

U. S. Economic History

HIUS 141/ECON 159

Fall 2011

Instructor: Dr. Mark Hendrickson
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Office Hours: 12:00 to 1:50 on Thursday, and by appointment

Lecture: TTH 9:30-10:50
CENTR 113

Course Description

The history of the United States version of capitalism is in part the story of natural resources, stock of capital, and labor, but it is also a narrative of the choices made by capitalists, managers, workers, financiers, policymakers, and citizens. Sometimes laboring together and at other times at cross-purposes, they worked to promote economic growth and opportunity while at the same time wrestling with what constitutes a “fair” set of economic, political, and social arrangements. This course will consider the development of the United States economy from WWI to the present.

Required Readings

*Gary M. Walton and Hugh Rockoff, *History of the American Economy* (10th or 11th edition) For online options go to www.cengage.com/southwestern or see link on Webct.

Jefferson Cowie, *Capital Moves: RCA's Seventy-Year Quest for Cheap Labor*
Reader available at University Readers

Requirements

There will be two lectures per week. Students are required to write one paper (5-8 pages) due on November 17th. Late papers will be docked one step (i.e. from a B to a B-) for each day the paper is late. To receive credit for the paper, you must turn in both a hard copy and an electronic version to Turnitin.com—details to follow. The paper will be worth 35% of your course grade. The midterm (11/1) will be worth 30% of your course grade; the final will be worth 35% of your course grade.

Extra Credit

You can earn extra credit for this course by way of participation in a short debate. In your coursepack and in the syllabus, you will notice mention of several “Debate Documents.” You can earn extra credit by assuming the identity of one of these individuals and giving the class a summary of your background and thoughts on various issues related to the topic at hand. For instance, in Week 9, you could be either Milton Friedman or the CEO of Alcoa and explain your position on the relationship between private industry and the public good. You can work in groups of up to four. Some details on the extra credit assignment:

- On the night before the presentation, each group should turn in a PowerPoint presentation to me as an attachment to an email.
- Presentations should be approximately 5-8 minutes per group and include background information concerning the individual or group you represent as well as your position on the issue outlined in the document. Your group will need to conduct some modest research on the individual or organization you represent. Nothing too taxing—an Internet search should be sufficient.
- Each group will meet with me prior to the debate to discuss their presentation.
- The whole class will have read these documents and there will be an opportunity for the class to ask your group questions following the presentation.
- Successful completion of the assignment will result in a ONE STEP INCREASE in your final grade for the course—i.e. if you end up with an 88% (a B+) for the course and complete the extra credit assignment, your course grade would go from a B+ to an A-.

Debate Topics and Dates

-The Open Shop Debate: The National Association of Manufacturers versus Organized Labor (Lecture #4 on 10/4)

-The Tariff Debate: Herbert Hoover versus the Economists (Lecture #8 on 10/18)

-The New Deal Debate: Hoover versus FDR (Lecture #11 on 10/27)

-Business and the Public Interest Debate: Milton Friedman versus Alcoa CEO (Lecture #16 on 11/17)

This is the only extra credit assignment available for the course. No exceptions.

Course Schedule

Lecture #1: Course Introduction (9/22)

Walton and Rockoff, Chapter One

Lecture #2: The Legacy of Progressive Reform (9/27)

Walton and Rockoff, Chapter 20 and 21

William M. Tuttle, Jr., "The Red Summer and the Red Scare," *Race Riot: Chicago in the Red Summer of 1919*, University of Illinois Press, 1996, pp. 3-31.

Lecture #3 WWI and the Post-War Return to the Gold Standard (9/29)

Lecture #4 Hoovering in the 1920s (10/4)

Walton and Rockoff, Chapter 22

Ellis Hawley, "Herbert Hoover, the Commerce Secretariat and the Vision of the 'Associative State,' 1921-1928," *Journal of American History*, 61, 1974, pp. 116-140.

The Open Shop Debate

Lecture #5 New Era, New Capitalism (Part I) (10/6)

Martha Olney, "A Changed Economy," *Buy Now, Pay Later: Advertising, Credit, and Consumer Durables in the 1920s*, The University of North Carolina Press, 1991, pp. 182-189.

Roland Marchland, "A 'Corporation Consciousness': General Motors, General Electric, and the Bruce Barton Formula" in *Creating the Corporate Soul*, 130-163.

Lecture #6 New Era, New Capitalism (Part II) (10/11)

Lizabeth Cohen, "Encountering Mass Culture," *Making a New Deal: Industrial Workers in Chicago, 1919-1939, Second Edition*, Cambridge University Press, 2008, pp. 99-158.

