

**Boise State University  
Department of Economics**

**Economics 350 and History 350: U.S. Economic History  
Fall 2009**

**Contact Information:**

Instructor: Zeynep K. Hansen  
Office: Business 311-K  
Phone: 426-3314  
E-mail: [zeynephansen@boisestate.edu](mailto:zeynephansen@boisestate.edu)  
Office Hours: Monday, Wednesday, and Friday 10:30 – 11:30 a.m.  
and by appointment

**Class Hours:** Monday, Wednesday, and Friday 9:40 – 10:30 a.m.

**Course Description and Objectives:** The course will focus on both the long-term factors – such as industrialization and the development of markets – and the epochal events – such as the Revolution, the Civil War, and the Great Depression – that have shaped the development of the American economy. In a semester course, we cannot conduct a comprehensive survey of American economic history. Instead, the aim is to explore *some* of the most important questions and debates.

One of the primary objectives in teaching this course is to introduce students to how economic historians use economic theory and data analysis to study history. The basic theories of economics – those taught in the introductory courses – are powerful tools. Throughout the semester, we will discuss how these theories help us frame and address historical questions.

**Prerequisites:** Students must have completed Principles of Microeconomics and Principles of Macroeconomics.

**Readings:** There are two required textbooks:

1. Jeremy Atack and Peter Passell, *A New Economic View of American History*, 2<sup>nd</sup> edition (W.W. Norton 1994).
2. Price Fishback and et al., *Government and the American Economy*, (The University of Chicago Press 2007).

Atack and Passell is a textbook that provides background material and summarizes and synthesizes research in American economic history. It will provide the framework for our lecture and class discussions. Fishback et al. will provide a foundation for our understanding of the role of government in the history of the American economy. In addition, scholarly articles will be assigned regularly. These articles will enhance the lectures and class discussions.



**Term Paper:** The final paper assignment requires you to draw upon historical data to address a question in American economic history. You may choose any topic related to the development of the American economy up until 1980. The objective of this assignment is to give you experience in assembling quantitative data and using it to illustrate a point or support an argument. You are NOT required to do any formal statistical analysis. Simply organizing data in a table or presenting it in a graph can be quite informative. More information on the paper assignment, including a list of sample topics and possible data sources, will be provided on Blackboard.

The final version of the paper is due towards the end of the semester; however, components of the paper will be due according to a **strict** time table.

Timetable for the paper:

*September 14:* One-page proposal and preliminary list of five references due.

*October 19:* Two-three page outline and a presentation of your data analysis are due. Failure to turn in this outline will result in a penalty of a third of a grade point on the final paper. (In other words, an “A” will become an “A-“.)

*November 16:* *Optional* first draft due.

*December 4:* Final paper due.

Other information: Your essay should be no more than 10 pages in length, typed on 8 ½” by 11” paper, in type no smaller than 11 point, double-spaced, with a one-inch margin on all sides. The paper should draw on both *primary* and *secondary* sources. A primary source is a book or other scholarly contribution by an economist. A secondary source is an article that discusses or interprets some aspect of a primary source or sources. General web sources, such as Wikipedia are not acceptable as sources or references in the paper.

**Class Attendance and Participation:** Class participation is an integral part of this course. It is expected that you will attend class regularly and participate in class discussions. Approximately four or five problem sets will be assigned throughout the semester. Although problem sets will not be graded, students will be asked to present answers to these problem sets in class.

**Important Class policy:** No make up exams or quizzes will be given. There will be no extra credit. If you miss an exam please contact me as soon as possible, preferably within 24 hours of the exam.

**Responsibilities and Conduct:**

To do well in the course I suggest the following:

1. Attend class!
2. Read the assigned readings before coming to class.
3. Do the assignments. These will help with understanding the important points of readings.
4. Participate in class discussions.
5. Come and see me if you have questions about the material covered in class or any other questions.

In addition, treat your classmates with respect in and out of class. Please make sure to turn off your cell phone during class.

**Academic Dishonesty:**

Cheating, plagiarism and other forms of misconduct will not be tolerated. I encourage you work together on the assignments and discuss reading material outside of class; however each of you must submit your own work. Submitting someone else's work as your own or letting someone else to submit your work constitutes as cheating.

For details on academic dishonesty, please take a look at:

<http://www2.boisestate.edu/studentconduct/student.htm>

**Disabilities:**

If any student has a disability that requires special accommodation, please come and see me by the end of the second week. For information regarding disabilities and possible accommodations please see:

<http://www.boisestate.edu/policy/index.asp?section=4&polycinum=4500>

**Course Outline: Sequence of Topics\***

**A&P** = **Atack and Passell, *A New Economic View of American History***

**F** = **Fishback and et al., *Government and the American Economy***

**(OL)** = **On-line source**

**(B)** = **Blackboard**

**I. Introduction to Economic History and the Economic History of the U.S.**

A&P, Introduction and Ch. 23

F, Ch. 1: Price Fishback, "Government and the Economy"

(B) Donald McCloskey, "Does the Past Have Useful Economics?"

**II. Differential Paths of Growth and Development: The U.S. in Comparative Perspective**

A&P, Ch. 1

(OL) Kenneth L. Sokoloff and Stanley L. Engerman, "History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World." *Journal of Economic Perspectives* 14 (Summer 2000): 217-232. ([www.jstor.org](http://www.jstor.org).)

