



University of Colorado **Boulder**

ECON 4524 : Economic History of the United States

Description

In his travels to the United States in the 1830s, Alexis de Tocqueville noted the equality of conditions that existed relative to the Old World. The historical record suggests that equality of conditions has not always been a feature of the American economic landscape. This contrasts with the experience with economic growth, which has been sustained (with a few exceptions) over the last more than 200 years. This course will follow the trajectory of the American economy from Colonial times to the present. The primary goal is to understand the sources and consequences of economic change over time. In the context of Tocqueville's *Democracy in America*, we will consider the evidence for his observations through the middle of the nineteenth century and whether his projections survived the advent of industrial capitalism, structural changes in the American and global economies, and the consequences for different social groups. We will cover the application of economic methodologies – including theories of growth and analysis of data – to understand economic and institutional change from the American Revolution through the Civil War, the emergence of the modern economy, periods of crisis in American history (e.g., the Great Depression and World War II), and reasons for optimism or pessimism about the prospects for future growth. *Prerequisites:* ECON3070 or ECON3080.

Course Goals

Douglas Hofstadter said it well in *Gödel, Escher, Bach*: "...to make sense out of ambiguous or contradictory messages; to recognize the relative importance of different elements of a situation; to find similarities between situations despite differences which may separate them; to draw distinctions between situations despite similarities which may link them; to synthesize new concepts by taking old concepts and putting them together in new ways; to come up with ideas which are novel." More specifically, throughout this course you will:

- apply economic theory to analyze historical events;
- use historical data to evaluate causal arguments;
- understand the relationship between economic growth and inequality;
- put current policy issues in historical context.

This course will provide students with the theoretical and empirical tools to understand the development of the American economy, determinants of economic growth and distribution, and challenges facing the US economy.

Course Materials

All materials (lectures, required readings, etc) will be available via Canvas. Required readings are marked with a "★" on the outline below. Additional readings that provide useful background information are also listed. You must complete required readings **before** the class in which they

are assigned. I recommend *A New Economic View of American History from Colonial Times to 1940* by Jeremy Atack and Peter Passell to learn more about US economic history.

Grading

Attendance: Attendance is required. Missing more than three classes will result in a full letter grade reduction of your final grade (e.g., an “A” becomes a “B”). Each additional three classes missed will result in a further letter grade reduction of your final grade.

Literature Review (15%): Students are required to find a research article published in the *Journal of Economic History*, *Explorations in Economic History*, or *Economic History Review* for each topic. Students must identify table or figure from the article, give a brief description of the table or figure, and provide a proper citation.

Library Document (10%): Students are required to find and describe a government document related in Norlin Library. Students must provide evidence that they came into physical contact with the document in the library, describe the document, and discuss why it is useful for understanding an aspect of US economic history.

Data Analysis (25%): Students are required to interpret data from existing sources such as the [Historical Statistics of the United States](#), [Our World in Data](#), and the [Penn World Table](#). Students must construct a data series and discuss how it is useful for testing a hypothesis related to one of the course topics.

Exams (50% total = 20% midterm + 30% final): There will be one in-class midterm exam and an in-class final exam on the date set by the University. All exams are cumulative.

Numerical scores will be translated to letter grades using the following scale:

Score	Letter	Score	Letter	Score	Letter	Score	Letter
≥ 93	A	83 – 86.99	B	73 – 76.99	C	63 – 66.99	D
90 – 92.99	A-	80 – 82.99	B-	70 – 72.99	C-	60 – 62.99	D-
87 – 89.99	B+	77 – 79.99	C+	67 – 69.99	D+	< 60	F

Office Hours and Email

I encourage you to attend office hours or to setup a time to meet outside of office hours if the day/time listed above do not work for you. You should come to office hours prepared with questions or ready to discuss the course material. Office hours are the appropriate forum for addressing questions about course material or policies. Use email to setup a time to meet outside of office hours, if necessary.

Cell Phones, Laptops, Etc

Laptops, cell phones, and other devices are only to be used for course-related task (e.g., taking notes, looking at course readings). If you are using laptops, cell phones, and other devices for any other purpose you will be asked to leave the class.

Classroom Behavior

Students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote, or online. Failure to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, marital status, political affiliation, or political philosophy.

For more information, see the [classroom behavior policy](#), the [Student Code of Conduct](#), and the [Office of Institutional Equity and Compliance](#).

Accommodation for Disabilities, Temporary Medical Conditions, and Medical Isolation

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website](#). Contact Disability Services at 303-492-8671 or DSinfo@colorado.edu for further assistance. If you have a temporary medical condition, see [Temporary Medical Conditions](#) on the Disability Services website.

