypotheses," in Strategic Factors in Nineteenth Century American Economic History, Claudia Goldin and Hugh Rockoff, eds, 1992, 351-374 (*).

Jenny Bourne Wahl, "New Results on the Decline in Household Family Fertility in the United States, 1750-1900," in Stanley Engerman and Robert Gallman, eds., 1986, Long Term Factors in American Economic Growth, Vol. 51, 391-437 (s).

3. Education.

Claudia Goldin, "America's Graduation from High School: The Evolution and Spread of Secondary Schooling in the Twentieth Century," Journal of Economic History, June 1998, 345-374 (*).

4. Health.

Edward Meeker, "The Social Return on Investment in Public Health, 1880-1910," Journal of Economic History, June 1974, 392-421 (*).

Robert Fogel, "Nutrition and the Decline in Mortality since 1700: Some Preliminary Findings," in Stanley Engerman and Robert Gallman, eds, 1986, Long Term Factors in American Economic Growth, Vol 51, 439-555 (s).

5. Immigration.

- Joseph Ferrie, "The Wealth Accumulation of Antebellum Immigrants to the US, 1840-60," Journal of Economic History, March 1994, 1-33 (*).
- George Borjas, "National Origin and the Skills of Immigrants in the Postwar Period," in Immigration and the Workforce, George Borjas and Richard Freeman, eds, 1992, 17-48 (*).
- Claudia Goldin, "The Political Economy of Immigration Restriction in the United States, 1890-1921, in Claudia Goldin and Gary Libecap, eds, The Regulated Economy: A Historical Approach to Political Economy, 223-57(s).
- Tim Hatton and Jeffrey Williamson, 1993, "After the Famine: Emigration from Ireland, 1850-1913," Journal of Economic History, September 575-600 (s).

6. Land and Natural Resources.

- Atack and Passell, Chapters 9, 15 (*).
- Gavin Wright, "The Origins of American Industrial Success, 1879-1940," American Economic Review, September 1990, p. 651-68 (*).
- David Galenson and Clayne Pope, 1989, "Economic and Geographic Mobility on the Farming Frontier: Evidence from Appanoose County, Iowa, 1850-1870," Journal of Economic History, September, 635-55 (*).
- Steven Herscovici, 1998, "Migration and Economic Mobility: Wealth Accumulation and Occupational Change Among Antebellum Migrants and Persisters," Journal of Economic History, December, 927-56 (*).
- Harold J. Barnett, 1979, "Scarcity and Growth Revisited," in V. Kerry Smith, ed. Scarcity and Growth Reconsidered, 163-97 (*).
- Clarence H. Danhof, 1941, "Farming Making Costs and "The Safety Valve"" Journal of Political Economy 41, 317-59 (s).
- Ellen Von Nardoff, 1962, "The American Frontier as Safety Valve," Agricultural History, July (s).
- Tim Conley and David Galenson, 1998, "Nativity and Wealth in Mid-Nineteenth Century Cities," Journal of Economic History, 58 2, 468-93 (s).
- David Galenson and Clayne Pope, "Precedence and Wealth: Evidence from Nineteenth Century Utah," in Strategic Factors in Nineteenth Century American Economic History, Claudia Goldin and Hugh Rockoff, eds, 1992, 225-42 (s).
- Richard Steckel, 1983, "The Economic Foundations of East-West Migration During the 19th Century," Explorations in Economic History 20, 14-36 (s).

7. Market Size and Economies of Scale.

- Atack and Passell, Chapter 7, 17.
- Jeremy Atack, 1985 "Industrial Structure and the Emergence of the Modern Corporation," Explorations in Economic History, January, 29-52 (*).

John James, 1983, "Structural Change in American Manufacturing," Journal of Economic History June, 433-59 (*).

Gary Libecap, 1992, "The Rise of the Chicago Packers and the Origins of Meat Inspection and Antitrust," Economic Inquiry, 242-62 (*).

Jeremy Atack, 1986, "Firm Size and Industrial Structure in the United States in the Nineteenth Century," Journal of Economic History June 463-75 (s).

Anthony O'Brien, 1988, "Factory Size, Economies of Scale and the Merger Wave, 1902," Journal of Economic History, September, 639-50 (s).

Sukko Kim, 1995, "Expansion of Markets and the Geographic Distribution of Economic Activities: The Trends in US Regional Manufacturing Structure, 1860-1987," Quarterly Journal Economics (s).

David Mowery, 1983, "Industrial Research and Firm Size, Survival and Growth in American Manufacturing, 1921-1946: An Assessment," Journal of Economic History, December, 953-80 (s).

Alfred Chandler, 1992, "Organizational Capabilities and the Economic History of the Industrial Enterprise," Journal of Economic Perspectives, Summer, 79-100 (s).

8. Transportation.

Atack and Passell, Chapter 6, 16 (*).

Robert Fogel, 1979, "Notes on the Social Savings Controversy," Journal of Economic History 39, March, 1-54 (s).

Stanley Engerman, 1972, "Some Economic Issues Relating to Railroad Subsidies," Journal of Economic History, June (s).

9. Trade.

Atack and Passell, Chapter 5 (*).

Ben Baack and Ed Ray, 1983, "The Political Economy of Tariff Policy: A Case Study of the United States," Explorations in Economic History, 73-93 (*).

Douglas Irwin, forthcoming, "Did Late Nineteenth Century U.S. Tariffs Promote Infant Industries? Evidence from the Tinplate Industry," Journal of Economic History, 2000 (*).

