

ECONOMICS 341H1F

THE ECONOMIC HISTORY OF THE TWENTIETH CENTURY: TRADE, MIGRATION, MONEY, AND FINANCE

University of Toronto
Department of Economics
2021

Course Information

Instructor: Professor J. Cohen
Email: jon.cohen@utoronto.ca
Course website: <https://q.utoronto.ca/>
Course Lectures: Tuesday 10-12, In Person, Live Streamed, and Recorded
Tutorial (as required): Wednesday 10-11, In Person, Live Streamed, and Recorded
Office hours: Wednesday 3:00-5:00pm on-line via Blackboard Collaborate or by appointment.

Prerequisites

ECO200Y/204Y/206Y/(ECO230Y, POL208Y). Please note: the department checks prerequisites. Students who have not taken the necessary prerequisites will not be allowed to take the course.

Course Goals

This course is designed for third and fourth year specialist students, especially those in economics, commerce, international relations and history. The focus is on growth and fluctuations in Europe and North America between roughly 1870 and 1939, with emphasis on international trade and payments, migration, investment, and monetary arrangements.

Lectures, Tests, and Essays

Lectures:

As you all know, the university wants classes to take place in person this fall. However, given the travel and other restrictions faced by international students, for the first two weeks of term, lectures must also be available on line. With these constraints in mind, I plan to proceed as follows. All lectures and class discussions (from the first lecture to the last) will be recorded and posted on line for access by all students enrolled in the course. That should work well for everyone. It does, however, raise copyright and privacy issues that I address below.

Tests:

There will be **five** ‘take-home’ tests, each worth 5 points. (**SEE SYLLABUS FOR DATES AND COVERAGE OF EACH TEST.**) They will be administered as follows. On the day of the test, the question (no choice) will be posted on the course web site at 9 AM Toronto time. **Answers, based on starred readings and material presented in the lectures, not to exceed 500 words, must be submitted online by 6:00 PM of the same day.** Grades will be posted as soon as possible on the course web site.

Although the tests can be thought of as relatively low stakes writing assignments, they will help you synthesize course material, hone your writing skills, and learn something about the economic history of the 20th century.

Short Essays:

There will be **three short essays (maximum six double spaced pages, not including tables, figures, bibliography, and end notes)**, each worth 25 percent of your final mark. Due dates and a restricted set of topics (you must choose one from those listed) are included at the end of the Syllabus under the heading **The Essays**. I also describe the grading scheme that will be used to evaluate your efforts.

To summarize, your final grade in the course will be based on the following marking scheme:

FIVE TESTS	5% (EACH)
THREE ESSAYS	25% (EACH)

Marking and Appeals

Grades in this course will follow the Faculty's guidelines as outlined in the Calendar, which can be found here:

http://www.artsandscience.utoronto.ca/ofr/calendar/Rules_&_Regulations.html#grading

Disputes over the evaluation of a piece of work should first be submitted to Professor Cohen in writing within two weeks of receiving the grade on the disputed piece of work. If, following consultation with Professor Cohen and/or the TA, the matter remains unresolved, students should follow the procedure for pedagogical appeals found here:

http://www.artsandscience.utoronto.ca/ofr/calendar/Rules_&_Regulations.html#appeals_petitions.

Lecture Recordings, Copyright, and Privacy

As the recording and reuse of lectures in this course raise some particularly thorny privacy and property right issues, it is important for you to know the regulations that govern these recordings and indicate the way in which you can ask questions during the lecture but also maintain your anonymity.

First, on the use of the recorded lecture, the following applies:

This course, including your participation, will be recorded on video and will be available to students in the course for viewing remotely and after each session. Course videos and materials belong to your instructor and the University of Toronto and are protected by copyright. Do not download, copy, or share any course or student materials or videos without the explicit permission of the instructor.

Second, on your participation, the following applies:

If you ask or answer a question, the exchange will be included in the recorded lecture. However, as you will not appear on camera and I will not identify you by name, you will remain anonymous. In short, then, your privacy is preserved.

