

UNIVERSITY OF PENNSYLVANIA
DEPARTMENT OF HISTORY
Spring 2020

HISTORY 161/ECONOMICS 14
AMERICAN CAPITALISM

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Office Hours: Mondays: 2:00-3:30 College Hall 315B

Lectures: Mondays and Wednesdays, 1:00-1:50
TAs: Jennifer Yip and Peter Roethke

A broad overview of American economic history will be provided by focusing on the following topics: European colonization of the western hemisphere in long-term global perspective; mercantilism and the British colonial economy; the economics of slavery; metro-industrialization, agricultural expansion and technological innovation in the nineteenth century; the growth and role of credit institutions; financial panics and business cycles; the rise and entrenching of the corporation; the evolution of federal government interventions into the economy; women and work; the dynamics of mass consumerism; the Great Depression and the New Deal; political economic shifts in post-World II America; forms of globalization; deindustrialization; the “financialization” of the American economy; and the economic disorders of our own times.

The formal requirements of the course are as follows:

1. An in-class midterm exam will be administered on Wednesday, March 4 and will include an identification section and an essay. The midterm grade will represent 20 percent of the final grade.
2. A four-five-page paper will be due on Wednesday, April 22. This paper will take the form of a research proposal in American economic history. Complete details on the assignment will be provided in the weeks to come (a guide to the project can be found on CANVAS, the course website). This paper will count for 20 percent of the final grade.
4. An in-class final exam will be administered during final exams week and include an identification section and two essays. The final exam constitutes 30 percent of the final grade.
5. Student attendance and participation in recitation discussions is essential. Students should be prepared to answer questions on the weekly guide to readings that are available on CANVAS. In addition, each student will prepare a ten-minute presentation for one recitation session on an assigned topic (assignments will be determined in the first recitation sessions of the semester). On the day of the assignment, students will also submit a three-four page essay that will encapsulate the oral presentation, succinctly summarizing what they learned, noting why the subject is important and/or controversial, and suggesting further research that could provide new answers to the matter considered. Thirty percent of the final grade will be based on an assessment of each student's contributions to the recitation sessions, including attendance, participation in discussions, and the oral/written presentation.

One paperback book has been ordered at the Penn Book Center, 130 S. 34th Street: Walter Licht, Industrializing America: The Nineteenth Century. The book has been replaced on reserve in the library. Articles and essays listed below are accessible on CANVAS.

SCHEDULE OF LECTURES AND READINGS

January 15: Introduction to the Study of American Capitalism
Recitation Sections Will Meet This Week

January 20: No Class—Martin Luther King, Jr. Day Observed

January 22: Western Hemispheric Settlement in Historic Global Perspective

--Reading: Walter Licht, "A Mercantilist Outpost, Chapters One-Three" (on CANVAS)

January 27: The Colonial Economy/Secession from the British Imperial System

January 29: A New Republic

--Readings: Walter Licht, Industrializing America, pp. xiii-20

Walter Licht, "A Mercantilist Outpost, Chapter 4" (on CANVAS, January 22)

James Axtell, "The First Consumer Revolution," in J. Axtell, Beyond 1492 (on CANVAS)

David Galenson, "The Rise and Fall of Indentured Servitude in the Americas: An Economic Analysis," Journal of Economic History, 14 (March 1984): 1-26 (on CANVAS)

"Navigation Act 1651" (excerpt on CANVAS)

"Essays on the Economic Impact of British Mercantilism" (excerpts on CANVAS)

February 3: The Antebellum Economy: An Overview

February 5: Early Industrialization

--Readings: Walter Licht, Industrializing American, pp. 21-78

Walter Licht, "Envelopment, Chapter 5" (on CANVAS)

Alexander Hamilton, "Report of the Secretary of the Treasury, with His Plan for Supporting Public Credit" and "Report on Manufactures" (excerpts on CANVAS)

Winifred B. Rothenberg, "The Market and Massachusetts Farmers, 1750-1855," Journal of Economic History, 41 (June 1981): 283-314 (on CANVAS)

Douglass C. North, The Economic Growth of the United States, 1790-1860 (excerpt on CANVAS)

February 10: The Transportation and Communications Revolutions

February 12: The Role of the Railroads in Nineteenth Century Economic Development: Financial Development and the State

--Readings: Walter Licht, Industrializing America, pp. 79-101

Walter Licht, "Envelopment, Chapter 8" (on CANVAS)

Robert Fogel, "A Quantitative Approach to the Study of Railroads in American Economic Growth" (excerpt on CANVAS)

February 17: Slavery

February 19: Slavery and the Economy of the Antebellum Period

--Readings: Alfred Conrad and John Meyer, "The Economics of Slavery in the Ante Bellum South," The Journal of Political Economy, 66 (April 1958): 95-130 (on CANVAS)

