

Economics 0229A: Economic History and History of Economic Thought (Fall 2017)
Professor Amanda Gregg

Email: agregg@middlebury.edu
Phone: x3419
Personal website: <http://sites.google.com/site/amandagregg>
Office: Warner 305F

Course Meeting Time: Tuesdays and Thursdays, 11:00 am – 12:15 pm
Location: Munroe 404
Course Website: Middfiles

Office Hours: Tuesdays 3:00 to 5:00 pm, Wednesdays 10:30 am to noon, and by appointment.

Notes: I love meeting with students. But! Please make an appointment if you would like to see me outside of office hours. A quick email suffices. Friday is my “research day,” so I will try not to schedule appointments for Fridays, and I might be slow to respond to email.

Course Objectives

We will study the “big ideas” of economic history and the history of economic thought. Economic history relates economic phenomena observed in the past to concepts you have studied in economics courses. The past can reveal the roots of economic behavior and institutions we observe today, and the past can offer contrasting examples with conditions in the present. Along the way, we will learn a bit of the history of economic thought by reading some of the great economic thinkers and considering how they thought about the context in which they wrote.

At the end of this class, students should be able to:

- Form a narrative of major changes in living standards, technologies, and economic organization over the long run and in international perspective
- Explain the contributions of major economic thinkers and how their ideas contrast with current economic theory
- Read an economics article or original source with patience and critical attention and then explain and evaluate such works for non-specialist audiences

Textbooks (Available at the College Bookstore)

I would like you to purchase a small number of inexpensive textbooks. Most readings for this course will take the form of scholarly journal articles and excerpts from larger works.

Required: Mokyr, Joel. *The Lever of Riches: Technological Creativity and Economic Progress*, ISBN: 978-0195074772, Oxford UP.

Allen, Robert C. *The British Industrial Revolution in Global Perspective*, ISBN: 978-0521687850. Cambridge UP.

Smith, Adam. *The Wealth of Nations: Books I – III*, ISBN: 978-0140432084. Penguin Classics.

Optional: Allen, Robert C. *Global Economic History: A Very Short Introduction*, ISBN: 978-0199596652. Oxford UP.

Grade Weights

Reading Response 1	10%
Reading Response 2	15%
Problem Sets (4 @ 5% each)	20%
Midterm	20%
Comprehensive Final Exam	20%
Participation (<i>Including Attendance</i>)	10%
Reading Quizzes	5%

Notes about Assignments

Economic history is a “whole brain” subject, so this class includes a variety of assignments, from math-based problem sets to writing assignments and essay exams.

The problem sets use the math level required by the introductory economics sequence. I will teach all needed concepts in class. I will allow collaboration on problem sets, but all students must turn in their own individual copies, and exact copies will irritate me. (No collaboration on papers or exams, of course).

The reading response assignments are described at the end of the syllabus. I will distribute rubrics as due dates approach.

The midterm and final exams will consist of a short problem-based section, a few identification questions, and essays. The final exam will have more of each of these sections. I will not proctor the exams.

Participation includes attendance, asking questions, and answering questions. Every student gets two unexcused absences without penalty. **After that, each unexcused absence takes two percentage points off of the final grade.** Perfect attendance without speaking in class earns you at most 50% of the participation grade. I will begin to take attendance after the first two weeks.

To encourage consistent reading, we will have a reading quiz approximately once each week (some weeks will have two, some weeks none). I will drop your three (3) lowest reading quizzes, which is generous. Reading quizzes are a commitment device to discipline your reading; you would regret missing these readings. Quizzes will be short and easy. If you have an ADA accommodation, let’s meet as soon as possible to discuss how to maximize your comfort during the quizzes.

Grading

Papers and exam grades will be scaled (this is a good thing), and I will announce the grading scale before handing them back. Problem sets are each worth five percentage points. Problem set grades will reflect a combination of completeness and accuracy, with greater weight on completeness. Your final grade will be scaled (again, this will help you). I will aim to follow the department’s average grade distribution, which assigns roughly 50% of students some kind of A and 40% some kind of B. I have no intention of giving a C or below, but if pushed I may have a moral obligation to do so. The *maximum* cutoffs I use are: A = 95% and above, A- = 90% and above, B+ = 87% and above, B = 84% and above, B- = 80% and above. The final cutoffs usually dip a little below these numbers, which helps you.

