

# Econ 323: U.S. Economic History Before 1865

Northwestern University  
T/TH 11-12:20 (Harris Hall L7)

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## Course Overview:

This course examines the economic and institutional development of the United States from colonial times through the Civil War. It focuses on questions related to differential patterns of development, devoting specific attention to labor market institutions, diverging patterns across the North and South, and the role of Slavery in the development of the American Economy.

The goal of this course is to make students aware of key topics, debates, and results in U.S. economic history and to place those results within a broader economic framework. A typical class will focus on one topic or historical event. I will begin with a brief presentation of the historical/economic context at which point we will have a broader class discussion about the assigned reading (those marked with a \* in the reading list).

## Grading:

Your performance in this class is based on four categories: class participation (10%), critical essays (15% each for a total of 45%), a midterm (20%), and a cumulative final exam (25%).

## Class/Grading Expectations:

**Exams:** There will be two exams (a midterm and a cumulative final). It is not possible for me to provide make-up exams. If you miss the midterm with a valid (and documented) excuse I will back out a counterfactual midterm grade for you based on your relative performance on the final exam. If you miss the final exam with a valid (and documented) excuse, then you will receive an incomplete in the course. You will then be expected to produce an independent research paper that formulates a research question in economic history and uses primary and secondary sources to develop an answer to that question. This must be completed by the start of reading week in the following term.

**Class Participation:** You will submit 1-2 comments or questions related to each of the class readings. These submissions are due by 3 pm the day *before* class (so Monday and Wednesday). I may ask you to share with the class, so be prepared to talk through your points.

**Grading Note:** There are 15 required readings in this course but your two lowest scoring submissions (including zeros) will not count towards your participation grade. This means you have two no-questions-asked “freebies” to provide flexibility for unexpected illnesses/ absences or due to a busy schedule.

**Reading Guide:** The required readings are academic papers, which means that they are written for a more technical audience. It is ok if you don’t understand all of the technical details. In fact, if there is something that the authors spend a lot of time on that *seems* important but that you don’t quite understand, you might mention it as one of your questions/ comments (and also ask about it in class).

To get the most out of the readings, try to keep the following questions in mind. Not all of the questions will be relevant, but if you can answer most of them then you probably have a good understanding of the paper.

The introduction often provides a brief overview that can help answer the following questions:

- What question are the authors trying to answer?
- What answer do they arrive at?
- Why do the authors think the question is important? Do you agree?
- According to the authors, why has the existing literature failed to answer this question?
- How does this paper improve on the existing literature? (i.e., what is new here?)

If the paper tries to answer the question with data...

- What is the key data set? How was it collected? How reliable is it? Are there important things missing from the data?
- What assumptions must the authors make to interpret their relationship as casual rather than coincidental?
- Does the magnitude of the results seem reasonable? Is it meaningful?

If the paper is more theoretical...

- What phenomena are the authors trying to explain?
- What assumptions are being made to support the author’s model?
- Which assumptions seem reasonable? Unreasonable?
- What are the key predictions of the model? Can they be tested?
- What real world issues are left out of the model that you think are important but not represented?

By the time you finish the conclusion

- Do you think the authors answer the question they set out to answer?
- What concerns do you have with their approach?
- What is the biggest shortcoming of the paper? Is it something the authors could have addressed?

**Critical Essays:** You will complete three critical essays (readings and due dates listed below). In terms of deliverables, each essay should be five to six pages (double spaced, 12-point font, and with 1-inch margins). The essay should contain a summary section that is no more than two pages and critique section that uses the remainder. You will be graded on the quality of the writing, the summary, and the critique.

To help structure your essay, please consider the following. The essay should begin with a summary that places the article in its relevant economic/historical context and describes the authors argument/approach (see the above reading guide to make sure you are hitting the high points). As you develop your critique, be sure to assess the authors work on their own terms but also take a step back to assess the approach more generally. Does the article deliver on what it promises? If no, what suggestions (analytical or conceptual) might you offer to improve the article? What have we learned? What bigger-picture questions remain or warrant more attention? Would you recommend a more nuanced interpretation of the evidence? Finally, you should provide a brief summary that gives the reader a sense of the article's overall contribution (in light of your critiques).

