Economics 362
American Economic History
University of Massachusetts, Amherst
Fall 2018

Carol E. Heim
Professor of Economics
Office: 223 Gordon Hall
Phone: 545-0854
E-mail: cheim@econs.umass.edu
Office Hours: Wednesday 2:00-4:00 p.m. or by appointment

Class Hours: Tuesday, Thursday, 10:00 – 11:15 a.m., Herter 111

Course Description: This course is a survey of U.S. economic history from colonial times to the present. We will examine the evolution of capitalist and non-capitalist institutions and study ways in which economic development has been uneven across space, time, and economic groups or classes. Special attention will be paid to the influence of three important processes: participation in the international economy, war, and urbanization. We also will explore how government actions and policies affected the economy. Where possible, we will consider recent developments in the light of historical experience.

Prerequisites: Prerequisites: (ECON 103 or RES-ECON 102) and ECON 104. One of the following course combinations or consent of the department is also required: HISTORY 140 & 141, or HISTORY 150 & 151.

Readings:
1. The following book will be available for purchase at Amherst Books, 8 Main Street, Amherst: David Von Drehle, *Triangle: The Fire That Changed America.*
2. A coursepack with chapters from Sidney Ratner, James H. Soltow, and Richard Sylla, *The Evolution of the American Economy: Growth, Welfare, and Decision Making*, will be available for purchase at Collective Copies, 71 South Pleasant Street, Amherst.
3. All readings will be available on digital or physical reserve at the W. E. B. Du Bois Library, Lower Level. To access materials on digital reserve, go to http://ereserves.library.umass.edu and log in. Then select this course and enter historyf18 as the password.

All readings on the reading list are required.

Requirements and Grading: The course requirements are an in-class midterm and a cumulative final exam, based on assigned readings and lectures, and two review papers (4-5 pages each). Each review paper will be based on one of the assigned readings, chosen by the student from a list of eligible assigned readings that will be distributed to the class.

Each review paper will include 1) synopsis of the author's argument and summary of main points of the reading; 2) critical analysis and review, including identifying a strength and weakness of

the reading; and 3) other questions sparked by the reading and what historical evidence might be used to answer them.
No make-up exams will be given without prior permission, which ordinarily will require a verifiable medical excuse.
Late papers will be graded down at a rate of one grade increment per day (for example, an A will become an A- if it is one day late, etc.)
Papers must be submitted both in hard copy and electronically. They must be double-spaced, in 12-point type, with 1-inch top and bottom margins and 1.25-inch left and right margins.

Grading will be based approximately as follows:

Review Paper #1:	20%
Midterm Exam:	25%
Review Paper #2:	25%
Final Exam:	30%

The following sources may be useful in writing the review papers:
1. Steven A. Greenlaw, *Doing Economics: A Guide to Understanding and Carrying Out Economic Research* (Boston: Houghton Mifflin, 2006). This book will be on physical reserve at the W.E.B. Du Bois Library, Lower Level.
2. The Purdue Online Writing Lab (OWL), http://owl.english.purdue.edu/owl/.

Electronic Device Policy: No electronic devices (cell phones, tablets, computers, etc.) may be used in class. Please turn off your cell phone at the beginning of class.

Note on Academic Honesty: Penalties for any breach of academic honesty (such as giving or receiving help or using outside material during exams, or plagiarism) are severe and include University disciplinary action. Student papers may be submitted to Turnitin by the instructor to check for possible plagiarism. Submitted assignments will be included in the UMass Amherst dedicated database of assignments at Turnitin and will be used solely for the purpose of checking for possible plagiarism during the grading process in fall 2018 or later.

For the purposes of this course, plagiarism means presenting someone else's work as your own (for example, copying all or part of someone else's paper, buying a pre-written paper, or having someone else do a paper for you) or using outside sources without proper acknowledgment. Footnotes always must be provided for direct quotations and in cases where you are paraphrasing or summarizing another author's ideas or research. Any material, including material from internet web sites, that is a direct quotation must be put in quotation marks. Students are advised to consult a standard manual such as *A Manual for Writers of Research Papers, Theses, and Dissertations*, 8th ed. (2013), by Kate L. Turabian, revised by Wayne C. Booth, Gregory G. Colomb, Joseph M. Williams, and University of Chicago Press editorial staff, or to speak with Professor Heim, if questions arise while working on your papers.