Late Work

I accept no late work except in cases that qualify for a Dean’s excuse.

Academic Dishonesty

Students in this class are expected to follow the [Honor Code](#). Consulting notes or outside materials during exams is strictly forbidden. Copying or otherwise forwarding someone else's work without attribution is plagiarism. If you have questions about citations or about what constitutes plagiarism, ask me. The penalty for any kind of academic dishonesty is a zero on the assignment, followed by formal college disciplinary procedures.

If you see something, say something.

Disabilities

Students should notify Professor Gregg as soon as possible if they will need any accommodations or assistance.

Athletics/Activities Conflicts

Please notify Professor Gregg ahead of time, with plenty of notice, if you have a scheduling conflict due to athletics or other college activities. The student will be responsible for all missed work. Athletic absences are not excused. It is the student's responsibility to make any necessary arrangements.

Arguing About Grades

I sometimes make mistakes. Those mistakes can help or hurt you. Grades on problem sets will be final, because they are worth so little. You may resubmit papers or exams to me for re-grading with a cover letter attached. I will re-grade the entire paper or exam. Your grade may go up or down after my re-grading. The re-grading will be final.

On a personal note, I really regret those times I argued about grades with professors in college. The cost (however small) to the relationship was never worth the extra points.

Tentative Course Schedule

Topic 1: Introduction to Economic History

September 12

A discussion: What is economic history? What is the history of thought? Why is this course part of the Middlebury curriculum?

Optional (but wonderful!) Reading: Abramitzky, Ran. "Economics and the Modern Economic Historian." *Journal of Economic History* 75.4 (2015): 1240-51. You can also check out the longer NBER version, which has more graphs and some funny figures.

September 14

a) Key measurement concepts: how do we describe economic change?
b) Introduction to Adam Smith and Smithian Growth

Reading: Smith pp. 109-150 (Trust me, read the Penguin Classics version)

Optional Reading: Morgan Kelly and Cormac O Grada. "Adam Smith, Watch Prices, and the Industrial Revolution." Mimeo, SSRN (2016).

Topic 2: The British Industrial Revolution

September 19

Agriculture before the agricultural revolution. Introduction to pre-industrial agricultural technology and organization (open fields). Technology before the Industrial Revolution. The Agricultural Revolution.

Required Reading: Mokyr, pp. 19-80

Optional: Watch the Primitive Technology Channel, "Primitive Technology: Charcoal:"

<https://www.youtube.com/watch?v=GzLvqCTvOQY>

September 21

Problem Set 1 Due Today

The Industrial Revolution I: Why Britain?

Reading: Allen, Chapter 6, "Why was the Industrial Revolution British?"

Optional Readings:

Franklin F. Mendels. "Proto-Industrialization: The First Phase of the Industrialization Process." *Journal of Economic History* 32.1 (1972)

Rest of Allen, Part I

September 26

The Industrial Revolution II: What Was it?

Required Reading: Mokyr, pp. 81-112, 193-208; Allen, Chapter 11, "From Industrial Revolution to Modern Economic Growth."

Optional Reading: Ozimek, Adam. "Why Is Game of Thrones' Westeros Still Poor?" *Forbes*, 8/20/2017. (posted in the Readings folder, [Forbes_GameofThrones.pdf](#))

September 28

Evaluating development before modern statistics. Population in history. Height. Discussion of the Wrigley piece.

Required Readings:

a) (Quickly) Thomas Malthus, *An Essay on the Principle of Population*, Chapters 1 and 2 (Available online from the Middlebury College Library: <http://biblio.middlebury.edu/record=b3776826~S2>)

b) (Deeply) E. Anthony Wrigley. "Urban Growth and Agricultural Change: England and the Continent in the Early Modern Period." *Journal of Interdisciplinary History* 15.4 (1985)

Topic 3: Institutions

October 3

Institutional Roots of the Industrial Revolution? North and Weingast on the Glorious Revolution.

