

HIST/GOVT 164

(Section 1, Call # 43315 / 43164)

History of American Capitalism

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Office Hours: TR 9:00-10:25 a.m.

Course Location/Time:
AMD 263; T/R 10:30-11:45 a.m.

Course Description:

This course will investigate the historical development of the U.S. economy and its business system. By first examining the historical origins of capitalism and other economic systems, we will establish a foundation for understanding the future development of American capitalism from the colonial era through the present, with a focus on the 20th century. Topics that we will explore and discuss include: mercantilism; marxism; capitalism; competition and consolidation in the railroad industry; 19th century entrepreneurs and inventors; the origins of federal regulation; the automobile industry; marketing; consumerism; stock market crash; New Deal economic reforms; post-war prosperity; energy; chain stores; cosmetics industry; entertainment business; and the modern computer age. Information will be presented to the class through lecture, discussion, video, and the internet.

Course Themes:

The course will focus on the following themes: capitalism in historical perspective; marketing and advertising; entrepreneurs; business & government relations

Reading Assignments:

Reading assignments should be completed before the class for which they are assigned so that you are familiar with the material to be covered that day in class. During some class sessions we will have quizzes, in-class assignments or group projects for which knowledge of the reading will be essential.

Learning Objectives:

Students who successfully complete this course will understand the historical development of the U.S. economic system and be able to compare and contrast American style capitalism with other economic systems. Students will also learn about the significant people, events and themes that comprise the history of the U.S. economy and its business system. Through readings, lecture, discussion, multi-media presentations, group work and student presentations, students will become familiar with different interpretations of the role of business in U.S. history and the meaning of capitalism in America. The course encourages critical thinking and concise writing.

General Guidelines:

Please come to class prepared to learn and participate in any discussion or activity. Please arrive to class on time, and if you must leave early please let me know beforehand and sit near the exit. Please do not study for other classes, read newspapers, send or receive text messages, or leave your cell phones on during class. Of course, plagiarism and cheating are not acceptable and may result in an "F" for the assignment, course and/or other University action.

Assessment:**Exams** (20% each)

- Two mid term exams

Research and write a business biography paper (20%) – see attached Paper Guidelines.

- Write a paper (4-6 pages) that compares and contrasts the lives and careers of two entrepreneurs in American history. At least one of these entrepreneurs must be profiled in H. W. Brands, *Masters of Enterprise*. **Due November 25th – no exceptions!**

Research paper (25%) – see attached Paper Guidelines.

- Write a paper (8-12 pages) that examines some aspect of American capitalism. Your paper may examine a particular business or corporation, an industry, an entrepreneur, a labor union or labor movement, or a theoretical aspect of the American economy. It should be based at least in part on chapters 13 and 14 in Hunt, *Property and Prophets*. It must consist of at least 5 distinct bibliographic sources and include footnotes.
Due at 12:00 p.m. on December 18th at the Department of History.

In-Class Assignments, Participation and Attendance (15%)

- Regular participation and attendance is required. Missing more than 3 classes will subject you to a grade reduction.
- All reading assignments should be completed prior to the class date so that you will be prepared to participate in discussion or any in-class assignment.
- Includes participation in in-class assignments and quizzes.

Grading:

Students will be graded on a standard scale:

92-100: A	90-91: A-	88-89: B+	82-87: B	80-81: B-
78-79: C+	72-77: C	70-71: C-	68-69: D+	62-67: D
60-61: D-	All other scores: F			

Required Books:

H. W. Brands, *Masters of Enterprise* (New York: The Free Press, 1999)

E. K. Hunt, *Property and Prophets: The Evolution of Economic Institutions and Ideologies* (Armonk, NY: M.E. Sharpe, 2003)

Paul E. Johnson, *A Shopkeeper's Millennium: Society and Revivals in Rochester, New York, 1815-1837* (New York: Hill and Wang, 1978)

Thomas K. McCraw, *American Business, 1920-2000: How it Worked* (Wheeling, IL: Harlan Davidson, Inc., 2000)

Thomas K. McCraw, *Prophets of Regulation* (Cambridge, Mass: Harvard University Press, 1984)

Course Calendar:

9/2: Course Introduction

Part I: Origins of Capitalism

9/4-9/9: Precapitalism, Mercantilism and the Colonies

Reading: Hunt, ch. 1, “The Ideology of Precapitalist Europe,” Hunt, ch. 2, “The Transition to Early Capitalism and the Beginnings of the Mercantilist View,” ch. 3 “The Conflict in Mercantilist Thought”

9/11: Adam Smith and the American Revolution

Reading: Hunt, ch. 4, “Classical Liberalism and the Triumph of Industrial Capitalism”

9/16-9/18 Business in early U.S. History

Reading: Brands, *Masters of Enterprise*, ch. 1, “Growing Up with the Country – John Jacob Astor,” ch. 3, “Golden Grain – Cyrus McCormick,”

9/23: The Market in Jacksonian America

Reading: Johnson, *A Shopkeeper’s Millennium*, (all).