History is often a matter of interpretation, and the goal of these essays is for you to practice synthesizing different pieces of evidence to deepen your understanding of history. This is a skill that will be tested on the midterm and final exam. In that sense, these essays (by forcing you to think critically about what we have learned about a given topic) will help prepare for the types of questions you'll face on the exams. For this reason, I have scheduled the first two essays to be due before the midterm.

Essay one: Due January 13<sup>th</sup> at 11:59pm

- Carlos, Anne and Frank Lewis. 2012. "Smallpox and Native American Mortality: The 1780s Epidemic in the Hudson Bay Region." *Explorations in Economic History*.

Essay two: Due January 23<sup>rd</sup> at 11:59pm

- Grubb, Farley. 1994. "The End of European Immigrant Servitude in the United States: An Economic Analysis of Market Collapse, 1772-1835." *The Journal of Economic History*.

Essay three: Due February 21<sup>st</sup> at 11:59pm

- Bleakley, Hoyt and Jeffrey Lin. 2012. "Portage and Path Dependence" *Quarterly Journal of Economics*.

## Course Schedule and Readings

Required readings (denoted with a \*) can be found [here](#). Skimming the non-required reading may help you form your discussion questions (or answer other questions you might have).

### **Week 1 (Jan. 5): Introduction, Course Overview, and Course Logistics.**

### **Week 2a (Jan. 10): Some Facts and Theories Regarding Development**

- \*Olson, Mancur. 1993. "Dictatorship, Democracy, and Development." *American Political Science Review*.
- Acemoglu, Daron, Simon Johnson, and James Robinson. 2002. "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution." *The Quarterly Journal of Economics*.
- Acemoglu, Daron, Simon Johnson, and James Robinson. 2001. "The Colonial Origins of Comparative Development: An Empirical Investigation." *American Economic Review*.
  - See also: Albouy, David. 2012. "The Colonial Origins of Comparative Development: An Empirical Investigation: Comment" *American Economic Review*.
- Sachs, Jeffrey. 2003. "Institutions Don't Rule: Direct Effects of Geography on Per Capita Income." *NBER Working Paper 9490*.

### **Week 2b (Jan. 12): Institutional Asymmetries and the Native American Experience**

- \*Carlos, Anne, Donn Feir, and Angela Redish. 2022. "Indigenous Nations and the Development of the U.S. Economy: Land, Resources and Dispossession." *The Journal of Economic History*.
- Carlos, Anne and Frank Lewis. 2012. "Smallpox and Native American Mortality: The 1780s Epidemic in the Hudson Bay Region." *Explorations in Economic History*.
- Feir, Donn, Rob Gillezeau, and Maggie Jones. Forthcoming. "The Slaughter of the Bison and Reversal of Fortunes on the Great Plains." *Review of Economic Studies*.

### **Week 3a (Jan. 17): Labor Demand in the Colonial Economy**

- \*Galenson, David. 1981. "The Market Evaluation of Human Capital: The Case of Indentured Servitude." *The Journal of Political Economy*.
- Abramitzky, Ran and Fabio Braggion. 2006. "Migration and Human Capital: Self-Selection of Indentured Servants to the Americas." *The Journal of Economic History*.
- Atack, Jeremy and Peter Passell. 1994. *A New Economic View of American History* (2nd Edition), pp. 40-51.

### **Week 3b (Jan. 19): Labor Demand in the Colonial Economy**

- \*Esposito, Elena. 2022. "The Side Effects of Immunity: Malaria and African Slavery in the United States." *American Economic Journal: Applied Economics*.
- Nunn, Nathan. 2008. "The Long-Term Effects of Africa's Slave Trades." *The Quarterly Journal of Economics*.

### **Week 4a (Jan. 24): Colonial Grievances**

- \*Sawers, Larry. 1992. "The Navigation Acts Revisited." *Economic History Review*.
- Reid, Joseph. 1978. "Economic Burden: Spark to the American Revolution?" *The Journal of Economic History*.

### **Week 4b (Jan. 26): A Revolutionary False Start**

- \*Baack, Ben. 2001. "Forging a Nation State: The Continental Congress and the Financing of the War of American Independence." *Economic History Review*.
- Sylla, Richard. 1982. "Monetary Innovation in America" *The Journal of Economic History*.

