Syllabus and Reading List

Economics 210a is required of Ph.D. students in the first year of the graduate program. The course is designed to introduce a selection of themes from the contemporary economic history literature, not to present a narrative account of world history. Emphasis is on the uses of economic theory and quantitative methods and on the insights that knowledge of history can provide to the practicing economist.

Class meetings will consist of a mixture of lecture and discussion. Because discussion will focus on issues raised by the assigned readings, readings should be completed before class.

Your grade will be based 50 percent on one-page memos due at the beginning of each class meeting, and 50 percent on the research paper (where the latter 50 percent will be based both on the synopsis you submit prior to spring break and the paper you submit at the end of instruction). Extra credit will be given for informed, constructive classroom discussion.

Weekly Memos

A memo on each week’s readings is due at the beginning of the class during which those readings are discussed. You will find the memo questions on the bSpace page for Economics 210a. Typically the memo question will be posted on the Thursday six days before the class meeting when your memo is due. The memo is due at the start of the class meeting. No emailed memos, please.

Your memos should be no more than two pages (12-point type). Two-page memos cannot be exhaustive, nor can they provide definitive answers. But they can explain why a question is important and draw on one or more of the assigned for the upcoming lecture in an effort to answer it.

Research Paper

Your research paper is due on Wednesday, May 8th, one week after the last class meeting. Please put a copy in Professor Eichengreen’s mail box in the Economics Department reception area in 530 Evans Hall. The office is open 9:00-12:00 and 1:00-4:00. Please provide a hard copy; do not send by email. The paper should not exceed 25 pages. Your instructors will not read late papers.

The writing and submission process requires that you meet two benchmarks. You should discuss your paper topic during office hours with one of your instructors during the first half of the semester and then submit a brief paper prospectus before spring break (by 4:00 PM Friday March 22nd (also to Professor Eichengreen’s mailbox). That prospectus should explain why the topic is
important, state your hypothesis, and describe the materials and approach that you will use to analyze it. Your paper grade will depend in part on the quality of your prospectus.

The paper should provide new evidence and analysis of a topic in economic history. It should not just summarize an existing literature. You should use the tools of economics to pose and answer an historical question. The paper must have historical substance. This is not a requirement in applied economics or econometrics that can be satisfied by relabeling the variables in theoretical models taught elsewhere or by simply applying new statistical techniques to old data.

**Topic**

The paper can cover almost any topic in economic history. The only requirement is that the topic must genuinely involve the past. Comparisons of past and current events are fine, but a focus on developments solely in recent decades is likely to be problematic.

**Evidence**

Historical evidence comes in many forms. The key evidence could be a list of goods traded or statements by government officials of what they were trying to accomplish. While economic historians sometimes use econometrics, tables and graphs displaying important variables can be enough to make a compelling argument.

**Successful Paper Topics from Previous Years**

Your entire graduate career (indeed your entire career) will center on identifying interesting questions. For this reason we will not give you a list of topics (although we will toss some out in class discussions). Instead, we describe here some topics that have been successful in the past and suggest ways of finding similarly successful topics.

- The easiest type of paper to write is probably a comment on an existing paper. Such comments can turn out to be as important as the original work. Think about flaws in some paper that you read. Is there selection bias? Has the author left out a crucial variable? One year a student noticed a footnote in a paper that said one observation had been left out of the figure because it was large relative to the others. This same extreme observation was included in the empirical analysis. The student got the data and showed that the published results depended crucially on this one observation.

- Few events have no historical antecedents. If you are interested in a modern development, you could look for its historical roots or counterparts. For example, much has been written about the rise of the Internet. How does its development compare to the rise of the telegraph and the telephone? The rise of TV and radio? Did investment and financial markets respond similarly?

- While it is not a good idea to let data availability drive your topic, it is reasonable to let serendipity play a role. Have you come across an unusual source in the library or on the web? Is there an interesting question that this source could be used to answer? One year a student came across the catalogs for the 1851 World’s Fair. She had the idea that these descriptions of what each country exhibited could be used as a measure of innovation. She wrote a paper looking at the industrial composition of innovation across countries. (She is now a professor at Stanford.) Another student was looking through newspapers from San Francisco in the 1870s. He found many classified ads that read something like:
"Wanted—man to work in store and loan store $1000." This student wondered why companies would tie employment and loans. He wrote a paper investigating whether ads such as these were a sign of credit market imperfections or a way of ensuring worker loyalty and honesty. (He is now a prominent economist at the World Bank.) Both of these papers went on to be published in top highly respected journals.

- You might take a hypothesis in the literature on economic history and come up with a new way of testing it. An example of this type of paper involves the debate over how business cycles have changed over time. One researcher suggested that instead of fighting over very imperfect estimates of real GDP, one could look at stock prices as an indicator of the volatility of the macroeconomy.

- Just as one should be on the lookout for interesting sources, one should also be thinking about interesting events. History is full of natural experiments--a weird tax is imposed, a war is fought, a new regulation is imposed. Often such experiments can be used to answer crucial questions in economics--for example, what the changing speed with which liberty ships were built during World War II tells us about the extent of learning by doing.

**Readings**

Readings are available either on the web or, where there exists no web-based copy, on bSpace. Access to readings available through JSTOR and other proprietary sources may require you to log on through a university-recognized computer and enter your Calnet ID. In past years students have found it useful to purchase some of the books from which material is assigned through their favorite online book seller and to assemble the materials for reproduction at a local copy shop.

**January 23. Introduction to Economic History (de Vries)**


**January 30. Malthus and the Demographic Transition (de Vries)**


February 13. Labor, Consumption, and Economic Growth (de Vries)


February 20. Institutions and the State (de Vries)


February 27. The Industrial Revolution (de Vries)


March 6. The Uneven Spread of Industrialization (de Vries)


March 13. American Exceptionalism (Eichengreen)


Alfred Chandler (1990), Scale and Scope: The Dynamics of Industrial Capitalism, Chapter 3, pp. 47-89. Cambridge MA: Harvard University Press. Available at bSpace.


March 20. Capital Markets (Eichengreen)


April 3. Labor Markets (Eichengreen)


**April 10. Globalization and Crisis (Eichengreen)**


**April 17. International Money and Finance (Eichengreen)**


April 24. Origins of the Great Depression (Eichengreen)


May 1. Recovery from the Great Depression (Eichengreen)


