

ECONOMIC HISTORY OF CANADA TO 1914

Fall 2019

Professor: Vincent Geloso	Time: Tuesdays and Thursdays 11:30 to 1PM
Email: vgeloso@uwo.ca	Place: W166.

Office Hours: Mondays from 1:30PM to 5:30PM, skype appointments available.

Main References:

- Assigned readings of articles. The assigned readings are marked with an asterisk on OWL. There are also non-assigned readings. The non-assigned readings are relevant for the class content however and, as you will see below, of great importance for the final exam.

Objectives: This class offers a comparative history of North American economies with a heavy focus on Canadian economic history (in the light of American comparisons). The goals of this class are a) to use a comparative approach in order to identify Canada's economic development and; b) embed Canada within broader narratives and discussions regarding why some countries are poor and others are rich. To that end, we will start with theoretical outlines that are necessary to do *economic* history. When the theoretical core of economic tools used in the class will be assembled, we will move on to a topic-by-topic approach.

Prerequisites: Principles of Microeconomics, Principles of Macroeconomics

Recommended: Intermediate Microeconomic Theory; Intermediate Macroeconomic Theory; Introduction to Econometrics

Grading Policy: Midterm 1 (30%), Final (40%), Paper Presentations (15%), Class Participations (15%).

Each class, three students will each present a summary of one of the papers that were assigned for reading. Each student should present twice during the semester. If the class size is too large for this purpose, teams will be assembled and assigned presentations so that each team will present twice during the term. You will always know one week ahead of time when you present. To insure that readings are done properly, I will then randomly select a discussant who will make comments on the paper and the presentation. If the discussant shows that he has not read the paper, he will loose marks for class participation. **I will not accept self-reported absences for the presentations.**

The midterm will be a multiple choice exam that will include one question for elaboration.

The final exam will be a take-home exam with two essay questions. You will have a pool of five questions that you can pick from. Each of the five questions will relate to topics seen in class. You will have to cite some of the articles that *were not* assigned for reading on OWL.

Academic Honesty: Lack of knowledge of the academic honesty policy is not a reasonable explanation for a violation.

Important Dates:

Midterm Feb 18th 2020
Final Exam TBD

Table 1: **Tentative Course Outline:**

Class 1	Introduction	None
Theoretical Outlines		
Class 2	What is Economic History	Specified readings in OWL
Class 3	Were People from the Past Irrational Morons?	Specified readings in OWL
Class 4	Governance, Institutions and Public Choice Theory	Specified readings in OWL
Topics		
Class 5	Colonial Origins of Divergence and Living Standards	Specified readings in OWL
Class 6	Mercantilism	Specified readings in OWL
Class 7	Seigneurial Tenure in Quebec	Specified readings in OWL
Class 8	Demography, Health and Development	Specified readings in OWL
Class 9	Confederation, Tariffs and Anti-Combines	Specified readings in OWL
Class 10	Native Economies	Specified readings in OWL
Class 11	Wars and Living Standards	Specified readings in OWL
Only if we have time		
Class 12	Fisheries and Common Pool Resources	Specified readings in OWL
Class 13	Banking and Money	Specified readings in OWL

Class rules:

- I never answer questions about the exam less than 24 hours before the exam. Nor do I answer emails about contents.
- I do not tolerate private conversations during class.
- I will not tolerate cellphones ringing if they ring, I will make you answer on speakerphone. If you use your phone in class, I will make you read the last text message you received.
- If you send me a picture of a bottle of Jack Daniels, I will give you an extra point – I will not apply this rule if more than 50% of the class sends me the picture. This is to see who reads the syllabus!
- If you are late by 1 second, I dont care - you are late. The show starts at the clock and if youre not there, dont bother.
- If I hear anything positive about the Maple Leafs, you will feel my wrath.

Only the readings with an asterisk (*) must be read each week. The other readings complement the lectures I will give. It would be good if you skimmed them ahead of time because the final exam forces you to use the non-obligatory readings from two themes of your choice (bearing in mind that the final is a take-home exam)

Week 2: What is Economic History

*Goldin, Claudia. "Cliometrics and the Nobel." *Journal of economic perspectives* 9, no. 2 (1995): 191-208.

