

Economics 1740 Section 1: US Economic History

Fall 2005 T-Th 2:00-3:20 FAMB 202

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Office Hours: M 2:00-3:30, T 9:30-11:00, other times by appointment

This course examines the economic and social history of the United States from the colonial period to the present day. While the course is broad in scope, we will direct special attention to particular topics. These topics include changes in US labor markets, changes in living standards (and their measurement), the history of female and minority labor, and the recent growth of income inequality in the US. It is hoped that students in this class will gain a more detailed knowledge of US history, insight into how economic concepts can be used to study history, and a sense of how understanding history makes us better able to understand the present.

There are two texts that you should purchase:

- Heilbroner and Singer, The Economic Transformation of America: 1600 to the Present (fourth edition). NY: Harcourt Brace, 1999 (referred to below as “H+S”).
- Frank and Cook, The Winner-Take-All Society: Why the Few at the Top Get So Much More Than the Rest of Us. NY: Penguin Books, 1996.

Heilbroner and Singer and Frank and Cook are available for purchase in the bookstore. There will also be additional “Current Issues” readings posted to the course WebCT site.

We will discuss a good deal of material that is not covered in the readings. To help you organize this material, I will periodically place short outlines on WebCT. Even if you make use of these outlines, it will still be necessary for you to come to class and to take good notes in order to keep up with the material. In addition to lecture outlines, I will post copies of graphs and tables used in class, occasional announcements about the class, and other material on WebCT.

If you have any disability or special concern regarding this course, **please meet with me early in the semester**. I will work with you to connect you with resources to help you with any particular needs you might have.

Requirements and Grading:

1. Exams

There will be three exams: two mid-terms and a final. **The first mid-term exam will be held on Tuesday, September 27. The second mid-term will be held on Thursday, October 27. The final exam will be held on Friday, December 16, at 1:00 p.m. in our regular room.** The mid-term exams will each be worth 25% of your grade. The final will be worth 30%. The final exam will emphasize material from the final few weeks of the course but will include some comprehensive material. All exams will consist of a mix of “multiple choice” and short essay questions. In very rare cases of extreme, unavoidable, and documented scheduling conflicts, individual students may arrange to take exams early, and these arrangements must be made well in advance of the scheduled exam time. Late exams may be given in cases of documented medical or other emergency. Otherwise, failure to take an exam at the scheduled time will result in a 0 for the exam.

2. H+S Reaction Essays:

Everyone is responsible for reading all of the assigned readings. In addition, everyone will write two short essays summarizing and reacting to two of the assigned readings from Heilbroner and Singer. These essays should include two or more substantial paragraphs summarizing the material in the reading, and at least one substantial paragraph indicating your reaction to the reading: Was there anything that surprised you? Are there issues or ideas raised in the reading that you would like to know more about? Do you have any criticism of the reading? These essays are due on the day that the assigned reading is to be covered. You can choose to write on any two H + S reading assignments, but you must turn in at least one essay by October 20. These two essays are each worth 5% of your final grade.

3. Essays on Current Issues Readings:

One theme of this class is that the past remains relevant in our lives, both because specific historical events have long-lasting impacts and because many of our contemporary challenges appeared in similar forms earlier in our history. The “Current Issues Readings” posted on the WebCT site contain recent newspaper and magazine articles that will help us make some of these connections between historical topics and contemporary issues. Everyone is responsible for reading all of these articles. In addition, everyone will write one short essay (about 3 pages or so) based on the readings for one of the five topics.

Topic 1 (Due Thursday, September 15) – Trade and Protectionism:

The effects of trade policy are addressed at two points early in the semester: In the discussion of the Navigation Acts, and in the discussion of Hamilton and Jefferson’s disagreements about manufacturing. Trade policy continues to be a source of political contention. The three articles in this section describe some recent controversies regarding trade policy. Summarize and comment on these three articles. Your essay should deal with the following issues:

- Donald Manzullo argues that US government purchases should be from at least 65% “American” suppliers. Why does he think this is important?
- Why do the editors of the USA Today disagree with Manzullo’s position (in their editorial “Revival of Protectionism Puts US Economy at Further Risk”)? Which of these two positions do you find persuasive, and why?
- The article “Free-Trade Firefight” details some complex controversies regarding potential Chinese purchase of a US oil company and also regarding the recently-passed Central American Free Trade Agreement. Have political issues or economic issues been more important in these debates, based on your reading of this article? Did economic and political concerns play similar roles in the debates about the Navigation Acts and early US trade policy, based on our class discussion?

