

ECON 2060/HIUS 2061
Fall, 2014
Office hours:
MWF 10:30-11:30 or
by appointment.

AMERICAN ECONOMIC HISTORY

Mark Thomas
381 Nau Hall
924-7586
mark.thomas
@virginia.edu

Approach: This course concentrates on critical aspects of the history of American economic development. The issues covered include the nature and consequences of the colonial relationship to Great Britain, the political economy of the Constitution, the economics of slavery, the rise of the modern bureaucratic corporation, the causes of the Great Depression, and the political economy of contemporary America. In addressing these issues, the course considers more general questions of what forces--cultural, economic, legal, etc.--shape the pace and pattern of economic development in any society.

Readings: The required text for this course is

Gary Walton and Hugh Rockoff. *History of the American Economy*.
Dryden Press, 12th ed. 2013 (hardback).

It can be purchased at the University Bookstore. All other course materials are on reserve in Clemons Library. The reading requirement averages out at c. 100 pages per week. A package of reading has been prepared by Brillig Books on Elliewood Avenue; this includes all articles, and book chapters not in the required text.

Exams:

Weight

| | |
|---|-----|
| First hour exam: Monday, September 29 | 25% |
| Second hour exam: Friday, October 31 | 25% |
| [Make-up for either exam: December 5 (2 p.m.)] | |
| Final Examination (comprehensive): December 13 (2 p.m.) | 50% |

Please remember to bring Blue Books to all examinations.

Make-up exams may ONLY be taken with permission of the instructor. Permission will only be granted under special circumstances and must be received **at least 72 hours** before the exam time (except in cases of dire emergency). If permission is not gained, students will **not** receive credit for that part of the grade.

I. THE COLONIAL ECONOMY, 1607-1775

- a) General
 - Walton and Rockoff, *History of the American Economy*, Ch. 2.
 - Benjamin Franklin, *Observations concerning the Increase of Mankind and the Peopling of Nations* (1751), pp. 311-20.
- b) Tobacco, rice and colonial growth
 - Walton and Rockoff, Ch. 3, 5.
- c) Monetary aspects of colonial America
 - Roger W. Weiss, "The Issue of Paper Money in the American Colonies, 1720-1774," *Journal of Economic History* (1970): 770-784.
- d) British imperial policy, colonial growth and revolution
 - Walton and Rockoff, Ch. 4, 6.
 - Lawrence A. Harper, "The Effect of the Navigation Acts on the Thirteen Colonies," in R. B. Morris (ed.), *The Era of the American Revolution*, pp. 3-39.
 - Adam Smith, *The Wealth of Nations* (ed. B. Mazlish), pp. 161-217.

II. FROM WAR OF INDEPENDENCE TO WAR OF SECESSION

- a) The economic revolution of 1776
 - Adam Smith, pp. xxxi-xxxiv, 3-23, 162-217.
- b) The Economics of the Constitution
 - Walton and Rockoff, Ch. 7.
 - Curtis P. Nettels, "The Economics of the Constitution," in Thomas C. Cochran and Thomas B. Brewer (eds.), *Views of American Economic Growth, Vol. I*, pp. 80-92.
- c) Industrialization and the development of a dual economy
 - Walton and Rockoff, Ch. 8, 10 (pp. 166-73).
- d) Factors in industrialization - transport, technology and government
 - i) Transport:
 - Walton and Rockoff, Ch. 9, 16.
 - Laommi Baldwin, *Thoughts on the Study of Political Economy* (1809), pp. 20-30.
 - Leland H. Jenks, "Railroads as an Economic Force in American Development," in Cochran and Brewer, *Vol. II*, pp. 35-50.
 - ii) Technology:
 - Walton and Rockoff, Ch. 10 (pp. 173-82).
 - Nathan Rosenberg, *Technology and American Economic Growth*, Ch. 2.
 - iii) Government:
 - Walton and Rockoff, Ch. 12.
- e) Slavery as institution and catalyst.
 - Walton and Rockoff, Ch. 13.

Stanley L. Engerman, "The Effects of Slavery upon the Southern Economy: A Review of the Recent Debate," in Hugh Aitken (ed.), *Did Slavery Pay?* pp. 298-327.

III. FROM CIVIL WAR TO WORLD WAR

- a) The Economics of the Civil War
 - i) King cotton diplomacy:
 - James H. Hammond, "Cotton is King," Speech delivered to the Senate of the United States, March 4, 1858, pp. 311-8.
 - Louis Bernard Schmidt, "Wheat vs. Cotton," in L. B. Schmidt and E. D. Ross (ed.), *Readings in the Economic History of American Agriculture*, pp. 304-21.
 - ii) Financing the Civil War:
 - Eugene Lerner, "Monetary and Fiscal Programs of the Confederate Government," *Journal of Political Economy* (Dec., 1954): 506-522.
 - iii) The Impact of the Civil War:
 - Walton and Rockoff, Ch. 14.
 - Charles & Mary Beard, "A Second American Revolution," in *The Rise of American Civilization*, pp. 98-121.
 - Thomas C. Cochran, "Did the Civil War Retard Industrialization?" in Ralph Andreano (ed.), *The Economic Impact of the American Civil War*, pp. 167-79.
- b) Capital and labor in the late nineteenth century
 - Walton and Rockoff, Ch. 11, 17, 18.
- c) The role of government before 1915
 - Walton and Rockoff, Ch. 19, 20.
 - Henry Broude, "The role of the state in American Economic Development, 1820-1890," in H. Aitken (ed.), *The State and Economic Growth*, pp. 122-132.

IV. THE MATURITY OF INDUSTRIAL AMERICA

- a) The Economics of War, 1915-1919
 - Walton and Rockoff, Ch. 21.
- b) Into the Great Depression
 - Walton and Rockoff, Ch. 22.
- c) Out of the Great Depression -- the New Deal and the Coming of War
 - Walton and Rockoff, Ch. 23, 24, 25.
 - E. Cary Brown, "Fiscal Policy in the Thirties: a Reappraisal," in Robert W. Fogel and Stanley L. Engerman (ed.), *The Reinterpretation of American Economic History*, pp. 480-487.
- d) The Post-war economic dilemma
 - Walton and Rockoff, Ch. 26, 27, 28.