***The Colonial Economy***

**III. The Colonial Economy**

A&P, Ch. 2

F, Ch. 2: Stanley Engerman, "Government in Colonial America"

#### **IV. The American Revolution and Economics of Constitution**

A&P, Ch. 3

F, Ch. 3: Robert McGuire, "Founding Era, 1774-1791"

(OL) Robert P. Thomas, "A Quantitative Approach to the Study of the Effects of British Imperial Policy upon Colonial Welfare: Some Preliminary Findings," *Journal of Economic History* 25 (December 1965): 615-638. ([www.jstor.org](http://www.jstor.org).)

#### ***Growth and Change in the Nineteenth Century***

##### **V. Early Industrialization**

A&P, Ch. 5, 7 & Ch. 8, pp. 229-237

F, Ch: 6, John Wallis, "National Era"

(OL) Alexander J. Field, "Sectoral Shift in Antebellum Massachusetts: A Reconsideration," *Explorations in Economic History* 15 (1978): 146-171. ([www.sciencedirect.com/science/journal/00144983](http://www.sciencedirect.com/science/journal/00144983))

##### **VI. The Transportation Revolution**

A&P, Ch. 6 & 16

(OL) John Majewski, "Who Financed the Transportation Revolution? Regional Divergence and Internal Improvements in Antebellum Pennsylvania and Virginia," *Journal of Economic History* 56 (December 1996): 763-788. ([www.jstor.org](http://www.jstor.org).)

##### **VII. Agriculture and Westward Expansion**

A&P, Ch. 9 & 10

F, Ch: 4, Gary D. Libecap, "Property Rights and Federal Land Policy"

(OL) Alan Olmstead, "The Mechanization of Reaping and Mowing in American Agriculture, 1833-1870", *Journal of Economic History* 35 (1975): 327-52. ([www.jstor.org](http://www.jstor.org).)

(OL) Alan Olmstead and Paul Rhode, "The Red Queen and the Hard Reds: Productivity Growth in American Wheat, 1800-1940." *Journal of Economic History* 62 (December 2002): 929-966. ([www.jstor.org](http://www.jstor.org).)

##### **VIII. The Development of Financial Markets**

A&P, Ch. 4 & 18

F, Ch: 5, Richard Sylla, "Reversing Financial Reversals: Government and the Financial System since 1789"

#### ***Challenges of the Nineteenth Century***

##### **IX. The Economics of Slavery**

A&P, Ch. 11 & 12

F, Ch: 8, Robert Margo, "Government and the American Dilemma"

##### **X. The Civil War & the Post-bellum South**

A&P, Ch. 13 & 14

F, Ch: 7, Jeffrey R. Hummel, “The Civil War and Reconstruction”  
(OL) Claudia G. Goldin and Frank D. Lewis, “The Economic Cost of the American Civil War: Estimates and Implications,” *Journal of Economic History* 35 (June 1975): 299-326. ([www.jstor.org](http://www.jstor.org).)

### *Into the Twentieth Century*

#### **XI. Northern Agricultural Development**

A&P, Ch. 15

(OL) Hansen, Zeynep K. and Gary D. Libecap (2004), “The Allocation of Property Rights to Land: US Land Policy and Farm Failure in the Northern Great Plains,” *Explorations in Economic History*, 41(2): 103 – 129.

#### **XII. The Rise of Big Business and Anti-trust Laws**

A&P, Ch. 17

F, Ch: 9, Mark Guglielmo and Werner Troesken, “The Gilded Age”

F, Ch:10, Price Fishback, “The Progressive Era”

W&B, Ch. 12: Jeremy Atack, “Industrial Structure and the Emergence of the Modern Industrial Corporation.”

(B) Gary D. Libecap, The Rise of the Chicago Packers and the Origins of Meat Inspection and Antitrust, *Economic Inquiry* 30 (April 1992): 242-262.

(B) George Stigler, The Origins of the Sherman Act, *Journal of Legal Studies* (January 1985): 1-12.

#### **XIII. The Stock Market Crash and the Great Depression**

A&P, Ch. 21

(OL) Eugene White, “The Stock Market Boom and Crash of 1929 Revisited,” *Journal of Economic Perspectives* 4 (Spring 1990): 67-83.

(OL) Christina D. Romer, “The Nation in Depression,” *Journal of Economic Perspectives* 7 (Spring 1993): 19-39. ([www.jstor.org](http://www.jstor.org).)

#### **XIV. The New Deal and WWII**

A&P, Ch. 22 & 23

F, Ch: 13, Price Fishback, “The New Deal”

(B) John J. Wallis and Wallace E. Oates, “The Impact of the New Deal on American Federalism,” in *The Defining Moment: The Great Depression and the American Economy in the Twentieth Century*, ed. Michael D. Bordo, Claudia Goldin, and Eugene N. White. Chicago: The University of Chicago Press, 1998.

(OL) Barbara Alexander, “Failed Cooperation in Heterogeneous Industries Under the National Recovery Administration,” *Journal of Economic History* 57 (June 1997): 322-344. [Skip section entitled, “Cross-sectional Analysis,” pp. 337-341.]

(OL) Robert Higgs, “Wartime Prosperity? A Reassessment of the U.S. Economy in the 1940s,” *Journal of Economic History* 52 (March 1992): 41-60.

*\*Course outline and related readings may be adjusted as we progress through the semester.*