Objective
The objective of the course is to understand the economic development of the US from colonial times to the present. A larger objective is to enable the student to bring historical context to thinking about current and future economic situations and policy issues.

The main intellectual strategy is to use economic models and their empirical application as the basis for understanding, but other social science methods and perspectives will sometimes be used.

Prerequisite: Ec131-132; Ec151 is desirable.

Course Requirements and Rules
Course requirements: (1) Midterm exam, October 16, (50% of grade)

(2) Final exam at scheduled time (50%)

Exams missed without prior consent of instructor (granted only for very good reasons) will be graded F. I never give makeup exams. The date of the midterm exam, if changed, will change with 2 weeks notice.
TEXTS:


OTHER REFERENCES:
Useful links may be found at the Economic History.net Web-site http://cs.muohio.edu/.


2) Ralph Andreano, *The Economic Impact of the Civil War*, useful collection of essays on the subject.


4) L. Davis, et al., *American Economic Growth*, a classic of economists' effort at a complete quantitative economic history.


8) Gavin Wright, *The Political Economy of the Cotton South*.


Course Outline

Procedures
Readings marked with an asterisk (*) are not required. Lectures will proceed approximately at the rate of one per capital lettered section on the syllabus below. Reading the material before the lectures is helpful, but is not essential. There is a lot of reading, not all nicely digested. Excellent work means getting more out of the reading than what I digest for you.

I. INTRODUCTION:
   A. Methods and Colonial Application
   B. Initial Conditions: Continental Differences

II. COLONIAL DEVELOPMENT: 1607-1790
   A. Immigration, Patterns of Production, and Trade
      Readings: Walton and Shepherd, Chs. 2-4, Chs. 6-7.
      Hughes and Cain, chs. 1-3
   B. Mercantilism and Colonial Development
      Readings:
      Walton and Shepherd, Ch. 5.
      Hughes and Cain, chs. 3-4.
   C. Colonial Money and Finance
      Readings:
      Hughes and Cain, ch. 3.
   D. Economic Causes and Results of the Revolution
      Readings
      Walton and Shepherd, Chs. 8-9.
      Hughes and Cain, chs. 3.4.

III. NATIONAL ECONOMIC GROWTH AND INTEGRATION: 1790-1860
A. **Growth Accounting**
Readings:
Anderson notes
Davis, et al., Chs. 1, 2, 8.
Hughes and Cain, Ch. 6.

B. **Income Distribution**
Readings:


D. **Technological Change**
Readings: Rosenberg, Chs. 1, 3, 4.
Hughes and Cain, ch. 8.

E. **An Export Demand Model of U.S. Economic Growth: 1790-1865**

F. **Export-led Growth: 1815-1860**

G. **Growth Accounting with Supply and Demand Shifters**

H. **Transportation**
Hughes and Cain, ch. 8

I. **Money and Finance**
Readings: Davis, et al., Chs. 9, 10.
Hughes and Cain, ch. 12.
*Fogel and Engerman, *The Reinterpretation*, Ch. 33.
*Rolnick and Weber, "New Evidence on the Free Banking Era,"
J. **The Economics of Slavery**
   Hughes and Cain, ch. 10.

K. **Economic Impact of the Civil War**
   Readings: Andreano, *Economic Impact of the Civil War*, Part IV.
   Hughes and Cain, Ch. 13.

IV. **THE INDUSTRIAL NATION EMERGES: 1865-1914**

A. **Industrialization**
   Readings: Hughes and Cain, Chs. 16-17.

B. **The Rise of Large Scale Enterprise**
   Readings:

C. **Tragedy of the Commons**

D. **Populism: Agrarian and Urban Discontent**
   Readings:
   Hughes and Cain, Ch. 15, Ch. 21

E. **Money and Finance**
   Readings: Davis, *et al.*, Ch. 10.
   Hughes and Cain, Chs. 19-20
F. Government Regulation of Monopoly
   Hughes and Cain, Ch. 18

G. Regional Development: The Impoverished South

H. Globalization
   Readings:
   J. G. Williamson and K. O’Rourke, “When Did Globalization Begin?”
   NBER WP 7632; published in *European Review of Economic History* / Volume / Issue 01 / April 2002, pp 23-50

I. Infant Industry Protection
V. THE WELFARE STATE: 1914-

A. The Growth of Government
   Readings: R. Higgs, Crisis and Leviathan, Oxford U.P. 1987, chs. 1-4
            Hughes and Cain, chs. 22-23.

B. The Great Depression
   Readings: Higgs, ch. 8
            Hughes and Cain, chs. 24-25

C. The Golden Age
   Readings:
   Cliometrica (2007)
   *Gavin Wright, "The Civil Rights Revolution as Economic History," Journal of Economic
   History 59 (1999)
   Alan Blinder and Jeremy Rudd, “The Supply-Shock Explanation of the Great
   Stagflation Revisited,” in Michael Bordo and A. Orphanides, The Great Inflation
   (2013)

D. The Productivity Slowdown
   Readings:
   80 (May 1990)
   *Charles Hirschman, “Immigration and the American Century,” Demography
   (2005)
   *Nick Bloom, Raffaella Sadun and John Van Reenen, “It Ain’t What You Do It’s
   How You Do I.T.”
   Workforce Threaten U.S. Economic Leadership?” in Innovation Policy and the
   Economy 6 (2006)

E. The New (Old) Inequality
   Readings
   *David H. Autor, “Polarization of Job Opportunities in the U.S. Labor Market,”
   Community Investments (2011)
   *Emmanuel Saez, “Striking It Richer: The Evolution of Top Incomes in the