### **Week 5a (Jan. 31): New Rules**

- \*McGuire, Robert. 1988. "Constitution Making: A Rational Choice Model of the Federal Convention of 1787." *American Journal of Political Science*.
- The U.S. Constitution.
- McGuire, Robert and Robert Ohsfeldt. 1989. "Self-Interest, Agency Theory, and Political Voting Behavior: The Ratification of the United States Constitution." *American Economic Review*
- Troesken, Werner. 2015. *The Pox of Liberty: How the Constitution Left Americans Rich, Free, and Prone to Infection*, University of Chicago Press.

### **Week 5b (Feb. 2): Midterm**

### **Week 6a (Feb. 7): Early Industrialization (Part I)**

- \*Irwin, Douglas and Peter Temin. 2001. "The Antebellum Tariff on Cotton Textiles Revisited" *The Journal of Economic History*.
  - ▶ See also Harley, C. Knick. 2001. "The Antebellum Tariff: Different Products or Competing Sources? A Comment on Irwin and Temin." *The Journal of Economic History*.
- Irwin, Douglas. 2017. *Clashing Over Commerce: A History of U.S. Trade Policy*, pp. 121-154

### **Week 6b (Feb. 9): Early Industrialization (Part II)**

- \*Goldin, Claudia and Kenneth Sokoloff. 1982. "Women, Children, and Industrialization in the Early Republic: Evidence from the Manufacturing Censuses." *The Journal of Economic History*.

- Sokoloff, Kenneth. 1984. "Was the Transition from the Artisanal Shop to the Nonmechanized Factory Associated with Gains in Efficiency? Evidence from U.S. Manufacturing Censuses of 1820 and 1850." *Explorations in Economic History*.
- Atack, Jeremy and Peter Passell. 1994. *A New Economic View of American History* (2nd Edition), Ch. 7.

#### **Week 7a (Feb. 14): Internal Improvements**

- \*Atack, Jeremy, Michael Haines, and Robert Margo. 2011. "Railroads and the Rise of the Factory: Evidence for the United States, 1850–1870." *Economic Evolution and Revolution in Historical Time*.
- Fogel, Robert. 1962. "A Quantitative Approach to the Study of Railroads in American Economic Growth: A Report of Some Preliminary Findings." *The Journal of Economic History*.
- Wallis, John. 2005. "Constitutions, Corporations, and Corruption: American States and Constitutional Change, 1842 to 1852." *The Journal of Economic History*.
- Atack, Jeremy and Peter Passell. 1994. *A New Economic View of American History* (2nd Edition), pp. 143-174 and Ch. 17.
- Bleakley, Hoyt and Jeffrey Lin. 2012. "Portage and Path Dependence" *Quarterly Journal of Economics*.

#### **Week 7b (Feb. 16): Southern Economic Development**

- \*Olmstead, Alan and Paul Rhode. 2008. "Biological Innovation and Productivity Growth in the Antebellum Cotton Economy." *The Journal of Economic History*.
- Clegg John. 2018. "Credit Market Discipline and Capitalist Slavery in Antebellum South Carolina." *Social Science History*.
- Atack, Jeremy and Peter Passell. 1994. *A New Economic View of American History* (2nd Edition), pp. 299-325.
- Logan, Trevon. 2015. "A Time (Not) Apart: A Lesson in Economic History from Cotton Picking Books." *The Review of Black Political Economy*.

#### **Week 8a (Feb. 21): Slavery as a Backwards Institution**

- \*Bleakley, Hoyt and Paul Rhode. "The Economic Effects of Slavery. Redux: Tests at the Border." Unpublished Manuscript.
- Wright, Gavin. 2022. "Slavery and the Rise of the Nineteenth-Century American Economy." *Journal of Economic Perspectives*.
- Hilt, Eric. 2020. "Revisiting Time on the Cross After 45 Years: The Slavery Debates and the New Economic History" *Capitalism: A Journal of History and Economics*

#### **Week 8b (Feb. 23): The Human Tragedy of Slavery**

- \*Steckel, Richard. 1986. "A Peculiar Population: The Nutrition, Health, and Mortality of American Slaves from Childhood to Maturity." *The Journal of Economic History*.

- Steckel, Richard. "A Pernicious Side of Capitalism: The Care and Feeding of Slave Children." *Unpublished Manuscript*.
- Chwe, Michael. 1990. "Why Were Workers Whipped? Pain in a Principal-Agent Model." *Economic Journal*.
- Logan and Pritchett. 2018. "On the Marital Status of U.S. Slaves: Evidence from the Turo Infirmary, New Orleans, Louisiana" *Explorations in Economic History*.
- Steckel, Richard and Nicolas Ziebarth. 2013. "A Troublesome Statistic: Traders and Coastal Shipments in the Westward Movement of Slaves." *The Journal of Economic History*.

