

## Economics 266: Topics in the Economic History of the United States

Vanderbilt University, Fall 2010

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Office hours: Mon. 1 to 3, Calhoun 410

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Course Description: This course examines selected topics in the economic development of the U.S. economy. The goals are to review some major themes in U.S. economic history, to examine professional research papers in detail to learn about methods and data, and to encourage students to undertake original and independent research projects. Major themes include: the performance of the economy in long-run and international perspective; migration flows to and within the US; slavery and African-American economic progress since emancipation; transportation and industrialization; the Great Depression; and long-run changes in education, income, and urbanization. Because this is an upper-level economics course, I assume students are familiar with intermediate microeconomic theory (Econ 231), intermediate macroeconomic theory (Econ 232), and with basic principles of regression analysis and statistics.

Course Requirements: Students must complete: two problem sets, a term paper proposal, a term paper that consists of original research, and two exams (midterm and final). The problem sets and term paper proposal each count for 5 percent of the course grade. The midterm and the term paper each count for 25 percent of the course grade. The final exam counts for 35 percent of the course grade. (The final counts for more than the midterm because it covers more material.) There is no extra credit.

Problem Sets: Two problem sets that are assigned early in the semester will give students experience analyzing micro-level census datasets using Stata (software), which is available on the computers in the Garland Computer Lab. Basic instructions for using Stata are provided.

Term Paper: Each student must write a research paper (approximately 15 pages). The paper is intended to give students experience doing original research in economic history. The paper should not be a review or synthesis of existing literature; the assignment requires independent and original research, analysis, and writing. The term paper is on a topic of the student's choice, subject to the professor's approval. The topic must be historical, must involve economics, and must use primary sources. Specific guidelines will be distributed and discussed in class. Students must submit research paper ideas on **September 29** (approx. two pages). **The final paper is due on December 8 in class or before. This deadline is firm; extensions are not granted; plan accordingly.**

Exams: A midterm exam is scheduled for **October 6**. The final exam is scheduled for **December 13 at 3 p.m.** There is no alternate exam date. Everyone must take the exams at the scheduled time. If you must be absent from an exam for medical reasons, please email Professor Collins ahead of time if possible.

Readings: Readings on the syllabus are broken into two main categories: "Background" and "Research."

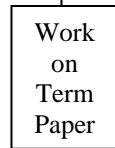
- Some of the "Background" readings are "assigned" and marked with an asterisk (\*). Students are expected to do the assigned background readings. The background reading list also includes some useful but non-mandatory readings. *A New Economic View of American History* by Atack and Passell is the primary textbook. It is a useful reference but is definitely not a substitute for attending lectures.
- "Research" readings include papers that we are likely to discuss in detail in class. These are typically professional research papers and therefore take considerably more effort to read than the textbook. Students are expected to read carefully at least one professional research paper on each topic.
- Many of the readings are available on the OAK webpage. Check under "Assignments." Tell the TA if you have any difficulty getting the readings.

Office Hours: Professor Collins holds regular office hours on Monday afternoon from 1 to 3 (Calhoun 410) and by appointment. Greg Niemesh is primarily TAing a different class, but he will provide some assistance on the research paper assignment.

Honor Code: Students must adhere to Vanderbilt's Honor Code. Be vigilant in the use and citation of others' work when writing the term paper.

