

Department of Economics, University of Hawai'i-Mānoa

ECON 412 -- U.S. Economy: Past and Present

Professor Sumner La Croix
Syllabus Spring 2007 Semester

Tuesday & Thursday 12 – 1:15 pm
Saunders 244

How to communicate with La Croix?

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Office: Saunders 515A

Office Hrs: Tues. 8:30-10 AM
 Thurs 2-3 PM

REQUIRED TEXTS

(1) Gary M. Walton and Hugh Rockoff, *History of the American Economy*, 10th ed Thomson South-Western, 2005.

(2) Sumner La Croix, Price Fishback, Robert Higgs, John Joseph Wallis, Gary Libecap, Stanley Engerman, Jeffrey Hummel, Robert Margo, Robert McGuire, Richard Sylla, Lee Alston, Joseph Ferrie, Mark Guglielmo, E.C. Pasour, Randy Rucker, and Werner Trosken, *Government and the American Economy from Colonial Times to the Present*. Chicago: University of Chicago Press, forthcoming March 2007.

(3) Occasional Short Handouts from the New York Times, the Wall Street Journal, and Pacific Business Review.

History of the American Economy (10th ed.) is available at the University of Hawaii bookstore or via major on-line book retailers, e.g. Amazon.com, Barnesandnoble.com or in e-book format. The University of Chicago Press will publish *Government and the American Economy* in March 2007 (cheap paperback (\$25) and hardcover (loan required). Assigned chapters from this volume for January, February, and early March 2007 dates will be available at the EMA Campus Copy in the Campus Student Center. It's directly across from the game room on the ground floor.

CLASS WEB PAGES AND ECONOMIC HISTORY WEB PAGES

The syllabus and other class documents are posted on the class website:

<http://www2.hawaii.edu/~lacroix/Econ412.htm>.

Updates to class assignments and class readings will be posted on this web site.

Check out <http://eh.net>, the leading web site in the field of economic history.

COURSE REQUIREMENTS:

Paper (Book Review) & Panel	20%
Three Short History and Policy Essays	30%
Attendance and Participation	10%
Final Examination	40%

ATTENDANCE REQUIREMENTS

It is expected that students will attend ALL classes; be familiar with assigned readings prior to class; have reserved the scheduled class times to attend class and have not double-booked the time. Students who miss (unexcused) more than 2 classes will have their attendance/participation grade marked down by 1% for each additional class missed.

Students are expected to participate in class discussions of assigned readings in this field. Throughout the semester, the instructor will assign students to prepare presentations for the next class or to serve on panels to discuss the assigned readings and other topics.

BOOK REVIEW

Each student will choose a book on economic history from the list below and write a 6-7 page review of the book. I will hand out several examples of excellent book reviews and make three five-minute presentations regarding essentials of reviewing a book. The book review is due to a student peer reviewer on April 2; the peer review is due on April 6; the final book review is due on April 12. Late assignments will be marked down by 1/3 of a grade per day (A to A-, etc.). Student panels will discuss these books in class on April 24, 26, and May 1.

Linda Barrington (1998), *The Other Side of the Frontier: Economic Explorations into Native American Economic History*. M.E. Sharpe. (selected chapters)

Terry Anderson and P.J. Hill (2004), *The Not So Wild Wild West*. Palo Alto: Stanford University Press. (entire book)

Peter Temin (1991), *Lessons from the Great Depression*. Cambridge: MIT Press. (entire book)

Ronald Johnson and Gary Libecap (1998), *The Federal Civil Service System and the Problem of Bureaucracy*. New York: Cambridge University Press. (entire book)

Michael Lewis (1990), *Liar's Poker*. Penguin Press. (entire book)

THREE SHORT-MEDIUM “HISTORY AND POLICY” ESSAYS

Can we learn from history? Maybe. Students write three short (4-5 page) essays considering what light, if any, a particular episode in U.S. economic history can shed on a contemporary policy issues. Each essay will be sent to one of your peers for comment.

Essay One. The Jones Act requires that ships providing service between U.S. ports be made in the U.S., flagged in the U.S., and staffed by U.S. crews, among other things. It has its strong defenders (Senator Inouye and Representative Abercrombie) and its strident critics (most republicans and former Representative Case). Does an understanding of the political economy and impacts of the Navigation Acts contribute to an understanding of the Jones Act? Or are the Navigation Acts ancient history, best forgotten and buried in a deep grave? First draft due on January 30. Final draft due on February 13.

Essay Two. Economic historians have argued that the formation of a national market was critical to U.S. growth over the first 60 years of the nineteenth century. How does the U.S. experience contribute to an understanding of the political economy and impact of the formation of **global** product and capital markets? Or was the U.S. market formed in “simpler times” so different from today that there is nothing to be learned from this experience? First draft due on March 8. Final draft due on March 22.

Essay Three. Gavin Wright has shown that U.S. growth between the Civil War and World War I was fueled by resource abundance. Jeffrey Sachs and Andrew Warner have shown that being endowed with resources was a curse for most countries in the second half of the twentieth century, i.e., countries richly endowed with resources had lower growth rates. What can today’s developing countries learn from the U.S. success with its big endowment of natural resources? Or is it just laughable to draw parallels between African countries with diamonds and U.S. states with gold and silver mines? First draft due on April 17. Final draft due on May 1.

FINAL EXAM

The final exam must be taken in class on the assigned date. The final exam is scheduled for Tuesday, May 8, 2007 from 12 - 2 PM (usual classroom). **If you have a conflict**

with the final examination, you must immediately drop this class. Do not ask the professor if you can leave early because you have already bought tickets to Tokyo for May 3. Or your Mom has booked a family vacation and bought tickets for May 3. Or May 3 is the only day when Aloha Airline can accommodate your dog's travel. **If you cannot make these exam dates, please drop this class ASAP.**

QUESTIONS? PROBLEMS? NEED TO MAKE AN APPOINTMENT?

Please leave a phone or e-mail message if you need to make an appointment! If you are having problems with the course, come see me as soon as possible to discuss how to get back on track!

E-mail: lacroix@hawaii.edu

Phone: (808) 956-7061

STUDENTS WITH DISABILITIES

Students with disabilities who may need disability-related classroom accommodations are encouraged to make an appointment to see me as soon as possible.

REQUIRED READING ASSIGNMENTS

The instructor reserves the right to change (add/delete) required readings as the semester progresses. Newspaper articles from *New York Times* web site will be assigned periodically. Early in the semester, plan to visit the *Times* web site and obtain a user name and password. The site is free; go to <http://www.nytimes.com>.

LECTURE CALENDAR AND READING LIST

We will begin with four lectures on the pre-revolutionary colonial economy, with readings drawn primarily from Rockoff/Walton. Ninety-five percent of class readings are from the two required texts. A lecture/reading calendar will be provided at the third class.