Note on Academic Honesty, cont.
Information on the University's Academic Honesty Policy is available at:
https://www.umass.edu/honesty/

An "Academic Honesty Guide for Students" is available at:
https://www.umass.edu/honesty/sites/default/files/academic_honesty_guide_for_students.pdf

READING ASSIGNMENTS

Introduction (Sept. 4)

Carol E. Heim, "Capitalism," in *Dictionary of American History*, 3d ed., vol. 2, *Cabeza to Demography*, ed. Stanley I. Kutler (New York: Charles Scribner's Sons, 2003), pp. 41-47.

A. THE COLONIES

Native Americans, Colonists, and the Land (Sept. 6)

William Cronon, *Changes in the Land: Indians, Colonists, and the Ecology of New England* (New York: Hill & Wang, 1983), ch. 4, "Bounding the Land," pp. 54-81.

Export Economies of the Seaboard: New England, the Middle Colonies, and Virginia (Sept. 11)

Sidney Ratner, James H. Soltow, and Richard Sylla, *The Evolution of the American Economy: Growth, Welfare, and Decision Making* (New York: Basic Books, 1979), ch. 2, "Regional Patterns of Colonial Development," pp. 36-59 (hereafter, RSS).

The Political Economy of the American Revolution (Sept. 13)

Marc Egnal and Joseph A. Ernst, "An Economic Interpretation of the American Revolution," *William and Mary Quarterly*, 3rd ser., vol. 29, no. 1 (Jan. 1972), pp. 3-32.

B. THE U.S. AS A UNION OF ECONOMIC REGIONS

The Evolution of Property Rights (Sept. 18)

Morton J. Horwitz, "The Transformation in the Conception of Property in American Law, 1780-1860," *University of Chicago Law Review*, vol. 40, no. 2 (Winter 1973), pp. 248-290.

Federal and State Involvement in Banking and Transportation (Sept. 20)

RSS, ch. 7, "Critical Changes in the Financial System," pp. 156-81.

Review Paper #1 Due: Tuesday, Sept. 25 (via email and hard copy in class)

Industrialization in the Northeast (Sept. 25)

RSS, ch. 8, "Beginnings of the Industrial Revolution in America," pp. 182-207.

The Expansion of Cotton Production and Slavery in the U.S. South (Sept. 27)

Sven Beckert, *Empire of Cotton: A Global History* (New York: Vintage Books, 2014), part of ch. 5, pp. 98-120.

The Economics of Slavery (Oct. 2)

Paul A. David and Peter Temin, "Slavery: The Progressive Institution*?" Journal of Economic History*, vol. 34, no. 3 (Sept. 1974), pp. 739-783.

The Civil War (Oct. 4)

Barrington Moore, Jr., *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World* (Boston: Beacon Press, 1966), ch. 3, "The American Civil War: The Last Capitalist Revolution," pp. 111-155.

The South After the Civil War (Oct. 11)

Gavin Wright, *Sharing the Prize: The Economics of the Civil Rights Revolution in the American South* (Cambridge, Mass.: Belknap Press, 2013), ch. 2, "The Political Economy of the Jim Crow South," pp. 32-73.

In-Class Midterm Exam: Tuesday, Oct. 16

C. THE U.S. AS AN EXPANDING NATION

Western Land Policy and the Transcontinental Railroads (Oct. 18)

RSS, ch. 14, "Building National Railroad and Communication Networks," pp. 320-343.

Large-Scale Industry (Oct. 23)

Alfred D. Chandler, Jr., "The Emergence of Managerial Capitalism," *Business History Review*, vol. 58, no. 4 (Winter 1984): 473-503.

Margaret Levenstein, “Escape from Equilibrium: Thinking Historically About Firm Responses to Competition,” *Enterprise and Society*, vol. 13, no. 4 (Dec. 2012), pp. 710-728.

Production, Reproduction, and the Household (Oct. 25)

Barnet Wagman and Nancy Folbre, "Household Services and Economic Growth in the United States, 1870-1930," *Feminist Economics*, vol. 2, no. 1 (Spring 1996), pp. 43-66.

