

# American Economic History

Course Website: [portal.utoronto.ca](http://portal.utoronto.ca)

Lecture: F, 12:00-3:00pm, SS 1070

## Course Information

Instructor: Shari Eli  
Email: [shari.eli@utoronto.ca](mailto:shari.eli@utoronto.ca)  
Office Hours: Max Gluskin House #326, Thurs. 4:00 - 6:00pm  
Office Hours Sign-up: <https://my.timedriver.com/FY5XS>

## Course Goals

We will survey American history from the ante-bellum period to the present. We will study both macro and micro topics. One goal of this class will be to learn about economic events, factors and arguments in order to explain current economic events through an historical lens. Another goal will be to use the tools of economics to analyze important research questions in economic history.

## Prerequisites

One course from A, B and C:

- A) Microeconomic Theory: (ECO200Y1/ECO204Y1/ECO206Y1)
- B) Macroeconomic Theory and Policy: (ECO202Y1/ECO208Y1/ECO209Y1)
- C) Quantitative Methods in Economics: (ECO220Y1/ECO227Y1)  
Statistics: (STA247H1,STA248H1)/(STA250H1,STA255H1)/(STA257H1,STA261H1)

Distribution Requirement Status: This is a Social Science course Breadth Requirement: Society and its Institutions (3)

## Students with Disabilities

Please let me know as soon as possible if you would like special accommodations/arrangements either in class or in the event that the building must be evacuated. For disability-related accommodations, please also see the following website: <http://www.accessibility.utoronto.ca>.

## Plagiarism

Dont do it! Plagiarism, as defined by the Mirriam-Webster Dictionary, includes using someone else's words, phrases, texts, or rewording someone else's thoughts, without giving her/him due credit. The standard penalty for violations of academic integrity in this course will be an F grade for the course. It is your responsibility to check the student guide to academic honesty at <http://www.utoronto.ca/academicintegrity/>.

## Text

The textbook for this class is *A New Economic View of American History from Colonial Times to 1940* by Jeremy Atack and Peter Passell (2nd edition). The reading list below contains a collection of journal articles, scholarly book chapters and textbook chapters. (Active) links to each reading are included. Readings which appear with an asterisk (\*) next to them are required reading for the course. *History of the American Economy* by Walton and Rockoff (11th edition) should be consulted for a background on some of the material covered in the course.

## Grading

Grades will be calculated based on points gained from homework assignments, class participation, and exams.

	Points	Date
Homework	30	Due at start of class
Midterm	30	November 4, 2011
Final	40	TBA - During final exam period
Total	100	

## Homework

There will be 5 homework assignments (6 pts each). Each homework assignment is due at the beginning of class on the due date. Late homework assignments will not be accepted.

HW #	Points	Due Date
1	6	October 7
2	6	October 14
3	6	October 28
4	6	November 18
5	6	November 25

## Midterm and Final

The midterm will be held during class on November 4, 2011. The final exam will be during the final exam period (date to be announced). Both exams will consist of 4 equally-weighted essay questions. The best way to review for both exams is to review the homework questions.

## Class Rules

All students must arrive on time. If you do not arrive on time, you may not be admitted to the class. The use of computers, iPhones, iPods, Blackberries, iPads, etc., are not allowed in class.

## Reading List

Complete readings for each lecture by the lecture date.

### Lecture 1. September 16 - Introduction

### Lecture 2. September 23 - The Case for American Exceptionalism, Part I

\*Peter Temin (1966), "Labor Scarcity and the Problem of American Industrial Efficiency in the 1850s," *Journal of Economic History* 26, pp. 277-298, <http://www.jstor.org/stable/2115648>.

\*Robert Fogel (1962), "A Quantitative Approach to the Study of Railroads in American Economic Growth," *Journal of Economic History* 22, p.163-197, <http://www.jstor.org/stable/2114353>.