Readings

Although all libraries on the St. George campus are currently closed, it is anticipated that they will open for the fall term. That may happen but, of course, it may not. Fortunately for us, all required reading in books, in journals, and in working papers, are available online. This means that you will have no difficulty accessing these materials from the comfort of your home. To facilitate this access, all URLs (where available) are included on the Syllabus and I have also included a link to all these materials through the course web site in Quercus under Library Course Reserve.

Although there is no textbook for the course, some of you may wish to purchase the following two books:

1. **C.H. Feinstein, P. Temin, and G. Toniolo, *The World Economy Between the World Wars* (Oxford, 2008)**

2. **B. Eichengreen, *Globalizing Capital: A History of the International Monetary System, Second Edition* (Princeton, 2008)**

(The content of these books is also available online – see the Syllabus for the URL link.)

A limited number of copies are available in the University of Toronto Bookstore.

The following abbreviations (with their full titles) are used in the readings:

Abbreviation	Full Title
EHR	Economic History Review
JEH	Journal of Economic History
EEH	Explorations in Economic History
EREH	European Review of Economic History

TOPICS AND READINGS [Please note that lecture dates are indicated in bold next to the topic headings.]

I. Globalization Before 1914 and The Classical Gold Standard

1. Trade Liberalization: Growth Promoting? [**September 14**]

*K. O'Rourke and J. Williamson, *Globalization and History* (1999), Chapters 3-4.

<https://ebookcentral-proquest-com.myaccess.library.utoronto.ca/lib/utoronto/detail.action?docID=3338827>

O'Rourke and Williamson, Chapters 11-12.

D. Jacks, C.M. Meissner, D. Novy, "Trade costs in the first wave of globalization", *EEH*, 47 (April 2010).

<https://journals-scholarsportal-info.myaccess.library.utoronto.ca/browse/00144983/v47i0002>

"An inconvenient iota of truth; Tariffs and wages", *The Economist*, 420.9001 (August 6, 2016).

<http://search.proquest.com.myaccess.library.utoronto.ca/docview/1809127478/fulltext/21A8B87E946D4456PQ/52?accountid=14771>

2. Mass Migration: Good or Bad and For Whom? [September 21]

*T.J. Hatton and J. Williamson, *Global Migration and the World Economy: Two Centuries of Policy and Performance* (2005), Chapters 4, 6.

M. Gomellini and C. O'Grada, "Brain Drain and Brain Gain in Italy and Ireland in the age of Mass Migration", University College Dublin, Center for Economics Research, *Working Paper Series, WP 2019/17* (March 2019).

<http://hdl.handle.net/10197/9681>.

R. Abramitzky, L. Boustan, and K. Eriksson, "A nation of immigrants: Assimilation and economic outcomes in the age of mass migration", *Journal of Political Economy*, 122, 3(2014).

<http://www.journals.uchicago.edu.myaccess.library.utoronto.ca/toc/jpe/2014/122/3>

R. Abramitzky and L. Boustan. "Immigration in American economic history", *Journal of Economic Literature*, 2017, 55(4), 1311-1345.

<https://search-proquest-com.myaccess.library.utoronto.ca/docview/1973990663/9E80F45E13F44E81PQ/2?accountid=14771>

S. Sequeria,, N. Nunn, N. Qian, "Immigrants and the making of America", *Review of Economic Studies*, 87, 1 (2020), 382-419.

<https://academic-oup->

com.myaccess.library.utoronto.ca/restud/article/87/1/382/5373087

M. Tabellini, “Gifts of Immigrants, Woes of Natives: Lessons from the Age of Mass Migration”, *Review of Economic Studies*, 87, 1 (2020), 454-486.

<https://academic-oup->

com.myaccess.library.utoronto.ca/restud/article/87/1/454/5486071

Yanney Spitzer and Ariell Zimran. “Migrant self-selection: Anthropometric evidence from mass migration of Italians to the United States, 1907-1925”, *Journal of Development Economics*, 134 (2018), 226-247.

<https://journals-scholarsportal->

info.myaccess.library.utoronto.ca/pdf/03043878/v134icomplete/226_msaeftittus1.xml

TEST 1: TRADE LIBERALIZATION AND MASS MIGRATION (SEPTEMBER 28)

3. Capital Mobility, The Trilemma, and The Classical Gold Standard [**September 28**]

*B. Eichengreen, *Globalizing Capital*, Chapter.2.