Immigration and the Supply of Labor to Industry (Oct. 30)

David Von Drehle, *Triangle: The Fire That Changed America* (New York: Grove Press, 2003), Prologue, ch. 1-2, 4, pp. 1-54, 87-115, 285-292, 297-301.

The Organized Labor Movement (Nov. 1)

Von Drehle, ch. 3, 5-6, pp. 55-86, 116-170, 292-297, 301-305.

Sam Roberts, “Triangle Fire: New Leaders Emerge,” *New York Times*, Mar. 24, 2011.

Globalization and Nativism (Nov. 6)

Ha-Joon Chang, "Kicking Away the Ladder – Globalisation and Economic Development in Historical Perspective," in *The Handbook of Globalisation*, ed. Jonathan Michie (Cheltenham, U.K.: Edward Elgar, 2003), pp. 385-394.

Alan M. Kraut, *The Huddled Masses: The Immigrant in American Society, 1880-1921*, 2nd ed. (Wheeling, Ill.: Harland Davidson, 2001), ch. 5, "Nativism and the End of Unlimited Entry," pp. 173-213.

Prices, Protest, and Populism (Nov. 8)

Anne Mayhew, "A Reappraisal of the Causes of Farm Protest in the United States, 1870-1900," *Journal of Economic History*, vol. 32, no. 2 (June 1972), pp. 464-475.

Government Regulation of Business (Nov. 13)

Von Drehle, ch. 7-9, Epilogue, pp. 171-268, 305-315.

Greg Ip, "The Antitrust Case Against Facebook, Google and Amazon," *Wall Street Journal*, Jan. 16, 2018.

War in the Twentieth Century (Nov. 15)

W. Elliot Brownlee, *Federal Taxation in America: A History*, 3rd ed. (New York: Cambridge University Press), part of ch. 4, "The World War I Regime: Paying for War" pp. 93-106, and part of ch. 5, "Roosevelt's Regimes: Creating the World War II Tax Regime," pp. 139-148.

Doris Kearns Goodwin, "The Way We Won: America's Economic Breakthrough During World War II," *The American Prospect*, no. 11 (Fall 1992), pp. 66-70.

Review Paper #2 Due: Thursday, Nov. 29 (via email and hard copy in class)

The Roaring Twenties and the Stock Market Boom (Nov. 27)

Eugene N. White, "The Stock Market Boom and Crash of 1929 Revisited," *Journal of Economic Perspectives,* vol. 4, no. 2 (Spring 1990), pp. 67-83.

The Great Depression of the 1930s and the New Deal (Nov. 29)

Peter Fearon, *War, Prosperity and Depression: The U.S. Economy 1917-45* (Deddington, Oxford: Philip Allen, 1987), ch. 10, "The New Deal: An Introduction," pp. 165-175.

Katznelson, Ira, "Making Affirmative Action White Again," *New York Times*, Aug. 12, 2017.

Paul Krugman, "Partying Like It's 1929," *New York Times*, Mar. 21, 2008.

Regions, Cities, and Suburbs in the Twentieth Century (Dec. 4)

Kenneth Jackson, *Crabgrass Frontier: The Suburbanization of the United States* (New York: Oxford University Press, 1985), ch. 11, "Federal Subsidy and the Suburban Dream: How Washington Changed the American Housing Market," pp. 190-218, 360-366.

Homeownership and Real Estate Bubbles (Dec. 6)

Debbie Bocian, Delvin Davis, Sonia Garrison, and Bill Sermons, “Mortgages,” in *The*

State of Lending in America and its Impact on U.S. Households ([Durham, NC]: Center for Responsible Lending, 2012), pp. 21-59.

Inequality: A Long-Run View (Dec. 11)

Richard Rothstein, *The Color of Law: A Forgotten History of How Our Government Segregated America* (New York: Liveright Publishing Corporation, 2017), ch. 11, "Looking Forward, Looking Back," pp. 177-193.

Emmanuel Saez and Gabriel Zucman,"Exploding Wealth Inequality in the United States," Washington Center for Equitable Growth, Washington, D.C. October 2014.

Final Exam: Friday, Dec. 14, 2018, 10:30 a.m.-12:30 p.m., Herter 111