Topic 2 (Due Thursday, September 22) - Measuring the Standard of Living:

As we will discuss, tracking changes in living standards in the US in the 1800s and 1900s is a very complicated matter. The two articles on “measuring the standard of living” document that money does not necessarily buy “happiness” and health. Summarize and comment on these two articles. Your essay should deal with the following issues:

- Why have income and “happiness” not followed the same trend during the last 30 years or so, according to David Leonhardt’s article?
- Why does health seem to vary with “status,” rather than just with income, according to Patricia Cohen’s article? That is, why might two individuals who both make a lot of money tend to exhibit differences in health?
- What kind of measure would provide the best indication of the standard of living? Do you think that government policy can have much effect on the standard of living as you have defined it?

Topic 3 (Due Tuesday, October 11) - Reparations for Slavery:

Though slavery ended in the US nearly 150 years ago, there are ongoing debates about whether the descendants of the slaves should be compensated for the work and suffering of their ancestors. Read the three articles in this section and write an essay summarizing and commenting on them. Your essay should address the following issues:

- What role might slavery have played in the history of Brown University?
- Why did JPMorgan Chase & Co. recently apologize for its historic links to slavery? How was this company linked to slavery?
- What does Jeff Jacoby (the author of “The Slavery Shakedown”) think about recent efforts to get companies and other organizations to examine and publicize their historic ties to slavery?
- Do you think the federal government or individual companies should do anything on this issue (apologize, pay reparations, create institutions that offer education funds or small business loans to the descendants of slaves)? If not, why not? If so, what would be the best policy?

Topic 4 (Due Tuesday, October 25) - Immigration:

Throughout US history, Americans have expressed concern about the assimilation of immigrants into American society. The two articles in this section, both from The American Enterprise, present two very different views regarding whether today’s immigrants will assimilate in the same way that immigrants of the late 1800s and early 1900s did. Read these two articles and write an essay summarizing and commenting on them. Your essay should address the following issues:

- Michael Barone is optimistic about the likelihood that today’s “marginalized groups,” including African Americans, Latino immigrants, and Asian immigrants, will become fully assimilated into American society. Why is he optimistic?
- John Fonte believes that assimilation, especially of Mexican immigrants, is a lot less likely than Barone claims. Why does he disagree with Barone?
- Based on class discussion and these readings, what sort of immigration policy would you like to see the US follow in the coming years?

Topic 5 (Due Tuesday, November 22) - Labor Market Discrimination:

We have talked in class about the economic analysis of discrimination and about the measurement of discrimination along standard lines (skin color, ethnicity, and gender). The two articles in this section consider discrimination along somewhat different dimensions. Read the two articles in this section of the reader and write an essay summarizing and commenting on them. Your essay should address the following issues:

- Is the study on “name effects” (described in the article from Black Issues in Higher Education) persuasive regarding the persistence of discrimination against African Americans in the labor market? In particular, how do you interpret the final paragraph in the article, which indicates that employers are interested in using this study as a training tool?
- The New York Times article on Abercrombie and Fitch discusses what some people view as a different form of discrimination, based on physical appearance. Do you think that firms like Abercrombie and Fitch should be allowed to hire on this basis? Is there a point at which such a practice becomes discrimination? Is it possible to legally regulate such a practice?

This essay is worth 10% of your final grade.

Some general rules apply to all of the writing assignments. First, all of these assignments should be typed, double-spaced, using standard font sizes and margins. Second, your grade will be based in part on whether or not you have expressed yourself clearly. Spelling, grammar, and organization matter. **Third, if you use material from any source, you must clearly indicate your source, and if you directly quote any**

material, you must clearly indicate what has been quoted (along with indicating your source). If you quote material without clearly indicating so, you will receive a 0 for the assignment. If you have any questions about this, please discuss them with me. Finally, you may **not** turn assignments in late. If you know that you are going to miss class on the day an assignment is due, please make some arrangement for getting the work to me before class.

Weighting of assignments:

Two Mid-Term Exams	Each worth 25%
Final Exam	30%
<u>Two</u> H+S Reaction Essays	10%
<u>One</u> Current Issues Essay	10%

Course Outline:

Note that the precise schedule of topics may change slightly, but exam dates and assignment due dates are very unlikely to change. Any change in exam dates or due dates will be announced well ahead of time.

Th August 25

Introduction

T August 30

Colonial America.