If you have a temporary illness, injury or required medical isolation for which you require adjustment, Faculty: insert your procedure here for students to alert you about absence due to illness, injury, or medical isolation. Because of FERPA student privacy laws, do not require students to state the nature of their illness when alerting you. Do not require “doctor’s notes” for classes missed due to illness; campus health services no longer provide “doctor’s notes” or appointment verifications.

Preferred Student Names and Pronouns

CU Boulder recognizes that students’ legal information doesn’t always align with how they identify. Students may update their preferred names and pronouns via the student portal; those preferred names and pronouns are listed on instructors’ class rosters. In the absence of such updates, the name that appears on the class roster is the student’s legal name.

Honor Code

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the [Honor Code](#). Violations of the Honor Code may include but are not limited to: plagiarism (including use of paper writing services or technology [such as essay bots]), cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. Understanding the course’s syllabus is a vital part in adhering to the Honor Code. All incidents of academic misconduct will be reported to Student Conduct & Conflict Resolution: StudentConduct@colorado.edu. Students found responsible for violating the Honor Code will be assigned resolution outcomes from the Student Conduct & Conflict Resolution as well as be subject to academic sanctions from the faculty member. Visit [Honor Code](#) for more information on the academic integrity policy.

Sexual Misconduct, Discrimination, Harassment and/or Related Retaliation

CU Boulder is committed to fostering an inclusive and welcoming learning, working, and living environment. University policy prohibits [protected-class](#) discrimination and harassment, sexual misconduct (harassment, exploitation, and assault), intimate partner abuse (dating or domestic violence), stalking, and related retaliation by or against members of our community on- and off-campus. The Office of Institutional Equity and Compliance (OIEC) addresses these concerns, and individuals who have been subjected to misconduct can contact OIEC at 303-492-2127 or email CUreport@colorado.edu. Information about university policies, [reporting options](#), and [support resources](#) including confidential services can be found on the [OIEC website](#).

Please know that faculty and graduate instructors must inform OIEC when they are made aware of incidents related to these policies regardless of when or where something occurred. This is to ensure that individuals impacted receive outreach from OIEC about resolution options and support resources. To learn more about reporting and support for a variety of concerns, visit the [Don't Ignore It page](#).

Religious Accommodations

Campus policy requires faculty to provide reasonable accommodations for students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. Please communicate the need for a religious accommodation in a timely manner.

See the [campus policy regarding religious observances](#) for full details.

Mental Health and Wellness

The University of Colorado Boulder is committed to the well-being of all students. If you are struggling with personal stressors, mental health or substance use concerns that are impacting academic or daily life, please contact Counseling and Psychiatric Services (CAPS) located in C4C or call (303) 492-2277, 24/7.

Free and unlimited telehealth is also available through Academic Live Care. The Academic Live Care site also provides information about additional wellness services on campus that are available to students.

Course Outline

Introduction

Provide overview of the economic history of the United States as well as the main explanations for differences in economic performance and inequality (e.g., geography and natural resources, domestic and international trade, economic and political institutions, human capital and technology) between the United States and the rest of the world over time.

- ★ Chad Jones, “The Facts of Economic Growth,” *Handbook of Macroeconomics*
- Gavin Wright, “The Origins of American Industrial Success,” *American Economic Review*
- Claudia Goldin, “The Economist as Detective”

National Income and Distributional Accounting

Introduce tools of national income and distributional accounting for assessing aggregate economic performance and inequality, including applications to data in the [Historical Statistics of the United States](#), [Our World in Data](#), and the [Penn World Table](#). Discuss critiques of and alternatives to the “accounting” approaches used by economists.

- ★ Robert Fogel, Enid Fogel, Mark Guglielmo, and Nathaniel Grotte, “The Use of National Income Accounting to Study Comparative Economic Growth,” in *Political Arithmetic: Simon Kuznets and the Empirical Tradition in Economics*
- Thomas Piketty, Emmanuel Saez, and Gabriel Zucman, “Distributional National Accounts,” *Quarterly Journal of Economics* (2018)

Colonial and Other Origins

Discuss origins of US economic growth in colonialism and European contact with the indigenous peoples of North America, including major differences of the strategies of used by different European powers as well as the extent and variety of economic activity of indigenous peoples. Provide connection to theories of economic growth, development, and inequality.

- ★ Stanley Engerman and Kenneth Sokoloff, “Institutions, Factor Endowments, and Paths of Development in the New World,” *Journal of Economic Perspectives*
- ★ Ann Carlos, Feir, and Angela Redish, “Indigenous Nations and the Development of the US Economy,” *Journal of Economic History*

The Colonial Economy

Analyze the economy of colonial America, including initial settlement, the changing impact of mercantilism, and the emergence and disappearance of the indentured servitude as a labor market institution. Discuss existing evidence on the living standards of the average person as well as people in different social groups before and after the American Revolution.