## Economics 266 Course Calendar, Fall 2010

Date	Lecture Topic	Assignments Due
August 25	Empirical Methods in Economic History	
August 27	Empirical Methods in Economic History	
August 30	Empirical Methods in Economic History	
September 1	Empirical Methods in Economic History	
September 3	Empirical Methods in Economic History	
September 6	US Economy in Historical Perspective	
September 8	US Economy in Historical Perspective	
September 10	US Economy in Historical Perspective	<b>Problem Set 1 Due</b>
September 13	Slavery, the South, and the Civil War	
September 15	Slavery, the South, and the Civil War	
September 17	Slavery, the South, and the Civil War	<b>Problem Set 2 Due</b>
September 20	Immigration/Internal Migration	
September 22	Immigration/Internal Migration	
September 24	No class	
September 27	Immigration/Internal Migration	
September 29	Immigration/Internal Migration	<b>Term Paper Proposal Due</b>
October 1	No class	
October 4	Demographic Change	
October 6	<b>Midterm exam</b>	<b>Midterm exam</b>
October 8	Demographic Change	
October 11	Transportation	
October 13	Transportation	
October 15	Fall break	
October 18	No class	
October 20	Industrialization	
October 22	Industrialization	
October 25	Great Depression	
October 27	Great Depression	
October 29	Great Depression	
November 1	World War II	
November 3	World War II	
November 5	Housing	
November 8	Education	
November 10	Education	
November 12	Education	
November 15	Wage and Income Inequality	
November 17	Wage and Income Inequality	
November 19	Wage and Income Inequality	
November 22	Thanksgiving break	
November 24	Thanksgiving break	
November 26	Thanksgiving break	
November 29	Race and Gender in 20 <sup>th</sup> Cent. Labor Markets	
December 1	Race and Gender in 20 <sup>th</sup> Cent. Labor Markets	
December 3	Race and Gender in 20 <sup>th</sup> Cent. Labor Markets	
December 6	Cities in the Post-WWII Era	
December 8	Cities in the Post-WWII Era	
December X	<b>Final Exam</b>	<b>Term paper due</b> <b>Final Exam</b>



## Course Outline and Reading Assignments

Students are expected to read all “background” readings that are marked with an asterisk (\*) and at least one of the research papers under each topic. “A & P” is for Atack and Passell. I might make some minor changes to the list as the semester unfolds. For required readings (aside A&P) and research papers check the OAK website.

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### Topic 1 (August 25—September 3): Empirical Tools for Economic History

We’ll discuss regressions, causal inference, decompositions, production functions, and other tools of empirical analysis that are commonly used in economic history.

#### Background Reading

Ashenfelter, Levine, and Zimmerman, *Statistics and Econometrics: Methods and Applications*. Chapters 9 to 12. New York, Wiley & Sons, Inc.: 2003. [Available on request from Professor Collins.]

Angrist and Krueger, “Instrumental Variables and the Search for Identification: From Supply and Demand to Natural Experiments.” *Journal of Economic Perspectives* 15 (2001): 69-85.

Collins, “Notes on Empirical Tools for Economic History” and “Using Stata for Economics 266.” To be distributed in class.

Meyer, “Natural and Quasi-Experiments in Economics.” *Journal of Business & Economic Statistics* 13 (1995): 151-161.

### Topic 2 (September 6—10): Long-Run, International Perspectives on the US Economic Growth

#### Background Reading

A & P: Introduction: What’s New about the New View of American Economic History?, pp. xiii-xxi.

\*A & P: Chapter 1: American Economic Growth: A Long-Run Perspective, pp. 1-25.

\*The Economist, “The Road to Riches.” December 31, 1999.

\*The Economist, “Industrial Metamorphosis.” October 1, 2005.

#### Research Papers

Engerman and Sokoloff, “Institutions, Factor Endowments, and Paths of Development in the New World,” *Journal of Economic Perspectives*, 14 (2000): 217-232.

Nunn, “Slavery, Inequality, and Economic Development in the Americas.” In *Institutions and Economic Performance*, edited by E. Helpman. Cambridge, MA: Harvard University Press, 2008.

### Topic 3 (September 13—17): Slavery, the South, and Civil War

#### Background Reading

\*A & P: Chapter 11: Slavery and Southern Development, pp. 299-323.

\*A & P: Chapter 12: How the Southern Slave System Worked, pp. 326-352.

\*A & P: Chapter 14: The South after the Civil War, pp. 376-401.

Engerman, Sutch, Wright, “Slavery,” Chapter Bb Essay, Vol. 2, *Millennial Edition of Historical Statistics of the United States*.

Ransom, “Confederate States of America,” Chapter Eh Essay, Vol. 5, *Millennial Edition of Historical Statistics of the United States*.

#### Research Papers

Costa and Kahn, “Cowards and Heroes: Group Loyalty in the American Civil War.” *Quarterly Journal of Economics* 118 (2003): 519-548.

Fogel and Engerman, “Explaining the Relative Efficiency of Slave Agriculture in the Antebellum South.” *American Economic Review* 67 (1977): 275-296.

Hutchinson and Margo, “The Impact of the Civil War on Capital Intensity and Labor Productivity in Southern Manufacturing.” *Explorations in Economic History* 43 (2006): 689-704.