**Week 9a (Feb. 28): The Civil War from a Market Perspective**

- \*Calomiris, Charlie and Jonathan Pritchett. 2016. "Betting on Secession: Quantifying Political Events Surrounding Slavery and the Civil War." *American Economic Review*.
- Masera, Federico and Michele Rosenberg. "Slavocracy: Economic Elite and Support for Slavery." *Unpublished Manuscript*.
- Willard, Kristen, Timothy Guinnane, and Harvey Rosen. 1996. "Turning Points in the Civil War: Views from the Greenback Market." *American Economic Review*.
- Goldin, Claudia and Frank Lewis. 1975. "The Economic Cost of the American Civil War: Estimates and Implications" *The Journal of Economic History*.

**Week 9b (Mar. 2): Wrapping up**

- \*Miller, Melinda. 2020. "The Righteous and Reasonable Ambition to Become a Landowner: Land and Racial Inequality in the Postbellum South." *Review of Economics and Statistics*.
- Atack, Jeremy and Peter Passell. 1994. *A New Economic View of American History* (2nd Edition), pp. 376-401.

**Week 10a (Mar. 7): No Class — Reading Week**

**Week 10b (Mar. 9): No Class — Reading Week**

**\*\*\*Final Exam Wednesday March 15 9-11am\*\*\***

## Other Policies

### **Academic Integrity:**

On written assignments completed outside of class, you are allowed to use class notes and other resources. You can also discuss your paper with your classmates, and you can even have classmates read your paper and provide you with feedback, but **you must do your own work**. Your responses should be your own and should not be substantially similar to other student's work. You must cite any references used in the paper, even those not directly quoted. Written assignments will be run through standard plagiarism-checking software.

On the midterm and final, you are not allowed to discuss the assignment with other students or to seek help from any other individuals, nor are you allowed to consult your notes, the lecture slides, or any other resources.

Northwestern's broader academic integrity policies can be found [here](#).

### **Accommodations:**

Northwestern University, and this professor, are committed to providing the most accessible learning environment as possible for students with disabilities. Should you anticipate or experience disability-related barriers in the academic setting, please contact AccessibleNU to move forward with the university's established accommodation process. AccessibleNU can be reached via email: [accessiblenu@northwestern.edu](mailto:accessiblenu@northwestern.edu) or phone: 847-467-5530. If you already have established accommodations with AccessibleNU, please let me know as soon as possible, preferably within the first two weeks of the term, so we can work together to implement your accommodations. Disability information, including academic accommodations, is confidential under the Family Educational Rights and Privacy Act.

### **Northwestern Policy on Recording of Class Sessions:**

Unauthorized recording of classroom or other academic activities (including advising sessions or office hours) is prohibited. Unauthorized recording is unethical and may violate University policy and state law. Students requesting the use of assistive technology as an accommodation should contact AccessibleNU. Under the University's Copyright Policy, faculty own the copyright to instructional materials - including those resources created specifically for the purposes of instruction, such as syllabi, lectures and lecture notes, and presentations. Students cannot copy, reproduce, display, or distribute these materials. Students who engage in unauthorized recording, unauthorized use of a recording, or unauthorized distribution of instructional materials will be referred to the appropriate University office for follow-up.

### **Technology in the Classroom**

Laptops and tablets can be a useful tool for taking notes, but they also encourage multi-tasking, which undermines your learning as well as the learning of others. If you choose to take notes on a laptop/tablet, please consider disabling your notification and/or wifi. If your use of



technology undermines the broader learning environment, then I reserve the right to impose a grade penalty that is commensurate with the scale of the distraction.

I have yet to see phones or smartwatches used in a way that enhances the classroom learning environment, and so I recommend placing personal technology in “do not disturb” during class.

Personal circumstances obviously arise that may require you to monitor your text messages or step out of the classroom to take a phone call. If this applies, please let me know what to expect as you arrive for class. I do not need to know *why* you are monitoring your phone, just what behavior to expect. Unauthorized use of personal technology is subject to a grade penalty.