<https://ebookcentral-proquest->

com.myaccess.library.utoronto.ca/lib/utoronto/detail.action?docID=483542

*Alan M. Taylor and Maurice Obstfeld, “Globalization and Capital Markets”, NBER, *Working Paper 8846* (2002). Pages 1-15, 45-55.

<http://www.nber.org.myaccess.library.utoronto.ca/papers/w8846>

B. Eichengreen, *Golden Fetters: The gold standard and the great depression 1919-39* (1992), Chapter 2.

<https://www-oxfordscholarship->

com.myaccess.library.utoronto.ca/view/10.1093/0195101138.001.0001/acprof-9780195101133

Marc Flandreau, “Central bank cooperation in historical perspective: A skeptical view”, *EHR*, L (November 1997), 735-763.

link: <http://www.jstor.org.myaccess.library.utoronto.ca/stable/2599884>

Antoni Estevadeordal, Brian Frantz, Alan M. Taylor, “The Rise and Fall of World Trade, 1870-1939”, *The Quarterly Journal of Economics*, 118, (May 2003), 755-787.

<https://www-jstor-org.myaccess.library.utoronto.ca/stable/pdf/25053910.pdf>

“Two out of Three Ain’t Bad; The Mundell-Fleming Trilemma”, *The Economist*, 420.9004 (August 27, 2016).

<http://search.proquest.com.myaccess.library.utoronto.ca/docview/1814253602/fulltext/2A02AFBF98194C62PQ/55?accountid=14771>

II. Persistence: Does History Matter? [October 5]

*N. Voigtlander and H-J Voth, “Persecution Perpetuated: The Medieval Origins of Anti-Semitic Violence in Nazi Germany”, *The Quarterly Journal of Economics*, 127, 3 (August 2012), pages 1339-1345, 1361-1370, 1385-1388.

<https://www-jstor-org.myaccess.library.utoronto.ca/stable/pdf/23251987.pdf?refreqid=excelsior%3Abb8e93ddd67cdb05c58386cccb19ff55>

*N. Nunn, “The historical roots of economic development”, *Science*, 367, 1441 (2020)

<https://science-sciencemag-org.myaccess.library.utoronto.ca/content/sci/367/6485/eaaz9986.full.pdf>

P. Giuliano and M. Tabellini, “The Seeds of Ideology: Historical Immigration and Political Preference in the United States”, NBER, Working Paper 27238 (May 2020).

https://www.hbs.edu/faculty/Publication%20Files/20-118_c98ca039-ab5c-4816-b8cd-a5b2e582c882.pdf

M. Drelichman, J. Vidal-Robert, and H-J Voth, “The Long Run Effects of Religious Persecution: Evidence from the Spanish Inquisition”, forthcoming 2021 in *PNAS* (Proceedings of the National Academy of Science).

https://econ2017.sites.olt.ubc.ca/files/2021/06/Drelichman_Vidal_Voth_Inquisition.pdf

D. Acemoglu, S. Johnson, and J. Robinson, “The Colonial Origins of Comparative Development: An Empirical Investigation”, *The American Economic Review*, 91, 5 (December 2001), pp. 1369-1401.

<https://pubs-aeaweb-org.myaccess.library.utoronto.ca/doi/pdfplus/10.1257%2Faer.91.5.1369>

L. Guiso, P. Sapienza, and L. Zingales, “Long Term Persistence”, *The Journal of the European Economic Association*, 14, 6 (December 2016), pp. 1401-1436.

<https://academic-oup-com.myaccess.library.utoronto.ca/jeea/article/14/6/1401/2756731>

Alberto Alesina, P. Giuliano, and N. Nunn, “On the Origins of Gender Roles: Women and the Plough”, *The Quarterly Journal of Economics*, 128, 2 (2013), pp. 469-530.