Lecture #7 The Great Depression: Causes, Impact, and Initial Response (Part I) (10/13)

Walton and Rockoff, Chapter 23

Michael A. Bernstein, "Why the Great Depression was Great: Toward a New Understanding of the Interwar Economic Crisis in the United States," *The Rise and Fall of the New Deal Order, 1930-1980*, Steve Fraser and Gary Gerstle, eds., Princeton University Press, 1989, pp. 32-54.

Lecture #8 The Great Depression: Causes, Impact, and Initial Response (Part II) (10/18)

The Tariff Debate: Hoover and Congress versus the Economists

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Lecture #9 The New Deal (10/20)

Walton and Rockoff, Chapter 24

Michael A. Bernstein, “New Deal Economic Policy and the Problem of Recovery,” *The Great Depression: Delayed Recovery and Economic Change in America, 1929-1939*, Cambridge University Press, 2008, pp. 184-206.

Lecture #10 The New Deal (10/25)

Jefferson Cowie, *Capital Moves*, Chapter One [Note: You are responsible for the first chapter for the midterm; to complete the paper assignment (not due until November 17th), you will read the entire book.]

Lecture #11 Wrap up of Great Depression and New Deal (10/27)

The New Deal Debate: Hoover versus FDR

Mid Term: Tuesday 11/1

Lecture #12 World War II (11/3)

Walton and Rockoff, Chapter 25

Meg Jacobs, ““How About Some Meat?”: The Office of Price Administration, Consumption Politics, and State Building From the Bottom Up, 1941-1946” *Journal of American History*, 84 (December 1997), 910-941

Lecture 13: WWII and Demobilization (11/8)

Nelson Lichtenstein, “A Labor-Management Accord?” *State of the Union: A Century of American Labor*, Princeton University Press, 2002, pp. 98-140.

Lecture 14: Economic Systems and Freedom: F. A. Hayek vs. John Maynard Keynes (11/10)

Lectures 15 and 16: The Changing Role of the Government in the Post-War Economy (11/15 and 11/17)

Scheduling Notes:

Paper Due on Thursday, November 17th

Milton Friedman (University of Chicago economist) versus Alcoa CEO Debate on 11/17

Readings:

Walton and Rockoff, Chapters 26-28

Paul Krugman, “The Great Compression” in *The Conscience of a Liberal*, 37-56.

Alex F. Schwartz, “Housing Finance” in *Housing Policy in the United States*, Second Edition, 51-87.

Lecture 17: From the “Reagan Revolution” to the Roaring 1990s (11/22)

Elliot Brownlee, “Economic Policy of the First Reagan Administration: The Conflict Between Tax Reform and Countercyclical Management” in Richard W. Kopke, et al, *The Macroeconomics of Fiscal Policy* (Cambridge: MIT Press, 2006).

Business and the Public Interest Debate

Thanksgiving Holiday (11/24)

Lecture 18: Contemporary Political Economy: The Current Crisis and the Giant Pool of Money (11/29)

Carmen M. Reinhart and Kenneth Rogoff, “The U. S. Subprime Crisis: An International and Historical Comparison,” *This Time is Different: Eight Centuries of Financial Folly*, 203-222.

Joseph Stiglitz, “Mortgage Scam” from *Freefall*, pages 77-97

Jagdish Bhagwati, “The Capital Myth: The Difference between Trade Widgets and Dollars,” *Foreign Affairs*, 77(3), pp. 7-12.

Lecture 19: Contemporary Political Economy: A Response to the Current Crisis? (12/1)

Academic Integrity

Students are expected to complete the course in compliance with the instructor's standards. No student shall engage in any activity that involves attempting to receive a grade by means other than honest effort; for example:

- No student shall knowingly procure, provide, or accept any unauthorized material that contains questions or answers to any examination or assignment to be given at a subsequent time.
- No student shall complete, in part or in total, any examination or assignment for another person.
- No student shall knowingly allow any examination or assignment to be completed, in part or in total, for himself or herself by another person.
- No student shall plagiarize or copy the work of another person and submit it as his or her own work.
- No student shall employ aids excluded by the instructor in undertaking course work or in completing any exam or assignment.
- No student shall alter graded class assignments or examinations and then resubmit them for regrading.
- No student shall submit substantially the same material in more than one course without prior authorization.

For more information, please consult the UCSD Policy on Integrity of Scholarship (<http://www-senate.ucsd.edu/manual/Appendices/app2.htm>).

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