9/25-9/30: Origins of Socialism and Marxism

Reading: Hunt, ch. 5, “Socialist Protest Amid the Industrial Revolution,” ch. 6, “Marx’s Conception of Capitalism,” Hunt, ch. 7, “Marx’s Social and Economic Theories”

10/2: **Exam 1**

Part II: The Rise of Corporate Capitalism in the Industrial Era

10/7-10/9: The Railroad and Big Business

Reading: Hunt, ch. 8, “The Rise of Corporate Capitalism and Its Ideological Defenses,” Brands, *Masters of Enterprise*, ch. 2, “The Warrior – Cornelius Vanderbilt,” ch. 4, “The Speculator – Jay Gould,”

10/14-10/16: Oil, Steel and the Robber Barons of the 19th Century

Reading: Brands, *Masters of Enterprise*, ch. 5, “Auld Lang Syne – Andrew Carnegie,” ch. 6, “By Jupiter – J. Pierpont Morgan,” ch. 7, “The Monopoly Esthetic – John D. Rockefeller”

10/21: Origins of Government Regulation

Reading: Hunt, ch. 9, “The Consolidation of Monopoly Power and the Writings of Veblen,” McCraw, *Prophets of Regulation*, ch. 1, “Adams and the Sunshine Commission” and ch. 2, “State to Federal, Railroads to Trusts”

- 10/23: The Progressive Era
Reading: McCraw, *Prophets of Regulation*, ch. 3, Brandeis and the Origins of the FTC,” and ch. 4, “Antitrust, Regulation, and the FTC”
- 10/28-10/30: Business and Automobiles in the Early Twentieth Century
Reading: McCraw, *American Business, 1920-2000*, Intro, “Eighty Years of Relentless Change,” and ch. 2, “The 1920s: Motor Vehicles and Modern Management,” Brands, *Masters of Enterprise*, ch. 8, “The Mechanic of Revolution – Henry Ford,” and ch. 9, “Organization Man – Alfred P. Sloan”
- 11/4: The 1920s and Wall Street
Reading: McCraw, *American Business, 1920-2000*, ch. 2, “Overview: The Financial System,”
- 11/6-11/11: The Great Depression and World War II
Reading: Hunt, *Property and Prophets*, ch. 12, “Keynesian Economics and the Great Depression,” McCraw, *American Business, 1920-2000*, ch. 5, “The New Deal and World War II, 1933-1945,” Brands, ch. 11, “The Faith that Launched a Thousand Ships – Henry Kaiser,” McCraw, *Prophets of Regulation*, ch. 5,
- 11/13: **Exam 2**
- Part III: The American Era**
- 11/18: Post War Prosperity
Reading: McCraw, *American Business, 1920-2000*, ch. 4, “Overview: Women in Business,” ch. 6, “Overview: African Americans in Business,” Brands, *Masters of Enterprise*, ch. 18, “The Hero of the Hit Factory,” ch. 19, “Every Woman a Queen – Mary Kay Ash,” and ch. 21, “Dress for Success – Liz Claiborne”
- 11/20: Food and Franchising
Reading: McCraw, *American Business, 1920-2000*, c. 9, “1973-2000: Slower Economic Growth, Franchising, and the Case of McDonald’s,” Brands, *Masters of Enterprise*, ch. 16, “Sweating Burgers – Ray Kroc,” ch. 15, “The Real Thing – Robert Woodruff,” ch. 17, “Bentonville, U.S.A. – Sam Walton,” ch. 20, “Just Do It – Phil Knight”
- 11/25: The Entertainment Industry
Reading: McCraw, *American Business, 1920-2000*, c. 7, “Toward a Peak of Prosperity, 1945-1973: RCA and Color TV,” Brands, *Masters of Enterprise*, ch. 13, “Emperor of the Air – David Sarnoff,” ch. 14, “Fantasy Inc. – Walt Disney,” ch. 22, “The World in Real Time – Ted Turner”