*Geloso, Vincent J. "Economics, Economic History and Historical Data." In *An Economist's Guide to Economic History*, pp. 21-29. Palgrave Macmillan, Cham, 2018.

*Colvin, Christopher L., and Homer Wagenaar. "Economics Versus History." In *An Economist's Guide to Economic History*, pp. 13-20. Palgrave Macmillan, Cham, 2018.

Week 3: Were People from the Past Irrational Morons?

*Leeson, Peter T. "Ordeals." *Journal of Law and Economics* 55, no. 3 (2012): 691-714.

*McCloskey, Donald N. "English open fields as behavior towards risk." *Research in Economic History* 1, no. 2 (1976): 124-171.

*Leeson, Peter T. "Logic is a harsh mistress: welfare economics for economists." *Journal of Institutional Economics* (2019): 1-6.

*Ogilvie, Sheilagh. "The economic world of the Bohemian Serf: economic concepts, preferences, and constraints on the estate of Friedland, 1583–1692." *The economic history review* 54, no. 3 (2001): 430-453.

Rothenberg, Winifred B. "The market and Massachusetts farmers, 1750–1855." *Journal of Economic History* 41, no. 2 (1981): 283-314.

Geloso, Vincent, Michael Hinton, and Vadim Kufenko. "The equally "bad" French and English farmers of Quebec: New TFP measures from the 1831 census." *Historical Methods: A Journal of Quantitative and Interdisciplinary History* 50, no. 3 (2017): 170-189.

McCloskey, Donald N. "The prudent peasant: new findings on open fields." *Journal of Economic History* 51, no. 2 (1991): 343-355.

Leeson, Peter T. "Beneficent Bullshit." In *James M. Buchanan*, pp. 425-440. Palgrave Macmillan, Cham, 2018.

Week 4: Institutions

*North, Douglass C. "Institutions." *Journal of Economic Perspectives* 5, no. 1 (1991): 97-112.

*Stringham, Edward. "The extralegal development of securities trading in seventeenth-century Amsterdam." *The Quarterly Review of Economics and Finance* 43, no. 2 (2003): 321-344.

*Tarko, Vlad, and Kyle O'Donnell. "Escape from Europe: a calculus of consent model of the origins of liberal institutions in the North American colonies." *Constitutional Political Economy* 30, no. 1 (2019): 70-95.

Salter, Alexander William, and Andrew T. Young. "Polycentric Sovereignty: The Medieval Constitution, Governance Quality, and the Wealth of Nations." *Social Science Quarterly* 100, no. 4 (2019): 1241-1253.

Piano, Ennio E., and Louis Rouanet. "Economic calculation and the organization of markets." *The Review of Austrian Economics* (2018): 1-18.

Week 5: Divergence, Living Standards and Colonial Origins

*Sokoloff, Kenneth L., and Stanley L. Engerman. "Institutions, factor endowments, and paths of development in the new world." *Journal of Economic Perspectives* 14, no. 3 (2000): 217-232.

*Allen, Robert C., Tommy E. Murphy, and Eric B. Schneider. "The colonial origins of the divergence in the Americas: a labor market approach." *The Journal of Economic History* 72, no. 4 (2012): 863-894.

*Geloso, Vincent J. "Distinct within North America: living standards in French Canada, 1688–1775." *Cliometrica* 13, no. 2 (2019): 277-321

Burnard, Trevor, Laura Panza, and Jeffrey Williamson. "Living costs, real incomes and inequality in colonial Jamaica." *Explorations in Economic History* 71 (2019): 55-71.

Abad, Leticia Arroyo, and Jan Luiten van Zanden. "Growth under extractive institutions? Latin American per capita GDP in colonial times." *The Journal of Economic History* 76, no. 4 (2016): 1182-1215.

Week 6: Mercantilism

*Zanella, Fernando C., Robert B. Ekelund, and David N. Laband. "Monarchy, monopoly and mercantilism: Brazil versus the United States in the 1800s." *Public Choice* 116, no. 3-4 (2003): 381-398.