<https://academic-oup-com.myaccess.library.utoronto.ca/qje/article/128/2/469/1943509?login=true>

L. Guiso, P. Sapienza, and L. Zingales, “Social Capital as Good Culture”, *Journal of the European Economic Association*, 6, 2/3 (2008), pp. 295-320.

<https://www-jstor-org.myaccess.library.utoronto.ca/stable/pdf/40282644.pdf?refreqid=excelsior%3>

[Ae7d0711950ef7ca168121b1ef434076c](https://www.utoronto.ca/~econ/academic/2020/10/01/0001/acprof-9780195307559)

III. The Inter-War Period: Reparations, Inflation, Slow Growth

1. Overview [October 12]

*Feinstein, Temin, and Toniolo, Chapters 1, 3-5.

<https://www-oxfordscholarship-com.myaccess.library.utoronto.ca/view/10.1093/acprof:oso/9780195307559.001.0001/acprof-9780195307559>

C.P. Kindleberger, *The World in Depression* (1986 Edition), Chapter 3.

<https://babel.hathitrust.org/cgi/pt?id=mdp.39015003838276>

TEST 2: CAPITAL MOBILITY ET AL, PERSISTENCE, INTER-WAR OVERVIEW (OCTOBER 19)

2. The Economic Consequences of the 1918 Influenza Pandemic [October 19]

*S. Correria, S. Luck, and E. Vermer “Pandemics Depress the Economy, Public Health Interventions Do Not: Evidence from the 1918 Flu”, July 5, 2020.

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3561560

R. Barro, J. Ursua, and J. Weng, “The Coronavirus and the Great Influenza Pandemic: Lessons from the “Spanish Flu” for the Coronavirus’s Potential Effects on Mortality and Economic Activity”, NBER, *Working Paper 26866* (April 2020).

<https://www-nber-org.myaccess.library.utoronto.ca/papers/w26866.pdf>

F. Velde, “What Happened to the US Economy During the 1918 Influenza Pandemic? A View Through High Frequency Data”, Federal Reserve Bank of Chicago, *Working Paper 2020-11* (April 11, 2020).

<https://doi.org/10.21033/wp-2020-11>

E. Brainerd and M. Siegler, “The Economic Effects of the 1918 Influenza Epidemic” CEPR, *Discussion Paper 3791* (February 2003).

https://cepr.org/sites/default/files/news/FreeDP_20March.pdf

M. Carillo and T. Jappelli, “Pandemics and the Local Economy: Evidence From the Great Influenza in Italy”, CSEF, *Working Paper 568* (June 2020).

<http://www.csef.it/WP/wp568.pdf>

B. Beach, K. Clay, and M. Saavedra, “The 1918 Influenza Pandemic and Its Lessons for Covid-19”, NBER, *Working Paper 27673* (August 2020).

<https://www-nber-org.myaccess.library.utoronto.ca/papers/w27673>

N. Ferguson, “Black Swans, Dragon Kings, and Gray Rhinos: The World War of 1914-1918 and the Pandemic of 2020 -?”, Hoover Institution, History Working Paper 2020 1 (May 2020)

https://www.hoover.org/sites/default/files/research/docs/dragon_kings_2020_05_02_final1.pdf

“Establishing the cause of death”, *The Economist*, 440.9256 (July 31, 2021), p. 62.

<https://www-proquest-com.myaccess.library.utoronto.ca/docview/2556843878/fulltextPDF/32952F9438D748D3PQ/56?accountid=14771>

3. Reparations and Inflation In Germany: A Sovereign Debt Problem? [**October 26**]

*Eichengreen, *Golden Fetters*, Chapter 5.

<https://www-oxfordscholarship-com.myaccess.library.utoronto.ca/view/10.1093/0195101138.001.0001/acprof-9780195101133-chapter-5>

*Albrecht Ritschl, “The German Transfer Problem 1920-1933: A sovereign Debt Perspective”, CEP Discussion Paper No 1155 (July 2012)

<https://ideas.repec.org/p/cep/cepdps/dp1155.html>.