#### **Topic 4 (September 20—September 29): Immigration and Internal Migration**

##### Background Reading

- \*A & P: Chapter 2: The Colonial Economy (only the part on “Labor Scarcity”), pp. 40-51.
- \*A & P: Chapter 8: Population Growth and Redistribution, pp. 229-245.
- Barde, Carter, and Sutch, “International Migration,” Chapter Ad Essay, Vol. 1, *Millennial Edition of Historical Statistics of the United States*.
- Hatton and Williamson, *The Age of Mass Migration*, parts of Chapter 8 and Chapter 11. New York: Oxford University Press.
- \*The Economist, “A Nation of Immigrants.” December 31, 1999.
- \*The Economist, “Heading West.” December 31, 1999.

##### Research Papers

- Abramitzky, Boustan, and Eriksson, “Europe’s Tired, Poor, Huddled Masses: Self-selection and Bounst Outcomes in the Age of Mass Migration.” NBER Working Paper, 2010.
- Collins, “When the Tide Turned: European Immigration and the Delay of the Great Black Migration.” *Journal of Economic History* 57 (1997): 607-632.
- Hornbeck, “Good Fences Make Good Neighbors: Evidence on the Effects of Property Rights.” *Quarterly Journal of Economics* 125 (2010): 767-810.

#### **Topic 5 (October 4—8): Demographic Change**

**Note: Midterm is on October 6.**

##### Background Reading

- \*A & P: Chapter 8: Population Growth and Redistribution, pp. 212-228.
- Haines, “Vital Statistics,” Chapter Ab Essay, Vol. 1, *Millennial Edition of Historical Statistics of the United States*.
- \*Steckel, “Health,” Chapter Bd Essay, Vol. 2, *Millennial Edition of Historical Statistics of the United States*.
- \*The Economist, “Like Herrings in a Barrel.” December 31, 1999.

##### Research Paper

- Bailey and Collins, “Did Improvements in Household Technology Cause the Baby Boom?” *American Economic Journal: Macroeconomics*, forthcoming.

#### **Topic 6 (October 11—13): Transportation**

**Note: Fall break is on October 15, and we will not meet on October 18.**

##### Background Reading

- \*A & P: Chapter 6: The Transportation Revolution, pp. 143-173.
- \*A & P: Chapter 16: Railroads, pp. 427-455.
- Cain, “Transportation,” Chapter Df Essay, Vol. 4, *Millennial Edition of Historical Statistics of the United States*.
- Fogel, “A Quantitative Approach to the Study of Railroads in American Economic Growth: A Report of Some Preliminary Findings.” *Journal of Economic History* XXII (1962): 163-xx.
- The Economist, “Talking to the World.” December 31, 1999.
- Irwin, “International Trade,” part of Chapter Ee Essay, Vol. 5, *Millennial Edition of Historical Statistics of the United States*.

##### Research Papers

- Atack, Bateman, Haines, and Margo, “Did Railroads Induce or Follow Economic Growth?” *Social Science History* 34 (2010): 171-197.

Slaughter, "Does Trade Liberalization Converge Factor Prices? Evidence from the Antebellum Transportation Revolution." *Journal of International Trade and Economic Development* 10 (2001): 339-362.

### **Topic 7 (October 20—October 22): Industrialization**

#### Background Reading

\*Atack and Bateman, "Manufacturing," Chapter Dd Essay, Vol. 4, *Millennial Edition of Historical Statistics of the United States*.

The Economist, "Soot, Steam, Supply and a Hole in Pennsylvania." December 31, 1999.

Wright, "The Origins of American Industrial Success, 1879-1940." *American Economic Review* 80 (1990): 651-668.

#### Research Paper

Allen, "The Peculiar Productivity History of American Blast Furnaces, 1840-1913." *Journal of Economic History* 37 (1977): 605-633.

### **Topic 8 (October 25—October 29): The Great Depression**

#### Background Reading

A & P: Chapter 21: The Great Depression: Explaining the Contraction, pp. 583-618.

A & P: Chapter 22: The Great Depression, 1933-1939: The Recovery?, pp. 625-646.

Bernanke, "The Macroeconomics of the Great Depression: A Comparative Approach." *Journal of Money, Credit, and Banking* 27, 1 (1995): 1-28.

