Purpose: All theoretical and empirical economic analysis is conditioned by stylized facts. These stylized facts arise from the structure of markets and institutions. This course provides with an in-depth introduction to how markets, institutions and policies have evolved in the United States and how they have contributed to successful economic growth and contemporary problems, ranging from finance to race relations.

Learning Outcomes: This course aims to help students achieve two learning goals of the graduate program in Economics: (1) attain marked ability in economics with specialization in sub-disciplines by introducing students to key issues in the growth and development of the American economy; and (2) engage in and conduct research by introducing students to issues in the collection and use of economic data and developing research proposals that may be used for second year paper or masters’ theses. These learning goals apply to both doctoral and masters students.

Textbook and Readings: We strongly recommend that you purchase a copy of Hugh Rockoff and Gary Walton, History of the American Economy. This book will provide you with a comprehensive overview and complement the lectures. Any edition is fine.

Course website: Sakai (http://sakai.rutgers.edu). This website will be used to make announcements and post course materials. You should check the website regularly.

Method of Evaluation: Course grades will be determined as follows:
Reading Assignments 15%
Class Participation 10%
Presentations of Readings 10%
In-Class Exam, Tuesday, April 7 30%
Research Proposal due May 8 35%
**Reading Assignments:** At the beginning of each class, students are required to turn in a summary (1/2 to 1 page double-spaced) of one of the assigned readings that either explains how the research in the paper could be extended or what are critical flaws in the paper. The purpose of this activity is to encourage you to carefully and critically read the assigned papers.

**Class Participation:** Students are expected to attend all class meetings and actively participate in class discussions by asking and answering questions. Students are expected to come to each class having done the assigned reading and being prepared to discuss it.

**Presentations:** Each student will be required to present one of the assigned readings. These presentations should be in the style of a 15 minute presentation aimed at promoting further discussion of the paper. They should include the following:
- A clear statement of the research question and the motivation for studying it.
- A discussion of the empirical methodology and data used.
- The highlights of the empirical results.
- A statement of the authors’ conclusions.
- A discussion of the problems or limitations of the paper.

**Exam:** There will be an in-class exam on Tuesday, April 7. This exam will cover all assigned readings, lectures, and class discussions prior to that date.

**Research proposal:** Students will be required to write a research proposal that contains:
- A clear statement of the research question.
- A discussion of why this is a question worthy of study.
- A review of previous studies on the topic or related topics, covering (a) What questions have been addressed by other scholars and how do they relate to the proposed research? (b) What are the problems or limitations of the previous research? (c) What key questions are still unanswered? (d) How will the proposed project contribute to the existing literature?
- Discussion of the theoretical and empirical challenges to addressing the question.
- A discussion of the proposed empirical methodology.
- A presentation of the data to be used including tables with descriptive statistics.

It is expected that the proposed research project will contribute to knowledge by examining new evidence, or reexamining existing evidence. Papers that compare the American experience with the experience of some other country are welcome. Some suggestions on how to find a good topic are in an appendix at the end of the syllabus.

During the first three weeks of the semester it is your job to stop by Professor Rockoff’s and/or Professor White’s office hours to discuss your paper topic. A one-page abstract is due on Friday, March 6.

Students will be asked to give the “elevator version” presentation (a 3 minute summary of research question and plan) in class on Friday, April 17.