N. Ferguson, “Constraints and room for maneuver in the German inflation of the early 1920s” *EHR*, 49, 4 (November 1996), 635-66.

link: <http://www.jstor.org.myaccess.library.utoronto.ca/stable/2597967>

T. Sargent, “The ends of four big inflations”, in T. Sargent, *Rational expectations and inflation* (1986).

<https://ebookcentral-proquest-com.myaccess.library.utoronto.ca/lib/utoronto/detail.action?docID=1165332>

Jose Lopez and Kris Michener, “Uncertainty and Hyperinflation: European Inflation Dynamics after World War I”, CESifo, *Working Paper 7066*, (May 2018).

Link: https://www.cesifo-group.de/DocDL/cesifo1_wp7066.pdf

T. Balderston, *Economics and Politics in the Weimar Republic* (2002), Chapters 2-3.

M. Hantke and M. Spoerer, “The imposed gifts of Versailles: the fiscal effects of restricting the size of Germany’s armed forces 1924-9”, *EHR*, 63, 4 (November 2010), 849-864.

<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i40041828>

TEST 3: ECONOMIC CONSEQUENCES OF THE 1918 ‘FLU

**PANDEMIC, REPARATIONS AND INFLATION IN GERMANY
(NOVEMBER 2)**

IV. The Great Depression

1. Overview [November 2 and November 16]

*N. Crafts and P. Fearon, “Lessons from the 1930s Great Depression”, *Oxford Review of Economic Policy*, 26, 3 (2010), 318-338. link: <http://oxrep.oxfordjournals.org.myaccess.library.utoronto.ca/content/26/3.toc>

C. Feinstein, P. Temin, and G. Toniolo, Chapters 7-8.

Randall E. Parker, *The Economics of the Great Depression: A twenty-first century look back at the interwar era* (2007), Chapter 1.

N. Crafts and P. Fearon, eds., *The Great Depression of the 1930s: Lessons for Today* (2013), various chapters. [All the chapters in the book appeared initially as articles in a special issue of the *Oxford Review of Economic Policy*, 26, 3 (2010).]

2. USA: The Money Supply, Finance, and Aggregate Demand [**November 2 and November 16**]

*M. Friedman and A.J. Schwartz, *A Monetary History of the United States, 1867-1960* (1963), Chapter 7, 299-62.

<https://hdl.handle.net/2027/mdp.39015001411571>

OR

<https://www-cambridge-org.myaccess.library.utoronto.ca/core/books/cambridge-economic-history-of-the-united-states/036F3F755BAB1938FA770084080C0E6F>

*P. Temin, “The Great Depression” in S. Engerman and R. Gallman, eds., *Cambridge Economic History of the United States*, Vol. III (2000), 301-28.

<https://www-cambridge-org.myaccess.library.utoronto.ca/core/books/cambridge-economic-history-of-the-united-states/036F3F755BAB1938FA770084080C0E6F>

G. Richardson and W. Troost, “Monetary Intervention Mitigated Banking Panics during the Great Depression” *Journal of Political Economy*, 117 (December 2009), pp. 1031-1073.

<http://www.jstor.org.myaccess.library.utoronto.ca/stable/10.1086/598180>

P. Fishback, “US Monetary and Fiscal Policy in the Great Depression”, *Oxford Review of Economic Policy*, 26, 3 (2010), 385-413.

<http://oxrep.oxfordjournals.org.myaccess.library.utoronto.ca/content/26/3.toc>

B. Bernanke, “Nonmonetary effects of the financial crisis in the propagation of the Great Depression”, *American Economic Review*, 73 (June 1983), 257-276.
<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i331354>

P. Temin, *Did Monetary Forces Cause the Great Depression?* (1976), Chapters 2-4.

M. Olney, “Avoiding default: The role of credit in the consumption collapse of 1930”, *Quarterly Journal of Economics*, CXIV (February 1999), 319-35.
<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i324115>

C. Romer, “The Great Crash and the Onset of the Great Depression” *Quarterly Journal of Economics*, 105 (Aug. 1990), 597-624.
<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i352307>

C. Romer, “The Nation in Depression”, *Journal of Economic Perspectives*, 7 (Spring 1993), pp. 19-39.
<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i337436>

B. Eichengreen, *Hall of Mirrors* (2015), selected chapters.

G. Eggertsson, “Was the New Deal contractionary?” *American Economic Review*, 102, 1 (2012), 524-555.
<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i40068561>

TEST 4: GREAT DEPRESSION OVERVIEW, USA (NOVEMBER 23)

3. Europe: Finance, The Gold Standard, and the Collapse of International Trade [November 23]

*C. Feinstein, P. Temin, and G. Toniolo, Chapters 6.