\*Romer, "The Nation in Depression." *Journal of Economic Perspectives* 7 (1993): 19-39.

\*The Economist, "Freedom from Fear?" September 11, 1999.

\*The Economist, "1929 and All That." October 2, 2008.

Lowenstein, "The Education of Ben Bernanke." *New York Times*, January 17, 2008.

Margo, "Employment and Unemployment in the Great Depression." *Journal of Economic Perspectives* 7 (1993): 41-59.

#### Research Papers

Fishback, Horrace, Kantor, "Did New Deal Grant Programs Stimulate Local Economies?" *Journal of Economic History* 65 (2005): 36-71.

Richardson and Troost. "Monetary Intervention Mitigated Banking Panics during the Great Depression." *Journal of Political Economy* 117 (2009): 1031-1073.

### **Topic 9 (November 1—November 5): World War II and Housing**

#### Background Reading

Rockoff, "From Plowshares to Swords: The American Economy in World War II." NBER Working Paper H77 (December 1995).

#### Research Papers

Bound and Turner, "Going to War and Going to College: Did World War II and the GI Bill Increase Educational Attainment for Returning Veterans?" *Journal of Labor Economics* 20 (2002): 784-815.

Collins and Margo, "Home Ownership in Historical Perspective." Working paper 2010. [Will be made available before class.]

## Topic 10 (November 8—12): Education

### Background Reading

Goldin, "Education," Chapter Bc Essay, Vol. 2, *Millennial Edition of Historical Statistics of the United States*.  
\*The Economist, "The Great Learning." December 31, 1999.

### Research Papers

Goldin and Katz, "*The Race between Education and Technology*," Chapter 6: America's Graduation from High School. Cambridge, MA: Harvard University Press, 2008. [Available from Professor Collins.]  
Ashenfelter, Collins, and Yoon, "Evaluating the Role of *Brown v. Board of Education* in School Equalization, Desegregation, and the Income of African Americans." *American Law and Economics Review* 8 (2006): 213-248.

## Topic 11 (November 15—November 19): Wage and Income Inequality

### Background Reading

\*The Economist, "Rich Man, Poor Man." January 20, 2007.  
Ferrie, "The End of American Exceptionalism? Mobility in the United States since 1850." *Journal of Economic Perspectives* 19 (2005): 199-215.  
\*Margo, "Wages and Wage Inequality." Chapter Ba Essay, Vol. 2, *Millennial Edition of Historical Statistics of the United States*.

### Research Papers

Collins, "Education, Migration, and Regional Wage Convergence in US History." In *The New Comparative Economic History*, edited by Hatton, O'Rourke, and Taylor. Cambridge, MA: MIT Press, 2007.  
Goldin and Katz, "Long Run Changes in the US Wage Structure: Narrowing, Widening, Polarizing." NBER Working Paper (November 2007). <http://www.nber.org/papers/w13568>.

## Topic 12 (November 29—December 3): Race and Gender in the Labor Market

### Background Reading

Blau and Kahn, "Gender Differences in Pay." *Journal of Economic Perspectives* (Fall 2000): 75-99.  
Collins and Margo, "Historical Perspectives on Racial Differences in Schooling in the US." NBER Working Paper 9770 (2003).

### Research Papers

Donohue and Heckman, "Continuous versus Episodic Change: The Impact of Civil Rights Policy on the Economic Status of Blacks." *Journal of Economic Literature* 29: 1603-1643.  
Goldin, "The Quiet Revolution that Transformed Women's Employment, Education, and Family." *American Economic Review* 96 (May 2006): 1-21.

## Topic 13 (December 6—December 8): Cities in the Post-WWII Era

### Background Reading

\*The Economist, "The End of Urban Man?" December 31, 1999.  
Glaeser, "Are Cities Dying?" *Journal of Economic Perspectives* 12 (1998): 139-160.  
Kim, "Urban Development in the United States, 1690-1990." *Southern Economic Journal* 66 (2000): 855-80.

### Research Papers

Baum-Snow, "Did Highways Cause Suburbanization?" *Quarterly Journal of Economics* 122 (2007): 775-806.  
Collins and Shester, "Slum Clearance and Urban Renewal, 1949-1974," Working paper, 2010. [Will be made available before class.]