- ★ David Galenson, “The Rise and Fall of Indentured Servitude in the Americas,” *Journal of Economic History*

- ★ Peter Lindert and Jeffrey Williamson, “American Incomes Before and After the American Revolution,” *Journal of Economic History*
- Peter Lindert and Jeffrey Williamson, *Unequal Gains: American Growth and Inequality since 1700*

American Independence

Contrast economic determinants of the American Revolution with alternative explanations. Discuss the role different regions and classes of people in the bringing about the Revolution. Examine reform under the federal and subsequent state constitutions. Consider the relationship between institutional development (state capacity), the new nation’s fiscal situation, and long-run economic growth.

- ★ Douglas Irwin, *Clashing Over Commerce*, chapter 1
- ★ Declaration of Independence, US Constitution, Bill of Rights
- John Wallis, “The Other Foundings,” in *Founding Choices: American Economic Policy in the 1790s*
- Gordon Wood, *The Radicalism of the American Revolution*

The Early Republic

Examine development of the early US financial system and international trade relationships including the causes and impact of the Jeffersonian Embargo, the first and turbulent attempts at “central” banking, and the relationship between “free” banking and financial panics. Discuss the costs and benefits of international and financial integration as well as the effects on different social groups.

- ★ Douglas Irwin, *Clashing Over Commerce*, chapter 2
- Richard Sylla, “Financial Foundations,” in *Founding Choices: American Economic Policy in the 1790s*
- Peter Temin, “The Economic Consequences of the Bank War,” *Journal of Political Economy*
- Eric Hilt and Liang, “Andrew Jackson’s Bank War and the Panic of 1837”
- Alan Taylor, *American Republics: A Continental History of the United States, 1783-1850*

Slavery and the Civil War

Examine development and impact of slavery on economic performance and inequality in the United States from perspectives in economics, history, sociology, and political science. Introduce methodology for quantifying effect of the Civil War and emancipation. Assess link between the experience with historical slavery through the middle of the nineteenth century and Black economic progress in the twentieth century.

- ★ Richard Hornbeck and Trevon Logan, “One Giant Leap: Emancipation and Aggregate Economic Gains”
- ★ Eric Hilt, “Revisiting Time on the Cross After 45 Years,” *Capitalism*

- Claudia Goldin and Frank Lewis, “The Economic Cost of the American Civil War,” *Journal of Economic History*
- Stanley Engerman and Robert Fogel, *Time on the Cross: The Economics of American Slavery*
- Herbert Gutman, *Slavery and the Numbers Game*

Agricultural Development

Analyze development of American agriculture during the nineteenth and twentieth centuries, including the role of access to and the adoption of technology on farms, biological innovation across crops and in different regions, and the extent of opportunity for and coercion of workers in the context of changes in labor market and property rights institutions.

- ★ Alan Olmstead and Paul Rhode, “Beyond the Threshold,” *Journal of Economic History*
- Alan Olmstead and Paul Rhode, *Creating Abundance: Biological Innovation and American Agricultural Development*

The Market Revolution

Examine changes in internal market size of the US economy from the early nineteenth century to the present with emphasis on the impact of internal (transportation) improvements. Consider broader changes in American society associated with the growth of the market economy including political economy, culture, and religion.

- ★ Dave Donaldson and Richard Hornbeck, “Railroads and American Economic Growth,” *Quarterly Journal of Economics*
- Kenneth Sokoloff, “Inventive Activity in Early Industrial America,” *Journal of Economic History*
- Hoyt Bleakley and Jeffrey Lin, “Portage and Path Dependence,” *Quarterly Journal of Economics*
- Robert Fogel, *Railroads and American Economic Growth*

Industrialization and Business Enterprise

Discuss role of women and children and regional differences in industrialization in the early nineteenth century. Consider causes and implications of emergence of industrial capitalism after the Civil War, including economies and scale and scope, monopoly power and the conduct of firms, and organized labor.

- ★ Claudia Goldin and Kenneth Sokoloff, “Women, Children, and Industrialization in the Early Republic,” *Journal of Economic History*
- Alfred Chandler, “Organizational Capabilities and the Economic History of the Industrial Enterprise,” *Journal of Economic Perspectives*
- Naomi Lamoreaux, “The Problem of Bigness,” *Journal of Economic Perspectives*
- Richard Langlois, *The Corporation and the Twentieth Century*

The Ages of Mass Migration

Provide overview of the history of immigration to the United States focusing on period since the 1850s. Introduce and apply economics of immigration (e.g., returns to migration, assimilation, impact of immigrant arrivals) to understand the past and provide perspective on current social, economic, and public policy issues.