<https://www-oxfordscholarship-com.myaccess.library.utoronto.ca/view/10.1093/acprof:oso/9780195307559.001.0001/acprof-9780195307559>

*N. Wolf, “Europe’s Great Depression: Coordination failure after the First World War”, *Oxford Review of Economic Policy*, 26, 3 (2010), 339-369. link:
<http://oxrep.oxfordjournals.org.myaccess.library.utoronto.ca/content/26/3.toc>

R. Grossman and C. Meissner, “International Aspects of the Great Depression and the Crisis of 2007: Similarities, differences, and lessons”, *Oxford Review of Economic Policy*, 26, 3 (2010), 318-338.
<http://oxrep.oxfordjournals.org.myaccess.library.utoronto.ca/content/26/3.toc>

P. Temin, *Lessons from the Great Depression* (1989), Lectures 1 and 2.

Albrecht Ritschl, “Reparations, Deficits, and Debt Default: The Great Depression in Germany”, CEP Discussion Paper No 1149 (June 2012).
<http://cep.lse.ac.uk/pubs/download/dp1149.pdf>

T. Hatton and M. Thomas, “Labour markets in the interwar period and recovery in the UK and the USA”, *Oxford Review of Economic Policy*, 26, 3 (2010), 463-485.
<https://academic-oup-com.myaccess.library.utoronto.ca/oxrep/issue/26/3>

C.P. Kindleberger, *The World in Depression*, Chapters 4-8, 14.

T. Balderston, *Economics and Politics in the Weimar Republic*, Chapter 5.

W. Hynes, D.S. Jacks, and K. O’Rourke, “Commodity market disintegration in the interwar period”, *EREH*, 16 (May 2012), 119-143.
<https://www-jstor-org.myaccess.library.utoronto.ca/stable/pdf/41708653.pdf>

D. Irwin, *Peddling Protectionism: Smooth Hawley and the Great Depression* (2011), especially Chapters 2-3.

B. Eichengreen and D. Irwin, “The Slide to Protectionism in the Great Depression: Who Succumbed and Why?” National Bureau of Economic Research, *Working Paper 15142* (2009).
<http://www.nber.org.myaccess.library.utoronto.ca/papers/w15142>

Kevin O’Rourke, “Two Great Trade Collapses: The Interwar Period and The Great Recession Compared”, University of Oxford, *Discussion Papers in Economic and Social History*, 159, September 2017.
https://www.economics.ox.ac.uk/materials/working_papers/4543/159orourke.pdf

V. Recovery [November 30 and December 7]

*Peter Temin, “Socialism and Wages in the Recovery from the Great Depression in the United States and Germany”. *JEH*, L (June 1990), 297-307.
 link: <http://www.jstor.org.myaccess.library.utoronto.ca/stable/2123273>

Feinstein, Temin, and Toniolo, Chapter 9.

1. The US

*C. Romer, “What ended the great depression?” *JEH*, 52 (December 1992), 757-84. link: <http://www.jstor.org.myaccess.library.utoronto.ca/stable/2123226>

J.R. Vernon, “World War II fiscal policies and the end of the great depression”, *JEH* 54 (December 1994), 850-868.

link: <http://www.jstor.org.myaccess.library.utoronto.ca/stable/2123613>

G. Eggertsson., “Great expectations and the end of the depression”, *American Economic Review*, 98, 4 (2008), 1476-1516.

<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i29730117>

R.J. Gordon and R. Krenn, “The Great Depression 1939-41: policy contributions and fiscal multipliers”, *NBER Working Paper 16380* (2010).

<http://www.nber.org.myaccess.library.utoronto.ca/papers/w16380>

“Where does the buck stop? Fiscal multipliers”, *The Economist*, 420.9002 (August 13, 2016), pp. 51-52.

