

**EC 129: Economic History of the United States**  
Course Reading List– Winter Quarter / 2026  
Division of the Humanities and Social Sciences  
California Institute of Technology

All PDFs of required reading material are on Canvas.

**Reference books:**

No need to purchase, nice to have laying around, even though they are outdated

- Gary M. Walton and Hugh Rockoff: History of the American Economy, Thirteenth Edition
- Jeremy Atack and Peter Passell: A New Economic View of American History from Colonial Times to 1940, Second Edition
- Engerman and Gallman: The Cambridge Economic History of the United States

**Lecture 1 (1/6): {Overview of Economic History, Measuring Economic Growth, Pre-Test}**

Eichengreen: Economic History and Economic Policy

**Lecture 2 (1/8): {Measuring Economic Growth}** Landefeld et al: Taking the Pulse of the Economy: Measuring GDP and Jones and Klenow: Beyond GDP? Welfare across Countries and Time

- Consider an extremely infectious global pandemic, similar to COVID-19. How could each component of the traditional GDP calculation be affected (be creative and exhaustive)?
- How would the Jones-Klenow statistic change?

**Lecture 3 (1/13) {Institutions}** Acemoglu, Johnson, and Robinson: The Colonial Origins of Comparative Development: An Empirical Investigation

- What does “exogenous” mean in economics? What is an instrumental variable (instrument)? What is 2-stage least squares?
- List and explain two concrete examples of how geography, culture, and institutions could plausibly causally affect economic growth (6 examples total).
- What are the main concerns with using settler mortality as an instrument?
- What historical events could plausibly break institutional persistence?

**Lecture 4 (1/15) {Institutions}** Acemoglu and Johnson: Unbundling Institutions

- Why are contracting and property rights institutions endogenous?
- Besides these two, what other major institutions would you have considered in your own model? Only propose those that can be plausibly proxied with available and accurate data.
- What is the exclusion restriction for each of the two instruments proposed?

**Lecture 5 (1/20) {Migration}** Abramitzky, Boustan and Eriksson: A Nation of Immigrants: Assimilation and Economic Outcomes in the Age of Mass Migration

- What does the panel structure of the data allow the authors to identify that is not possible with cross-sectional data?
- What is occupation-based earnings? Be precise (check out <https://usa.ipums.org/usa/>)
- What are the sources of bias when using cross-sectional data only?
- What are the mechanisms of persistence to the 2<sup>nd</sup> generation? What could break this persistence?

**Lecture 6 (1/22) {Migration}** Abramitzky, Boustan, and Erikson: Europe's Tired, Poor, Huddled Masses: Self-selection and Economic Outcomes in the Age of Mass Migration.

- How and why does inequality drive selection in the conceptual model?
- What does sibling matching control for that other control variables do not?
- What type of endogeneity issues remain even after accounting for sibling matching?
- Why would open borders in the pre-Trump era produce much higher returns to migration than the paper's estimates for the Great Migration?

**Lecture 7 (1/27) {Education}** Goldin: The Human-Capital Century and American Leadership: Virtues of the Past

- Why did post-elementary schooling become productive only around 1900?
- Why were returns to secondary education so high around this time?
- When does decentralization help public goods provision? Why?

**Lecture 8 (1/29) {Education}** Golding, Katz, and Kuziemko: The Homecoming of American College Women

- Why might expected returns to education differ for women even with equal wages?
- What is the role of expectations and uncertainty in driving college-entry decisions? How would you model this uncertainty?
- How does/will AI change these expectations?

**Lecture 9 (2/3) {Industry, 2 papers}**

Atack et al.: Industrialization and urbanization in nineteenth century America

Wright: The origins of American industrial success, 1879 – 1940

- How does division of labor push production toward large firms?
- Why didn't resource-rich regions in the U.S. become dominant manufacturing centers? What are the frictions that prevented that equilibrium?
- What happens to the technological leadership advantage once resources globalize? Where do you see that happening in today's economy?

**Lecture 10 (2/5) {Industry}** Olmstead and Rhode: Reshaping the Landscape: The Impact and Diffusion of the Tractor in American Agriculture, 1910 – 1960

- How would you separate tractor-induced labor exit from pull factors in urban manufacturing?
- Why didn't the South adopt tractors earlier?
- If we applied this framework to AI, what variables would we mistakenly treat as exogenous today?

**Midterm (2/10)**

**Lecture 11 (2/12) {Financial Development}** Levine: Financial development and economic growth: views and agenda

- How would you empirically isolate the information production channel?
- Under what circumstances does corporate financial discipline reduce long-run growth?
- Would financial development matter more in an "extensive-growth" economy or in the knowledge/innovation economy? Why and how?

**Lecture 12 (2/17) {Crises}** Romer: The Great Crash and the Onset of the Great Depression

- Under what conditions does a fall in the stock market directly lower aggregate consumption?
- According to Romer, why does irreversibility matter in terms of buying durable goods?
- Why does persistent, not transitory, volatility matter for consumers?

**Lecture 13 (2/19) {Crises}** Bernanke: The Macroeconomics of the Great Depression: A Comparative Approach

- What was the gold standard? How, why, and where did it constrain the money supply?
- What is the M1 money supply measure?
- What is the money multiplier?

**Lecture 14 (2/24) {Government}** Alesina et al.: Why Doesn't the United States Have a European-Style Welfare State?

- What kind of federal programs count as "redistribution"?
- How do differential values for economic stability affect the level of redistribution?
- Where do beliefs about the causes of poverty come from?

**Lecture 15 (2/26) {Government}** Baicker et al.: A Distinctive System: Origins and Impact of U.S. Unemployment Compensation

- What is a firm's "experience rating" and how does it affect how taxes are raised to pay for unemployment insurance (UI)?
- Why might UI eligibility decline over time in the future? Why did it decline in the past?
- What is the role of the federal government in UI? Role of state government?

**Lecture 16 (3/3) {Inequality}** Kopczuk, Saez, Song: Earnings Inequality and Mobility in the United States: Evidence from Social Security Data Since 1937

- Why and how would high annual inequality not imply high lifetime inequality?
- Why do upper and lower tail inequality move differently since the Great Compression?
- How do the authors use annual and 5-year average Gini coefficients?

**Lecture 17 (3/5) {Inequality}** Saez and Zucman: Wealth Inequality in the United States since 1913: Evidence from Capitalized Income Tax Data

- Why does survey data understate top wealth?
- Why is capital income more concentrated than wealth?
- Most return heterogeneity comes from which type of gains?

**Final (3/10)**