### Lecture 3. September 30 - The Case for American Exceptionalism, Part II

\*Kenneth Sokoloff and Stanley Engerman (2000), "Institutions, Factor Endowments, and Paths of Development in the New World," *Journal of Economic Perspectives* 14(3), p. 217-232,

<http://www.nyu.edu/econ/user/debraj/Courses/Readings/SokoloffEngerman.pdf>.

\*Alfred Chandler (1990), *Scale and Scope*, Cambridge: Harvard University Press, chapter 3, pp. 51-89. [Available at [portal.utoronto.ca](http://portal.utoronto.ca)]

\*Gavin Wright and Jesse Czelusta (2002), "Exorcizing the Resource Curse: Minerals as a Knowledge Industry, Past and Present," unpublished manuscript, Stanford University.  
<http://www.siepr.stanford.edu/workp/swp02008.pdf>

#### **Lecture 4. October 7 - Agriculture before the Civil War**

\*Fogel, Robert W. and Stanley L. Engerman (1977). "Explaining the Relative Efficiency of Slave Agriculture in the Antebellum South." *American Economic Review* 67(3): 275-296, and Reply, *American Economic Review* 70: 672-690. <http://www.jstor.org/stable/1831400>

David, Paul and Peter Temin (1979). "A Comment," *American Economic Review* 69(1): 213-218.  
<http://www.jstor.org/stable/1802517>

Robert Fogel and Stanley Engerman (1974). *Time on the Cross: The Economics of American Negro Slavery*. New York: Little, Brown & Company.

Paul David (1966), "The Mechanization of Reaping in the Ante-Bellum Midwest," in Henry Rosovsky (ed.), *Industrialization in Two Systems*, New York: pp. 3-28. [Available on [portal.utoronto.ca](http://portal.utoronto.ca)]

\*Textbook chapter 10 - "Northern agricultural development before the civil war"

\*Textbook chapter 11 - "Slavery and southern development"

#### **Lecture 5. October 14 - Slavery and its Aftermath, Part I**

\*Fogel, Robert W. (1989). *Without Consent or Contract* (New York: Norton, 1989), Chapter 3, pp. 60-80. [Available at [portal.utoronto.ca](http://portal.utoronto.ca)]

Smith, James (1984). "Race and Human Capital," *American Economic Review*. Vol. 74(4): 685-698.  
<http://www.jstor.org/stable/1805133>

Sacerdote, Bruce (2005). "Slavery and the Intergenerational Transmission of Human Capital," *Review of Economics and Statistics* 87(2): 217-234. [Available at [portal.utoronto.ca](http://portal.utoronto.ca)]

\*Textbook chapter 12 - "How the southern slave system worked"

#### **Lecture 6. October 21 - Slavery and its Aftermath, Part II**

\*Wright, Gavin (1986). *Old South, New South: Revolutions in the Southern Economy Since the Civil War*. New York: Basic Books. Chapters 1, 3, 4. [Available on [portal.utoronto.ca](http://portal.utoronto.ca)]

Steckel, Richard H (1986). "A Peculiar Population: The Nutrition, Health, and Mortality of American Slaves from Childhood to Maturity," *Journal of Economic History*. Vol. 46(3): 721-741.  
<http://www.jstor.org/stable/2121481>

\*Textbook chapter 14 - "The south after the civil war"

Suresh Naidu (2010). "Suffrage, Schooling and Sorting in the Post-Bellum U.S. South" [Available on portal.utoronto.ca]

### **Lecture 7. October 28 - Health and Demographic Trends**

\*Robert Fogel (2004). *The Escape from Hunger and Premature Death, 1700 - 2100*, Cambridge: Cambridge University Press, chapter 2, pp. 21- 42. [Available on portal.utoronto.ca]

Cutler, David and Grant Miller (2005). "The Role of Public Health Improvements in Health Advances: The 20th Century United States," *Demography* 42(1): 1-22.

<http://www.jstor.org/stable/1515174>

Almond, Douglas V. (2006). "Is the 1918 Influenza Pandemic Over? Long-term Effects of In Utero Influenza in the Post-1940 U.S. Population," *Journal of Political Economy* 114(4): 672-712.