<http://search.proquest.com.myaccess.library.utoronto.ca/docview/1811033931/fulltext/E8264EDC8FB942F2PQ/52?accountid=14771>

B. Eichengreen and J. Sachs, “Exchange rates and economic recovery in the 1930s” *JEH*, XLV (Dec 1985), 925-946.

<http://www.jstor.org.myaccess.library.utoronto.ca/stable/i337146><http://www.jstor.org.myaccess.library.utoronto.ca/stable/i337146>

M. Alexopoulos and J. Cohen, “Measuring Our Ignorance, One Book at a Time: New Indicators of Technological Change, 1909-1949”, *Journal of Monetary Economics* (May 2009), 450-470.

<https://journals-scholarsportal-info.myaccess.library.utoronto.ca/browse/03043932/v56i0004>

2. Germany

*Stephan Maurer. “Voting Behavior and Public Employment in Nazi Germany”, *JEH*, 78 (March 2018), 1-39.

https://www-cambridge-org.myaccess.library.utoronto.ca/core/services/aop-cambridge-core/content/view/88B5AF48478F71B22D80C2E41A2946BA/S002205071800037a.pdf/voting_behavior_and_public_employment_in_nazi_germany.pdf

Thomas Ferguson and Hans-Joachim Voth. “Betting on Hitler: The Value of Political Connections in Nazi German”, *The Quarterly Journal of Economics*, 123 (February 2008), 101-137.

<https://www-jstor-org.myaccess.library.utoronto.ca/stable/i25098891>

Hans-Joachim Voth and Nico Voigtlaender. “Highway to Hitler”, *NBER Working paper 20105* (May 2014).

<http://www.nber.org.myaccess.library.utoronto.ca/papers/w20150.pdf>

R.J. Overy, *The Nazi Economic Recovery 1932-1938*, 2nd ed. (1996).

TEST 5: GREAT DEPRESSION EUROPE, GREAT DEPRESSION

RECOVERY US AND GERMANY (DECEMBER 7)

3. Financial Crises and The Rise of Right Wing Populism

*Sebastian Doerr, Stefan Gissler, Jose Peydro, and Hans-Joachim Voth, “From finance to fascism: the real effects of Germany’s 1931 bank crisis”, *Universitat Pompeu Fabra, Department of Economics and Business, Economic Working Paper Series No.1651 (April 2020)*.

<http://hdl.handle.net/10419/216784>

De Bromhead, A., B. Eichengreen, and K. O’Rourke. “Political Extremism in the 1920s and 1930s: Do German Lessons Generalize?”, *The Journal of Economic History*, 73, N. 2 (June 2013).

<https://www-jstor-org.myaccess.library.utoronto.ca/stable/pdf/24551040.pdf>

M. Funke, M. Schularick, C. Trebesch, “Going to Extremes: Politics After the Financial Crisis”, *European Economic Review*, 88 (2016), 227-260.

[https://journals-scholarsportal-](https://journals-scholarsportal-info.myaccess.library.utoronto.ca/browse/00142921/v88icomplete)

[info.myaccess.library.utoronto.ca/browse/00142921/v88icomplete](https://journals-scholarsportal-info.myaccess.library.utoronto.ca/browse/00142921/v88icomplete)

Atif Mian, A. Sufi, F. Trebbi, “Resolving Debt Overhang”, *American Economic Journal: Macroeconomics*, 6, 2 (2014), 1-28.

<https://www-jstor-org.myaccess.library.utoronto.ca/stable/i40124844>

C. Reinhart and K. Rogoff, *This Time Is Different: Eight Centuries of Financial Folly*, Princeton, Princeton University Press, (2009), pp. xxv-xxxv

D. Acemoglu, G. De Feo, G. De Luca, G. Russo, “War, Socialism and the Rise of Fascism: An Empirical Exploration”, NBER, *Working Paper 27854* (September 2020).

<https://www-nber-org.myaccess.library.utoronto.ca/papers/w27854>

M. Funke, M. Schularick, and C. Trebesch, “Populist Leaders and the Economy”, *Kiel Institute for the World Economy, Working Paper 2169 (October 2020)*.

