



Argyros School of Business and Economics

ECON 373 : US Economic History • Fall 2023

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Day/Time: TuTh 10-11:15am • Location: Beckman Hall 212 • Office Hours: TuTh 11:15am-Noon

Description

The United States has experienced sustained economic growth over most of its history. In the more recent past, debates over the pace of economic growth and the distribution of prosperity have led economists, policymakers, and pundits to strain for explanations. This course will look to the past to understand the sources of economic development in the United States over time, the integration of different groups and regions into the economy, and reasons for optimism or pessimism about the future prospects for growth. This course will cover the history of the United States from the colonial times to the present. Topics will include the American Revolution, slavery and the Civil War, Globalization and the Age of Mass Migration, the Great Depression and World War II, and social mobility. *Prerequisites:* Econ 200.

Course Goals

Throughout this course you will:

- Use economics to understand US history.
- Evaluate empirical evidence, causal arguments, and historical narrative.
- Learn to analyze real world (historical) data.
- Put current economic policy debates in historical context.

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

Readings

Required readings are marked with a “*” on the course outline below and will be made available on the course website. Additional readings that provide useful background information are also listed below. You must complete required readings before the week in which they are assigned. Class discussion will draw on your knowledge of the readings and you are required to participate throughout the semester (i.e., I will call on students to answer questions and contribute to discussion). Finally, 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 as well as *How the World Became Rich* by Mark Koyama and Jared Rubin for a global view (including the United States) on the origins of economic growth.

Data

I will make data available to motivate or help understand some aspect of each topic. The data are listed below and will be provided on the course website. Students are encouraged to look at the data before we discuss the relevant topic.

Grading

Attendance + Class Participation (10%): If you miss three classes, each additional missed class will reduce your final grade by one percentage point. In addition, students should come to class prepared, having completed the reading, and ready to participate.

Exams (60% total = 30% × 2): There will be one in-class exam on _____. The first exam will material from week 1 to week 6. There will be no make-up exams; if you miss the midterm, the final will carry additional weight **if and only if** you present a valid excuse (e.g., doctor's note). The final exam will be comprehensive and take place on **December 15, 8-10:30am** (the day/time of the final exam cannot be changed).

Research Paper (30% total = 5% proposal + 25% paper): For the final paper, you will propose a hypothesis and an empirical approach to test your hypothesis. The aim is to examine patterns or trends in the data, present your findings clearly, and discuss the implications for understanding the US economy during the relevant period. A handout will be provided with more information, including potential data resources. You are required to turn in a proposal in class on _____. Late proposals will not be accepted. The due date for the final paper is _____. Any papers turned in after this time will be accepted but receive a penalty of 10 points per 24-hour period.

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

Academic Integrity, Policy for Students with Disabilities,

Chapman University is a community of scholars that emphasizes the mutual responsibility of all members to seek knowledge honestly and in good faith. Students are responsible for doing their own work, and academic dishonesty of any kind will be subject to sanction by the instructor/administrator and referral to the University's Academic Integrity Committee, which may impose additional sanctions up to and including expulsion.

Policy for Students with Disabilities

In compliance with ADA guidelines, students who have any condition, either permanent or temporary, that might affect their ability to perform in this class are encouraged to contact the **Office of Disability Services**. If you will need to utilize your approved accommodations in this class, please follow the proper notification procedure for informing your professor(s). This notification process must occur more than a week before any accommodation can be utilized. Please contact Disability Services at (714) 516-4520 if you have questions regarding this procedure, or for information and to make an appointment to discuss and/or request potential accommodations based on documentation of your disability. Once formal approval of your need for an accommodation has been granted, you are encouraged to talk with your professor(s) about your accommodation options. The granting of any accommodation will not be retroactive and cannot jeopardize the academic standards or integrity of the course.

Equity and Diversity Statement

Chapman University is committed to ensuring equality and valuing diversity. Students and professors are reminded to show respect at all times as outlined in **Chapman's Harassment and Discrimination Policy**. Any violations of this policy should be discussed with the professor, the **Dean of Students** and/or otherwise reported in accordance with this policy.

Course Outline

1. US Economic Growth in the Long Run

8/29 *Davis, "An Annual Index of US Industrial Production, 1790-1915," *QJE*, pp. 1177-1180, 1187-1205.