<http://www.jstor.org/stable/3840337> (then click "Access article from an external site")

\*Textbook chapter 8 - "Population growth and redistribution"

\*David M. Cutler, Angus S. Deaton, Adriana Lleras-Muney (2006). "The Determinants of Mortality." NBER Working Paper No. 11963

<http://www.nber.org/papers/w11963>

### **Lecture 8. November 4 - Midterm**

### **Lecture 9. November 11 - Human Capital and Labor Markets, Part I**

\*Sanford Jacoby (1984), "The Development of Internal Labor Markets in American Manufacturing Firms," in Paul Osterman (ed.), *Internal Labor Markets*, Cambridge, Mass.: MIT Press, pp. 23-69. [Available on portal.utoronto.ca]

Susan Carter and Elizabeth Savoca (1990), "Labor Mobility and Lengthy Jobs in 19th Century America," *Journal of Economic History* 50, pp. 1-16.

<http://www.jstor.org/stable/2123435>

John James (1990), "Job Tenure in the Gilded Age," in George Grantham and Mary McKinnon, eds., *Labor Market Evolution*, London: Routledge, pp. 185-204. [Available on portal.utoronto.ca]

\*Joshua Rosenbloom (1990), "One Labor Market or Many? Labor Market Integration in the Late Nineteenth Century United States," *Journal of Economic History* 50, pp. 85-107.

<http://www.jstor.org/stable/2123439>

\*Textbook chapter 19 - "The market for labor in historical perspective"

### **Lecture 10. November 18 - Human Capital and Labor Markets, Part II**

\*Claudia Goldin (2006). "The Quiet Revolution That Transformed Women's Employment, Education, and Family." *American Economic Review, Papers and Proceedings* (Ely Lecture), 96 (May), pp. 1-21.

<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.84.1403&rep=rep1&type=pdf>

\*Goldin, Claudia and Lawrence Katz, "The Returns to Skill in the United States across the Twentieth Century,"

NBER Working Paper no. 7126 (May 1999).  
<http://www.nber.org/papers/w7126>

Goldin, Claudia and Robert Margo, "The Great Compression: The Wage Structure in the U.S. at Mid-Century," *Quarterly Journal of Economics* (Feb. 1992), 1-34.  
<http://www.jstor.org/stable/2118322>

### **Lecture 11. November 25 - The Great Depression, Part I**

\*Christina Romer (1993), "The Nation in Depression," *Journal of Economic Perspectives*. Vol. 7: 19-39.  
<http://www.jstor.org/stable/2138198>

\*Textbook chapter 18 - "Structural change in America's financial markets" \*Textbook chapter 20 - "America comes of age: 1914 - 29"

### **Lecture 12. December 2 - The Great Depression, Part II**

\*Christina Romer (1990), "The Great Crash and the Onset of the Great Depression," *The Quarterly Journal of Economics*, Vol. 105, No. 3: 597-624.  
<http://www.jstor.org/stable/2937892>

Milton Friedman and Anna Schwartz (1963), *A Monetary History of the United States, 1867-1960*, Princeton: Princeton University Press, chapter 13, pp. 676-700. [Available at [portal.utoronto.ca](http://portal.utoronto.ca)]

Barry Eichengreen (1992), *Golden Fetters: The Gold Standard and the Great Depression 1919-1939* (New York: Oxford University Press), chapter 1, pp. 3-28. [Available at [portal.utoronto.ca](http://portal.utoronto.ca)]

Ben Bernanke (1983), "Nonmonetary Effects of the Financial Crisis in the Propagation of the Great Depression" *American Economic Review* 73, pp. 257-276.  
<http://www.jstor.org/stable/1808111>

\*Textbook chapter 21 - "The great depression: explaining the contraction"

\*Textbook chapter 22 - "The great depression, 1933 - 39: the recovery?"