The written proposal is due on Monday, May 8. Late papers will be assessed a 2 percent penalty for each day they are late up to 15 percent.
<table>
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<tr>
<th>Date</th>
<th>Topic</th>
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<tr>
<td>1. Tuesday, January 20 &amp; Friday, January 23</td>
<td>Long-Term American Economic Growth and American Institutions--White</td>
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<td>2. Tuesday, January 27 &amp; Friday, January 30</td>
<td>Formation of the Labor Force Inequality in the American Economy--White</td>
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<td>3. Tuesday, February 3 &amp; Friday, February 6</td>
<td>Money Banking and Finance before the Civil War--White and Rockoff</td>
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<td>4. Tuesday, February 10 &amp; Friday, February 13</td>
<td>Slavery---Rockoff</td>
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<td>5. Tuesday, February 17 &amp; Friday, February 20</td>
<td>The South after the Civil War and Racial Inequality---Rockoff &amp; White</td>
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<td>6. Tuesday, February 24 &amp; Friday, February 27</td>
<td>Stock Market Booms and Crashes---White</td>
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<td>8. Tuesday, March 10 &amp; Friday, March 13</td>
<td>Banking Panics and the Founding of the Federal Reserve---Rockoff</td>
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<td>March 14 to March 22</td>
<td>Spring Break</td>
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<td>9. Tuesday, March 24, Tuesday March 31, Friday, April 3 [Friday, March 27, no class---Rockoff &amp; White at conference]</td>
<td>The Great Depression---Rockoff &amp; White</td>
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<td><strong>Tuesday, April 7</strong></td>
<td><strong>Exam</strong></td>
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<td>10. Friday April 10 &amp; Tuesday April 14</td>
<td>The New Deal---Rockoff</td>
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<td><strong>Friday April 17</strong></td>
<td><strong>Brief Presentations of “Elevator Version” of Research Proposal</strong></td>
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<td>11. Tuesday, April 21 and Friday April 24</td>
<td>Financial (In)stability in the 20th Century White</td>
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<td>12. Tuesday, April 28 &amp; May 1</td>
<td>War and the American Economy Rockoff</td>
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<tr>
<td><strong>Friday, May 8</strong></td>
<td><strong>Research Papers Due</strong></td>
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**Required Reading**

The readings for each week are listed here. An appendix provides supplementary readings for students who wish to pursue a topic in greater depth, especially for students whose research paper will be related to that topic.

**NOTE:** For January 20th, come to class with the graphs described below and have read, Romer & Temin

1. **Long-Term Economic Growth**  
   **January 20 & 23**

Walton and Rockoff, *History of the American Economy*, chapter 1. **January 20 or 23**


Graph your own Real GDP, real wages, real GDP per capita for the U.S. and bring the graphs with you to class. Think about what you see. **January 20**


2. **Formation of the Labor Force and Inequality in the American Economy**  
   **January 27 and 30**

Walton and Rockoff, Chapter 11, **January 27**


Top 1 Percent in International and Historical Perspective." *Journal of Economic Perspectives* 27, no. 3: 3-20. **January 30**

### 3. Money, Banking and Finance before the Civil War
**February 3 and 6**

Walton and Rockoff, *History of the American Economy*, chapter 12, **February 3**


### 4. Slavery: the Great Debate
**February 10 and 13**

Walton and Rockoff, *History of the American Economy*, chapter 13, **February 10**


5. Southern Agriculture after the Civil War **February 17 and 20**

Walton and Rockoff, History of the American Economy, chapter 14, **February 17**


6. Stock Mark Booms and Crashes: Causes, Effects and Remedies **February 24 and 27**

Walton and Rockoff, History of the American Economy, chapter 22, **February 17**


7. Railroads and American Economic Growth
March 3 and 6

Walton and Rockoff, History of the American Economy, chapters 9, 16. March 3


Fishow, Albert, March 6


8. Banking Panics and the Founding of the Federal Reserve
March 10 & 13

Walton and Rockoff, History of the American Economy, chapters 19. March 10

Jeffrey Miron, “Financial Panics, the Seasonality of the Nominal Interest Rate and the Founding of the Fed,” American Economic Review (March 1986). March 10


9. The Great Depression
March 24 & 31 & April 3

Walton and Rockoff, History of the American Economy, chapter 23, March 24


Stephen Cecchetti, “Prices During the Great Depression: Was the Deflation of 1930-1932


10. The New Deal
April 10 & 14

Walton and Rockoff, History of the American Economy, chapter 24, April 10


11. Financial (In)stability in the 20th Century
April 21 and 24

Bordo, Michael D., Angela Redish, and Hugh Rockoff. “Why didn't Canada have a banking crisis in 2008 (or in 1930, or 1907, or ...)?” NBER Working Paper No. 17312, 2011. April 21


Walton and Rockoff, History of the American Economy, chapter 21 and chapter 25. April 28