- 11/27: Thanksgiving Holiday
- 12/2: Computers and the Internet
Reading: McCraw, *American Business, 1920-2000*, ch. 10, “Overview: Computers, Silicon Valley, and the Internet,” Brands, *Masters of Enterprise*, ch. 10, “Think-and Sell – Thomas J. Watson,” ch. 24, “The Paranoia Principle – Andrew Grove,” ch. 25, “Standard Operating Procedure – Bill Gates”
- 12/4: Energy Crisis/Business Crisis
Reading: McCraw, *Prophets of Regulation*, ch. 7, “Kahn and the Economist’s Hour” and ch. 8, “Regulation Reconsidered”
- 12/9: The American Experience in Retrospective – Defenders of Capitalism
Reading: McCraw, *American Business, 1920-2000*, Epilogue, “Themes of an Era: 1920-2000,” Hunt, *Property and Prophets*, ch. 13, “Contemporary American Capitalism and Its Defenders”
- 12/11: The American Experience in Retrospective – Critics of Capitalism
Reading: McCraw, *American Business, 1920-2000*, Epilogue, “Themes of an Era: 1920-2000,” Hunt, *Property and Prophets*, ch. 14, “Contemporary American Capitalism and Its Radical Critics”

12/18: FINAL EXAM TIME --- (AMD 263 @ 10:15 p.m. - 12:15 p.m.)

NOTE: Syllabus subject to change and/or correction.

Writing Guidelines

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All writing assignments (other than in-class exams) must follow the following guidelines. Papers that do not follow these guidelines will receive a reduction in grade:

- 1) Title page: Includes your name, title of the paper, title of class, and date.
- 2) Bibliography: Includes all sources used in the research for your paper. Use standard citation format. (see below and/or Chicago Manual of Style/Kate Turabian)
- 3) Footnotes: All quotes and other material drawn from a specific source must be cited in a footnote. Use a note number in the text (preferably at the end of the sentence) that refers to the footnote. (see below and/or Chicago Manual of Style/Kate Turabian)
- 4) Typed
- 5) Double-spaced

Paper #1: Research and write a business biography paper: (20%)
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Paper #2: Research paper: (25%)
Write a paper (8-12 pages) that examines some aspect of American capitalism. Your paper must examine a particular business or corporation, an industry, an entrepreneur, a labor union or labor movement, or a theoretical aspect of the American economy. It should be based at least in part on chapters 13 and 14 in Hunt, *Property and Prophets*. It must consist of at least 5 distinct bibliographic sources and include footnotes. Due at 12:00 p.m. on December 18th at the Department of History.

Types of Footnote Citation

Book with one author, first citation:

author, *title* (place: publisher, date) page number.

James M. Foster, *History of Energy in America* (Austin, TX: University of Texas Press, 2000), p. 134.

second and subsequent citations:

Foster, *History of Energy in America*, p. 134.

Article in edited book, first citation:

author, "title," in editor(s), eds., *title* (place: publisher, date) page number.

Aaron Cohen, "Russia and the Jews: Myth, Truth, and History," in Jeffrey Dym and Joe Palermo, eds., *Jews among Saints: Communists in East Germany* (New York: New York University Press, 1996) p. 62.

second and subsequent citations:

Cohen, "Russia the Jews," p. 62.

Article in journal, first citation:

author, "title," *journal* volume (date) page number.

Harry Goldfinger, "The Mimosa and the Bloody Mary," *Ethnology* 17 (1978), p. 80.

second and subsequent citations:

Goldberg, "The Mimosa and the Bloody Mary," p. 80.

Encyclopedia citation:

"title," *encyclopedia* volume: page number.

"Natural Gas," *Encyclopedia of Energy* 8: 154. (meaning - volume 8, page 154)

Internet Citation:

"The Catholic Stand on Gambling." <http://www.cc.org/issues/gambling.html>. Accessed on 19 August 1999.

Bibliography Citation Formats

Book with one author:

last name, first name. *title*. place: publisher, date.

Cohen, Joseph M. *The Cossacks and the Peasants*. New York, NY: Harpers, 2000.

Edited book:

editor last name, first name (if subsequent editors, their names are in first name last name order), eds. *title*. place: publisher, date.

Marsh, George and John Muir, eds. *The Sierra and Yosemite in Context*. New York: New York University Press, 1996.

Article in edited book:

last name, first name. "title," page numbers. In editors, eds. *title*. place: publisher, date.

McCraw, Thomas. "Regulating the Railroads," pp. 50-63. In Howard Hughs and Walter P. Zucker, eds. *Railroads and Highways: Government and Transportation*. New York: New York University Press, 1996.

Journal Article:

last name, first name. "title." *journal* volume (date) page numbers.

Goldfinger, Harvey. "Last of the Miwok." *Ethnology* 17 (1978), pp. 75-87.

Encyclopedia:

title. place: publisher, date.

Encyclopedia of Energy. New York: Harpers, 1972.