Douglas Irwin and Randall Kroszner, "1999, "Interests, Institutions, and Ideology in Securing Policy Change: The Republican Conversion to Trade Liberalization after Smoot Hawley," Journal of Law and Economics, 643-74 (s).

10. Technology.

Atack and Passell, Chapters 8, 10 (*).

Zorina Khan and Ken Sokoloff, 1993, "Schemes of Practical Utility Entrepreneurship and Innovation Among 'Great Inventors' in the United States, 1790-1865," Journal of Economic History, June, 289-307 (*).

- Kenneth Sokoloff, "Inventive Activity in Early Industrial American," Journal of Economic History, 48, December 1988, 813-50 (s).
- Naomi Lamoreaux and Kenneth Sokoloff, 1999, "Inventors, Firms, and the Market for Technology in the Late Nineteenth and Early Twentieth Centuries," in Naomi Lamoreaux, Daniel Raff, and Peter Temin, eds, Learning by Doing in Markets, Firms, and Countries, 1999, 19-60 (s).
- Richard Easterlin, 1981, "Why Isn't the Whole World Developed?" Journal of Economic History, March 1-20 (s).
- William N. Parker and Judith Klein, "Productivity Growth in Grain Production in the United States, 1840-60 and 1900-10," in Output, Employment, and Productivity in the United States after 1800, Studies in Income and Wealth, Vol. 30, 1966, 523-579 (s).
- Sally Clarke, 1991, "New Deal Regulation and the Revolution in Farm Productivity," Journal of Economic History March 101-23 (s).
- Ken Sokoloff, "Productivity Growth in Manufacturing during Early Industrialization," in Stanley Engerman and Robert Gallman, eds, Long-Term Factors in American Economic Growth, Chicago, 1986, 679-81, 709-25 (s).
- W. Devine, 1983, "From Shafts to Wires: Historical Perspective on Electrification," Journal of Economic History, June, 347-72 (s).
- Nathan Rosenberg, 1963, "Technological Change in the Machine Tool Industry, 1840-1910," Journal of Economic History, December (s).
- Claudia Goldin and Lawrence Katz, 1998, "The Origins of Technology-Skill Complementarity," Quarterly Journal of Economics, August (s).
- Moses Abramovitz, "Catching Up, Forging Ahead, and Falling Behind," Journal of Economic History, June 1986, 385-406 (s).
- Stephen Broadberry, 1998, "How Did the United States and Germany Overtake Britain? A Sectoral Analysis of Comparative Productivity Levels, 1870-1990," Journal of Economic History, June 375-407 (s).
- Allan G. Bogue, 1983, "Changes in Mechanical and Plant Technology: The Corn Belt, 1910-1940," Journal of Economic History, March 1-26 (s).
- Brad De Long, 1992, "Productivity Growth and Machinery Investment: A Long Run Look, 1870-1980," Journal of Economic History, June, 307-324 (s).

11. Institutions: Laws, Contracts, Property Rights, Regulation, Transfers.

Atack and Passell, Chapter 23.

The US Constitution (*).

Robert Higgs, "Crisis, Bigger Government, and Ideological Change: Two Hypotheses on the Ratchet Phenomenon," Explorations in Economic History, January 1985, vol 22, 1-28 (*).

Gary Libecap, "The Great Depression and the Regulating State: Federal Government Regulation of Agriculture, 1884-1970," in Michael Bordo, Claudia Goldin and Eugene White, eds, The Defining

Moment: The Great Depression and the American Economy in the Twentieth Century, 1998, 181-226 (*).

Gary Libecap, Contracting for Property Rights, 1989, 1-72, 115-121 (*).

Gary Libecap, 1978, "Economic Variables and the Development of the Law: The Case of Western Mineral Rights," Journal of Economic History June, 338-62 (s).

Ronald Johnson and Gary Libecap, The Federal Civil Service System and the Problem of Bureaucracy, 1994, 1-47 (s).

North, Douglass "Institutions," Journal of Economic Perspectives, 1991, 5, 97-112 (s).

Bruce Benson, 1989, "The Spontaneous Evolution of Commercial Law," Southern Economic Journal, 55 (3), 644-61 (s).

III. Literature:

Upton Sinclair, The Jungle.

John Steinbeck, The Grapes of Wrath.

Harriet Beecher Stowe, Uncle Tom's Cabin.

Mark Twain, The Adventures of Huckleberry Finn.

Ole Rolvaag, Giants in the Earth.

Willa Cather, My Antonia.

Mark Twain, A Connecticut Yankee at King Arthur's Court.

Harriet H. Robinson, Loom and Spindle or Life Among the Early Mill Girls.

Alex de Tocqueville, Democracy in America.

Matthew Josephson, Robber Barons.

Ida Tarbell, History of Standard Oil.

A.B. Guthrie Jr. The Big Sky.

A.B. Guthrie, Jr. The Way West.

William Styron The Confessions of Nat Turner.

Dee Brown, Bury My Heart at Wounded Knee.

F. Scott Fitzgerald, The Great Gatsby.

Stephen Crane, The Red Badge of Courage.

Sinclair Lewis, Main Street.

Edna Ferber, Cimarron.

Margaret Mitchell, Gone with the Wind.

John W. Powell, Report on the Lands of the Arid Region of the United States.

Walter Prescott Webb, The Great Plains.