Required Reading: Douglass C. North and Barry R. Weingast. "Constitutions and Commitment: The Evolution of Institutional Governing Public Choice in Seventeenth-Century England" *Journal of Economic History* 49.4 (1989). [Hint! Professor Gregg loves this paper]

October 5

Problem Set 2 Due Today

Deep Institutional Roots of Long Run Growth, and a Measurement Problem

Required Reading: *For Big Ideas Only*: Daron Acemoglu, Simon Johnson, and James A. Robinson. "The Colonial Origins of Comparative Economic Development: An Empirical Investigation." *American Economic Review* 91.5 (2001).

Optional readings: Smith, Book III

Daron Acemoglu, Simon Johnson, and James A. Robinson. "The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth." *American Economic Review* 95.3 (2005).

Kenneth L. Sokoloff and Stanley L. Engerman. "History Lessons: Institutions, Factors Endowments, and Paths of Development in the New World." *Journal of Economic Perspectives* 14.3 (2000)

Topic 4: Assessing the Industrial Revolution

October 10

Reading Response 1 Due today

Living Standards during the IR

Required Readings:

a) Excerpt from Marx (online)

b) Sidney Pollard. "Factory Discipline in the Industrial Revolution." *Economic History Review* 16.2 (1963).

Optional Reading: Mark Blaug. "The Myth of the Old Poor Law and the Making of the New." *The Journal of Economic History* 23.2 (1963).

October 12

Peasant Emancipation on the Continent

Reading: Evsey D. Domar. "The Causes of Slavery or Serfdom: A Hypothesis." *Journal of Economic History* 30.1 (1970).

Optional: Excerpt from Jerome Blum, *The End of the Old Order in Rural Europe* (Posted Online)

- October 17 **In Class Midterm**
- Topic 5: The Corn Laws and Consequences**
- October 19 The Corn Laws
- Reading: David Ricardo, *The Principles of Political Economy and Taxation*, Chapter VII (Excerpt posted online by AG)
- October 24 **No Class: Midterm Recess**
- October 26 The Grain Invasion, Populating the American Steppe, Developing American Resources
- Required Readings: Alan L. Olmstead and Paul W. Rhode. "The Red Queen and the Hard Reds: Productivity Growth in American Wheat, 1800-1940." *Journal of Economic History* 62.4 (2002): 926-66.
- Kevin O'Rourke and Jeffrey G. Williamson. "Late Nineteenth-Century Anglo-American Factor-Price Convergence: Were Heckscher and Ohlin Right?" *Journal of Economic History*, 54.5 (1994). (Main ideas, not econometrics)
- Optional Readings: Paul David and Gavin Wright. "Increasing Returns and the Genesis of American Resource Abundance." *Industrial and Corporate Change* 6.2 (1997): 203-45.
- October 31 **Problem Set 3 Due Today** The Irish Famine
- Reading: K.H. Connell, "Land and Population in Ireland, 1780-1845." *Economic History Review* 2.3 (1950).
- Topic 6: Diffusion of IR**
- November 2 **No Class: Gregg presenting at UW-Madison Seminar**
- November 7 Industry on the Continent and the Great Divergence
- Reading: Gerschenkron Excerpt (Posted Online)
- November 9 Colonial India
- Required Reading: Lance E. Davis and Robert A. Huttenback. "The Political Economy of British Imperialism: Measures of Benefits and Support." *Journal of Economic History* 42.1 (1982): 119-30.
- Optional Reading: Avner Offer. "The British Empire, 1870-1914: a waste of money?" *Economic History Review* 46.2 (1993): 215-38.

Topic 7: Practical Matters: Finance and Transportation

November 14

Early Finance through the British Industrial Revolution, Bills of Exchange

Reading: Smith, pp, 381-429

Optional Readings:

Pat Hudson, "Industrial Organization and Structure," in *The Cambridge Economic History of Modern Britain*, eds. Floud and Johnson. Read pages 36-56.

Naomi Lamoreaux, "Banks, Kinship, and Economic Development: The New England Case." *Journal of Economic History* 46.3 (1986): 647-67.

November 16

Developing Transportation and Communication Networks

Required Reading: Fogel, Robert W. "A Quantitative Approach to the Study of Railroads in American Economic Growth: A Report of Some Preliminary Findings." *Journal of Economic History* 22.2 (1962): 163-97.