Robert Fogel and Stanley Engerman, Time on the Cross: The Economics of American Negro Slavery (excerpts on CANVAS)

Richard Sutch, "The Treatment Received by American Slaves: A Critical Review of the Evidence Presented in Time and the Cross," Explorations in Economic History, 12 (1975): 335-438 (on CANVAS)

Marc Parry, "Shackles and Dollars: Historians Clash Over Slavery," Chronicle of Higher Education, December 6, 2016 (on CANVAS)

February 24: The Civil War and Economic Development

February 26: The Civil War and Its Impact: Emancipation and the Postbellum-South

--Readings: Roger L. Ransom and Richard Sutch, "The Trap of Debt Peonage," in Ransom and Sutch, One Kind of Freedom: The Economic Consequences of Emancipation (on CANVAS)
Gavin Wright, "The Economic Revolution in the American South," in Wright, Old South New South: Revolutions in the Southern Economy Since the Civil War (on CANVAS)

March 2: American Economic History as of 1877

March 4: In-Class Midterm Exam

March 9/11: No Classes--Midterm Break

March 16: Discussion of Mid-Term Exam and Research Proposal Exercise

Post-Bellum Agricultural Developments: The West

March 18: The Rise of the Large-Scale Corporation

--Readings: Walter Licht, Industrializing America, pp. 102-165
Alfred D. Chandler, Jr., "The Beginnings of 'Big Business' in American Industry," Business History Review, 33 (Spring 1959): 1-31 (on CANVAS)

March 23: The Corporation in American Life

March 25: The Advent of State Corporate Capitalism and the Progressive Era

--Readings: Walter Licht, Industrializing America, pp. 166-196
Walter Licht, Part 3, "Managing, Chapter 12" (on CANVAS)

March 30: World War I and Its Economic Impact

April 1: The Twenties and the Modern Economy

--Readings: Alfred D. Chandler, Jr., "General Motors--Creating the General Office," in Chandler, Strategy and Structure: Chapters in the History of the American Industrial Enterprise (on CANVAS)
"Samuel Crowther, "Everybody Out to Be Rich: An Interview with Jacob Raskob" in Ladies Home Journal, August 1929 (excerpt on CANVAS)
Walter Licht, "On Mass Consumerism" (excerpt on CANVAS)

April 6: The Causes of the Great Depression

April 8: Responses to the Great Depression: Herbert Hoover and Franklin Delano Roosevelt

--Readings: Peter Temin, "The Fall in the Demand for Money," in Temin, Did Monetary Forces Cause the Great Depression? (on CANVAS)
Irving Fisher, "The Debt-Deflation Theory of the Great Depression" (excerpt on CANVAS)
Milton and Rose Friedman, "The Anatomy of the Crisis (excerpt on CANVAS)
Christina D. Romer, "The Nation in Depression" (excerpt on CANVAS)

April 13: The New Deal

April 15: World War II and the Post-World War II Economy

--Readings: Barton Bernstein, "The New Deal: The Conservative Achievements of Liberal Reform" in Bernstein, ed., Towards a New Past: Dissenting Essays in American History (on CANVAS)
Alan Brinkley, "The New Deal and the Idea of the State," in Steve Fraser and Gary Gerstle, eds. The Rise and Fall of the New Deal Order, 1930-1980 (on CANVAS)
Herbert Stein, "The Fiscal Revolution in America: Lessons of World War II" (on CANVAS)
Arthur Okin, "The Political Economy of Prosperity" (excerpt on CANVAS)
Ta-Nehisi Coates, "The Case for Reparations," The Atlantic, June 2014 (on CANVAS)

April 20: Reaganomics and Beyond: Globalization and Deindustrialization

April 22: "Financialization" and the 'Great Recession

--Readings: Mark H. Willes, "'Rational Expectations' as a Counter-Revolution" (on CANVAS)
Paul Craig Roberts, "The Breakdown of the Keynesian Model" (on CANVAS)
Uwe E. Reinhardt, "Reagonics, R.I.P (on CANVAS)
Walter Licht, "Rise and Fall of Philadelphia Manufacture" (on CANVAS)
Michael J. Hicks, "The Myth and Reality of Manufacturing in America" (on CANVAS)
Patricia Cohen, "A Bigger Pie, but A Smaller Slice for Half of the U.S.," *The New York Times*, *B1*, December 7, 2016 (on CANVAS)
Inside Job (documentary film)

***Research Proposal Essay Submitted, Wednesday, April 22**

April 27: Looking Back, Looking Forward

April 29: Review Session

--Reading: Eduardo Porter, "President-Elect Found Votes Where the Jobs Weren't," *The New York Times*, *B1*, December 14, 2016 (on CANVAS)

No Recitation Sections This Week