- ★ Ran Abramitzky, Leah Boustan, and Katherine Eriksson, “A Nation of Immigrants,” *Journal of Political Economy*
- Ran Abramitzky and Leah Boustan, “Immigration in American Economic History,” *Journal of Economic Literature*
- David Escamilla-Guerrero, Ed Kosack, and Zachary Ward, “Life after Crossing the Border: Assimilation during the First Mexican Mass Migration,” *Explorations in Economic History*
- Ran Abramitzky and Leah Boustan, *Streets of Gold: America’s Untold Story of Immigrant Success*

The Great Depression

Discuss causes of the Great Depression, including the perspectives of Keynesians and Monetarists. Analyze evidence related to the impact by demographic group and for firms from different industries. Provide overview of government response via the New Deal.

- ★ Christina Romer, “The Nation in Depression,” *Journal of Economic Perspectives*
- Mark Carlson, Kris Mitchener, and Gary Richardson, “Arresting Banking Panics,” *Journal of Political Economy*
- Martha Olney, “Avoiding Default,” *Quarterly Journal of Economics*
- Elmus Wicker, *The Banking Panics of the Great Depression*
- Price Fishback, Jonathan Rose, and Kenneth Snowden, *Well Worth Saving: How the New Deal Safeguarded Home Ownership*

World War II

Examine macroeconomic and demographic effects of mobilization for war, including recovery from the Great Depression, stimulus for postwar economic growth, shifts in female labor force participation, and changes labor market inequality. Consider aggregate fiscal costs of mobilization and distribution of costs across different groups in American society.

- ★ Shigeru Fujita, Valerie Ramey, and Tal Roded, “Why Didn’t the US Unemployment Rate Rise at the End of WWII?”
- Claudia Goldin, “The Role of World War II in the Rise of Women’s Employment,” *American Economic Review*
- Peter Thompson, “How Much Did the Liberty Shipbuilders Learn?” *Journal of Political Economy*
- George Hall and Thomas Sargent, “Debt and Taxes in Eight US Wars and Two Insurrections,” *The Handbook of Historical Economics*
- Alexander Field, *The Economic Consequences of US Mobilization for World War II*

Education and Inequality

Consider changes in access to primary, secondary, and post-secondary education in US history, especially differences by region, race, and gender. Examine the evolution of the demand for education (in the labor market) and the implications for wage inequality. Discuss contributions of human capital to economic growth.

- ★ Claudia Goldin and Lawrence Katz, *The Race between Education and Technology*, chapters 1 and 8
- Gerald Auten and David Splinter, “Income Inequality in the United States: Using Tax Data to Measure Long-Term Trends,” *Journal of Political Economy*
- Emmanuel Saez and Gabriel Zucman, “The Rise of Income and Wealth Inequality in America: Evidence from Distributional Macroeconomic Accounts,” *Journal of Economic Perspectives*
- Celeste Carruthers and Marianne Wanamaker, “Separate and Unequal in the Labor Market,” *Journal of Labor Economics*
- Daron Acemoglu, David Autor, and David Lyle, “Women, War, and Wages: The Effect of Female Labor Supply on the Wage Structure at Midcentury,” *Journal of Political Economy*

Intergenerational Mobility

Introduce data and methodologies to understand the evolution of intergenerational mobility in the United States in historical and comparative perspective. Consider differences in intergenerational mobility across demographic groups and the challenges to measurement for underrepresented groups and over long time periods.

- ★ Elisa Jácome, Ilyana Kuziemko, and Suresh Naidu, “Mobility for All: Representative Intergenerational Mobility Estimates over the 20th Century,” *Journal of Political Economy*
- Raj Chetty, David Grusky, Maximilian Hell, Nathaniel Hendren, Robert Manduca, and Jimmy Narang, “The Fading American Dream,” *Science*

The Future of Economic Growth

Consider the past performance of the US economy for enabling human flourishing. Evaluate projections of the future performance of the US economy as well as the rest of the world. Introduce normative perspectives (e.g., egalitarian, libertarian, socialist) for evaluating social science evidence related to economic growth and distribution.

- ★ Joel Mokyr, Chris Vickers, and Nicolas Ziebarth, “The History of Technological Anxiety and the Future of Economic Growth,” *Journal of Economic Perspectives*
- ★ Chad Jones, “The Outlook for Long-Term Economic Growth”
- Benjamin Friedman, *The Moral Consequences of Economic Growth*
- Mark Fisher, *Capitalist Realism*
- John Tomasi, *Free Market Fairness*