Optional Reading: Dan Bogart. "The Transportation Revolution in Industrializing Britain: A Survey." Mimeo, UC Irvine (Posted online).

November 21 (Tuesday
Before Thanksgiving)

**Problem Set 4 Due Today
(This one only: you may
submit by email)**

"Fun" Day: Doing Research in Economic History, Evaluating Evidence from Primary and Secondary Sources

No Required Reading

November 23: No class

Happy Thanksgiving!

Topic 8: The Second Industrial Revolution

November 28

Second Industrial Revolution technologies and the birth of sophisticated managerial organization

Required Reading: Alfred D. Chandler, *Scale and Scope*, Chapter 3 (Posted online)

Optional Reading: Alfred D. Chandler. "Organizational Capabilities and the Economic History of the Industrial Enterprise." *Journal of Economic Perspectives* 6.3 (1992): 79-100.

Naomi R. Lamoreaux, Daniel M.G. Raff, and Peter Temin. "Beyond Markets and Hierarchies: Toward a New Synthesis of American Business History." *American Historical Review* 108.2 (2003): 404-33.

Topic 9: Introduction to the Great Depression

November 30

Reading Response 2 Due Today

The Great Depression I: Origins and Diffusion

Required Readings: (1) Christina D. Romer. "The Nation in Depression." *Journal of Economic Perspectives* 7.2 (1993): 19-39. (2) Excerpt from Friedman and Schwartz's *Monetary History of the United States*, just pages 299-301 (To be posted online).

Optional Readings: Christina D. Romer. "The Great Crash and the Onset of the Great Depression." *Quarterly Journal of Economics* (August 1990): 597-624.

December 5

Rest of Friedman and Schwartz excerpt online.

The Great Depression II: Reactions and Policies

Required Readings: Excerpt from Keynes's *General Theory of Employment, Interest, and Money* (Posted online).

Optional Readings: (1) Christina D. Romer. "What Ended the Great Depression?" *Journal of Economic History* 52.4 (1992): 757-84.

(2) Harold L. Cole and Lee E. Ohanian. "New Deal Policies and the Persistence of the Great Depression: A General Equilibrium Analysis." *Journal of Political Economy* 112.4 (2004): 779-816.

December 7

Last Class! Big Picture and Review

No required reading (Let's catch our breath)

Final Exam: Friday, December 15, 7:00 to 10:00 pm (Based on the Exam Shell). Exam time will be confirmed at the end of add/drop period. Buy tickets prudently.

Reading Response 1 (Due Date: October 10, beginning of class)

Wrigley's "Urban Growth and Agricultural Change" is a classic piece. It also happens to be very densely written. Your assignment is to write a short summary of Wrigley's essay.

Explain the major points of Wrigley's argument for an intelligent non-specialist. Write a summary such that your parents (who, I imagine, are not economists) could understand Wrigley's argument. Be sure that you *explain* Wrigley's economic thinking rather than simply outlining the piece.

Length: 3 pages, doubled-spaced, 12-point font, 1-inch margins.

Special Note: I will grade the papers blind. Please include a cover page with your name that I can remove from the rest of your essay (watch double-sided printing). Your name cannot appear anywhere on the rest of your essay.

Reading Response 2 (Due Date: November 30, beginning of class)

Choose any scholarly article (i.e., not the Smith, Ricardo, Marx, Malthus, or Keynes readings) from the class, including required and optional readings. (**Note: You may not write about the Wrigley paper assigned for the first Reading Response**). Write a summary, as you did in Reading Response 1, but also include an approximately 3-page critique of the article. The summary and critique need not be two distinct essay sections: weaving together your summary and critique may be more efficient.

It may be helpful to consider one or both of the following questions:

1. Did the article live up to the author's promises? If the article fell short, how so? Could the article's limitations have been solved by the inclusion of additional data?
2. Even if the article lived up to its promises, did the article ask the right question? Is there some larger issue that the article is really addressing?

Length: 5 pages, doubled-spaced, 12-point font, 1-inch margins.

Special Note: I will grade the papers blind. Please include a cover page with your name that I can remove from the rest of your essay (watch double-sided printing). Your name cannot appear anywhere on the rest of your essay.

(* I will distribute more detailed rubrics for each assignment as the due dates approach.