[https://www.ifw-kiel.de/publications/kiel-working-papers/populist-leaders-and-](https://www.ifw-kiel.de/publications/kiel-working-papers/populist-leaders-and-the-economy-15277/)

[the-economy-15277/](https://www.ifw-kiel.de/publications/kiel-working-papers/populist-leaders-and-the-economy-15277/)

THE ESSAYS

Essays should be no longer than **six** double spaced pages (roughly 1800 words). The general idea is to choose a topic and define it sufficiently well that you can treat it seriously within the prescribed space. Suggested topics are broad and thus require considerable narrowing and refinement. Readings included in the course syllabus will

provide you with a sufficient set of references for your essay but feel free to add material as you see fit.

Copies of your essays should be submitted digitally through the course web site before midnight of the due date.

Penalties for Late Submission of Essays

Some of you, alas, will end up submitting your essays after the due date. The penalty for late submission is 1 percentage point per day. The very last day that late submissions will be accepted is the last day of fall term classes, that is, December 8.

Extensions may be granted for medical reasons if you can show (beyond a shadow of doubt) that the illness or injury prevented you from completing the essay on time. To obtain an extension, you must submit a Verification of Student Illness or Injury form available at:

<http://www.illnessverification.utoronto.ca/getattachment/index/Verification-of-Illness-or-Injury-form-Jan-22-2013.pdf.aspx>

Only an original form, not a scan, an e-mail, or a copy, will be accepted. The form must be completed by a qualified medical doctor (or nurse practitioner), and the doctor's OHIP registration number must be provided.

SUGGESTED TOPICS

ESSAY 1. DUE OCTOBER 1, 2021

1. Emigration, good or bad – and from whose point of view? Discuss with respect to the experience of one sending or receiving country (or one or more groups within these countries) during the period of mass migration, 1870-1914.
2. It is often argued that the pre-WW I gold standard facilitated international trade and foreign investment. Did it? If so, how; if not, why not?
3. Did the expansion of international trade 1870-1914 foster convergence in the Atlantic community? Explain why it did or did not and support your argument with qualitative and/or quantitative evidence.

Essay 2. DUE NOVEMBER 5, 2021

1. Did the flu pandemic of 1918-1920 have a positive, negative, or no impact on subsequent economic growth and productivity? What factor or factors, if any, determined its impact? It is recommended that you focus on the experience of a single country.
2. What caused the post-WW 1 hyperinflation in Germany? Could it have been avoided and if so how? And, of course, if your answer to previous question is yes, why were the necessary anti-inflationary policies not introduced?

3. Does a nation's economic and/or cultural past impact its present and if so how? Drawing on one or more examples from the literature, explain what you mean by persistence, why it occurs (when it does), and why it matters.
4. What happened to inter-allied war debts in the 1920s and 1930s, why, and did it matter?

ESSAY 3. DUE DECEMBER 3, 2021

1. Banking reform in the U.S. in the 1930s – success or failure?
2. What role, if any, did the Great Depression play in the rise of right-wing nationalist parties? Focus on the experience of one country.
3. Could the Great Depression have been predicted and its severity thereby reduced? Explain.
[If you choose to do this essay, CONSULT: Robin Greenwood, Samuel Hanson, Andrei Sheifer, and Jakob Sorensen, “Predictable Financial Crises”, NBER, *Working Paper* 27396 (June 2020) AND ME.]
<https://www-nber-org.myaccess.library.utoronto.ca/papers/w27396.pdf>
4. What role, if any, did the financial crisis play in the length and severity of the Great Depression? Again, it is recommended that you focus on the experience of a single country.
5. Explain the nature and timing of recovery from the Great Depression in one of the following countries: the U.S., Germany, Great Britain.

GRADING SCHEME FOR THE ESSAYS

- Clarity of question and motivation 20%
- Statement of findings 5%
- Literature review 20%
- Clarity, coherence, completeness of analysis 25%
- Use of qualitative or quantitative evidence 20%
- Clarity and completeness of conclusion 10%