8/31 *Tocqueville, *Democracy in America*, "Introduction"

Data: Gross domestic product and industrial production

Background: Lindert & Williamson, *Unequal Gains*; Lepore, *These Truths*

2. The Colonial Economy

9/05 *Galenson, "The Rise and Fall of Indentured Servitude in the Americas," *JEH*

9/07 *Lindert & Williamson, "American Incomes Before the American Revolution," *JEH*

Data: Indentured servant contracts

Background: Taylor, *American Colonies*; Priest, *Credit Nation*

3. Revolution and American Institutions

9/12 *Sargent, "United States Then, Europe Now," *JPE*

*Articles of Confederation and Constitution

9/14 *Lamoreaux & Wallis, "Economic Crisis, General Laws, and the Mid-Nineteenth-Century Transformation of American Political Economy," *JER*

Background: Wood, *The Radicalism of the American Revolution*; Taylor, *American Revolutions*

4. Slavery and the Civil War

9/19 *Bleakley & Paul Rhode, "The Economic Effects of American Slavery"

Tocqueville, *Democracy in America*, "Some Considerations Concerning the Present State and Probable Future of the Three Races That Inhabit the Territory of the United States"

9/21 *Olmstead & Rhode, "Biological Innovation and Productivity Growth in the Antebellum Cotton Economy," *JEH*

Data: Spatial distribution of slaves and cotton production

Background: Fogel & Engerman, *Time on the Cross*; Gutman, *Slavery and Numbers Game*

5. Agricultural Development

9/26 *Olmstead & Rhode, "The Red Queen and the Hard Reds," *JEH*

9/28 *Olmstead & Rhode, "Reshaping the Landscape," *JEH*

Gross, "Scale versus Scope in the Diffusion of New Technology," *RAND*

Data: Wheat and cotton yields

Background: Atack & Bateman, *To Their Own Soil*; Olmstead & Rhode, *Creating Abundance*

6. Market Revolution

10/05 *Bleakley & Lin, "Portage and Path Dependence," *QJE*

10/07 *Donaldson & Hornbeck, "Railroads and American Economic Growth," *QJE*

Data: Agricultural land values, population, and trade costs, 1870-1890

Background: Sellers, *The Market Revolution*; Taylor, *American Republics*

7. Week of Midterm

10/10 Wrap-Up and Review

10/12 Midterm Exam

8. Globalization: Immigration and Trade

10/17 *Collins & Zimran, "Working Their Way Up?" *AEJ: Applied*

10/19 *Irwin, "US Trade Policy in Historical Perspective"

Data: Bilateral trade and immigration

Background: Osterhammel, *The Transformation of the World*; Irwin, *Clashing Over Commerce*; Abramitzky & Boustan, *Streets of Gold*

9. Discussion of Paper Proposals (10/24 & 10/26)

10. Industrialization and Entrepreneurship

10/31 *Lamoreaux & Sokoloff, "The Geography of Invention in the American Glass Industry," *JEH*

Tocqueville, *Democracy in America*, "That Almost All The Americans Follow Industrial Callings"

11/02 *Nicholas, "Why was Schumpeter Right," *JEH*

Data: Census of manufacturing data

Background: Bateman & Weiss, *A Deplorable Scarcity*; Hounshell, *From the American System to Mass Production*; Mowery & Rosenberg, *Technology and the Pursuit of Economic Growth*

11. Financial Crises and the Great Depression

11/07 *Romer, "The Nation in Depression," *JEP*

Bernanke, "On Milton Friedman's Ninetieth Birthday"

11/09 *Field, "Technological Change and US Productivity Growth in the Interwar Years," *JEH*

Data: Bank suspensions during the Great Depression

Background: Wicker, *The Banking Panics of the Great Depression*; Eichengreen, *Hall of Mirrors*; Tooze, *Crashed*; Field, *A Great Leap Forward*

12. World War II and the Rise of Big Government

11/14 *Higgs, "Wartime Prosperity?" *JEH*

11/16 *Fishback, "Safety Nets and Social Welfare Expenditures in World Economic History"

Cochrane, "Fiscal Histories," *JEP*

Data: Measures of the size of government

Background: Higgs, *Crisis and Leviathan*; Lindert, *Making Social Spending Work*; Field, *The Economic Consequences of US Mobilization for the Second World War*

Thanksgiving Break

13. Education and Human Capital

11/28 *Carruthers & Wanamaker, "Separate and Unequal in the Labor Market," *JOLE*

Autor, Goldin, & Katz, "Extending the Race between Education and Technology," *AEA P&P*

11/30 *Philippon & Reshef, "Wages and Human Capital in the US Finance Industry," *QJE*

Data: High school and college graduation rates

Background: Goldin & Katz, *The Race Between Education and Technology*

14. Economic Opportunity in the United States

12/05 *Jácome, Kuziemko, & Naidu, "Mobility for All"

12/07 *Christensen et al, "Uncertainty in Forecasts of Long-Run Economic Growth," *PNAS*

Tocqueville, *Democracy in America*, "How, in Times of Equality and Doubt, It Is Important to Set Distant Goals for Human Actions"

Data: Projections of global output

Background: Gordon, *The Rise and Fall of American Growth*; Cowen, *Stubborn Attachments*

Final Paper Due on December 6