Read H+S Introduction and chapters 1, 2, and 3

Th September 1

More Colonial America

T September 6

The Rise of Manufacturing

Read H+S Chapters 4 and 5

Th September 8

More on The Rise of Manufacturing

Read articles in Current Issues Readings, Topic 1

T September 13

Growth and the Standard of Living

Read H+S Chapter 6, pages 122-129

Th September 15

More on Growth and the Standard of Living

Read articles in Current Issues Readings, Topic 2

ESSAY ON CURRENT ISSUES READINGS TOPIC 1 DUE

T September 20

The Rise of the Factory

Th September 22

Slavery and the Civil War

Read H+S Chapter 6, pages 129-147

ESSAY ON CURRENT ISSUES READINGS TOPIC 2 DUE

T September 27

FIRST MID-TERM EXAM

Th September 29

More on Slavery and the Civil War

T October 4

More on Slavery and the Civil War

Read articles in Current Issues Readings, Topic 3

Th October 6

FALL BREAK - NO CLASS TODAY

T October 11

Westward Movement and Early Utah

ESSAY ON CURRENT ISSUES READINGS TOPIC 3 DUE

Th October 13

Nineteenth and Early Twentieth Century Immigration

T October 18

More on Immigration

Read articles in Current Issues Readings, Topic 4

Th October 20

The Rise of Big Business

Read H+S Chapters 7 to 9

EVERYONE SHOULD HAVE TURNED IN AT LEAST ONE H+S ESSAY BY THIS DATE

T October 25

More on the Rise of Big Business

ESSAY ON CURRENT ISSUES READINGS TOPIC 4 DUE

Th October 27

SECOND MID-TERM EXAM

T November 1

Late 19th Century Industrial Labor Markets

Read H+S Chapters 10 and 11

Th November 3

More on Late 19th Century Industrial Labor Markets

T November 8

Female Labor in the Late 19th and Early 20th Centuries

Th November 10

African American Labor in the Late 19th and Early 20th Centuries

T November 15

More on African American Labor

Th November 17

The Great Depression

Read H+S Chapter 12

Read articles in Current Issues Readings, Topic 5

T November 22

The New Deal

Read H+S Chapter 13

ESSAY ON CURRENT ISSUES READER TOPIC 5 DUE

Th November 24

NO CLASS – THANKSGIVING DAY

T November 29

The Post World War II Economy and The Rise of the Public Sector

Read H+S Chapters 14-17

EVERYONE SHOULD TURN IN THEIR SECOND H+S ESSAY BY THIS DATE

Th December 1

Growing Inequality and the Emergence of “Winner-Take-All” Markets

T December 6

More on Growing Inequality and the Emergence of “Winner-Take”-All Markets

Finish reading Frank and Cook by today

Th December 8

More on Growing Inequality and the Emergence of “Winner-Take”-All Markets

Review for Final Exam

FRIDAY DECEMBER 16 – FINAL EXAM

NOTE SPECIAL DAY AND TIME: 1:00 PM IN FAMB 202

“Current Issues” Readings:

These readings are designed to help us connect historical events with present-day issues. See the assignments and due dates related to these readings, above. The full text of each reading can be downloaded from the WebCT site.

Topic 1: Trade and Protectionism

[Reading 1.1](#): Manzullo, Donald A. “Goal is US Security.” USA Today 8/11/03, p. 10A.

[Reading 1.2](#): “Revival of Protectionism Puts US Economy Further at Risk.” USA Today 8/11/03, p. 10A.

[Reading 1.3](#): Benjamin, Matthew, “Free-Trade Firefight.” U.S. News and World Report 7/18/05 (Vol. 139 Issue 2), p. 60-62.

Topic 2: Income and Living Standards

[Reading 2.1](#): Leonhardt, David. “If Richer Isn’t Happier, What Is?” New York Times (Late Edition (East Coast)), 5/19/2001.

[Reading 2.2](#): Cohen, Patricia. “Forget Lonely, Life is Healthy at the Top.” New York Times (Late Edition (East Coast)), 5/15/2004.

Topic 3: The Legacy of Slavery

[Reading 3.1](#): Belluck, Pam. “Brown University to Examine Debt to Slave Trade.” New York Times (Late Edition, East Coast) 3/13/04, p A10.

[Reading 3.2](#): “JPMorgan Apologizes for Predecessor Banks’ Acceptance of Slaves as Collateral.” Black Issues in Higher Education Vol. 21 Issue 26 (Feb. 10, 2005), p. 22.

[Reading 3.3](#): Jacoby, Jeff, “The Slavery Shakedown.” Boston Globe 6/9/05, p. A15.

Topic 4: Immigration

[Reading 4.1](#): Barone, Michael, “Our Immigrants Always Melted Before.” The American Enterprise Volume 11 Issue 8 (December 2000), p. 14-16.

[Reading 4.2](#): Fonte, John, “It’s Not 1900 Any More.” The American Enterprise Volume 11 Issue 8 (December 2000), p. 15-17.

Topic 5: Labor Market Discrimination

[Reading 5.1](#): Hamilton, Kendra, “What’s in a Name?” Black Issues in Higher Education vol. 20 issue 9 (6/19/2003), p. 28.

[Reading 5.2](#): Greenhouse, Steven, “Going for the Look, but Risking Discrimination,” New York Times (late edition (East Coast)), 7/13/2003, p. 1.12.