*Altman, Morris. "Staple theory and export-led growth: constructing differential growth." *Australian Economic History Review* 43, no. 3 (2003): 230-255.

*Irwin, Douglas A. "Strategic trade policy and mercantilist trade rivalries." *The American Economic Review* 82, no. 2 (1992): 134-139.

Wien, Thomas. "Selling Beaver Skins in North America and Europe, 1720-1760: The Uses of Fur-Trade Imperialism." *Journal of the Canadian Historical Association/Revue de la Société historique du Canada* 1, no. 1 (1990): 293-317.

Miquelon, Dale. "Canada's Place in the French Imperial Economy: An Eighteenth-Century Overview." *French Historical Studies* 15, no. 3 (1988): 432-443.

Zahedieh, Nuala. "Regulation, rent-seeking, and the Glorious Revolution in the English Atlantic economy." *The Economic History Review* 63, no. 4 (2010): 865-890.

McClelland, Peter D. "The new economic history and the burdens of the navigation Acts: A comment." *The Economic History Review* 26, no. 4 (1973): 679-686.

Week 7: Seigneurial Tenure in Quebec

*Geloso, Vincent, and Mathieu Bédard. "Was economic growth likely in Lower Canada?." *Journal of Private Enterprise* 33, no. 3 (2018).

*Percy, Michael B., and Rick Szostak. "The political economy of the abolition of seigneurial tenure in Canada East." *Explorations in Economic History* 29, no. 1 (1992): 51-68.

*Altman, Morris. "Seigniorial Tenure in New France, 1688-1739: An Essay on Income Distribution and Retarded Economic Development." *Historical Reflections/Réflexions historiques* (1983): 335-375.

Phillips, Paul. "Land tenure and economic development: a comparison of Upper and Lower Canada." *Journal of Canadian Studies* 9, no. 2 (1974): 35-45.

Geloso, Vincent. "Predation, Seigneurial Tenure and Development in French Colonial America." *Social Science History*, (Forthcoming).

Geloso, Vincent, Vadim Kufenko, and Alex Arsenault Morin. "Monopsony and Industrial Development in Nineteenth Century Quebec: The Impact of Seigneurial Tenure." Working Paper, 2018.

Geloso, Vincent. "Measuring Away the Importance of Institutions: The Case of Seigneurial Tenure and Agricultural Output in Canada East, 1851." *Social Science Quarterly* 100, no. 3 (2019): 897-910.

Geloso, Vincent, and Alexis Lacombe. "Why was flour of poor quality? The impact of seigneurial laws and price controls on flour in Quebec during the colonial era." *Agricultural History Review* 64, no. 2 (2016): 181-195.

Week 8: Demography, Health and Development

Note: Those who will present the Arsenault Morin et al. (2017) paper will have to simultaneously present the shorter Deaton paper in order to explain why there is a focus on heights as a proxy for living standards.

*Geloso, Vincent, and Vadim Kufenko. "Malthusian pressures: empirical evidence from a frontier economy." *Journal of Population Research* 32, no. 3-4 (2015): 263-283.

*Arsenault Morin, Alex, Vincent Geloso, and Vadim Kufenko. "The heights of French-Canadian convicts, 1780s–1820s." *Economics & Human Biology* 26 (2017): 126-136.

*Harris, Bernard. "Public health, nutrition, and the decline of mortality: The McKeown thesis revisited." *Social history of medicine* 17, no. 3 (2004): 379-407.

*Deaton, Angus. "Height, health, and development." *Proceedings of the National Academy of Sciences* 104, no. 33 (2007): 13232-13237.

Crafts, Nicholas, and Terence C. Mills. "From Malthus to Solow: How did the Malthusian economy really evolve?." *Journal of Macroeconomics* 31, no. 1 (2009): 68-93.

Møller, Niels Framroze, and Paul Sharp. "Malthus in cointegration space: evidence of a post-Malthusian pre-industrial England." *Journal of economic growth* 19, no. 1 (2014): 105-140.

Steckel, Richard H. "Heights and human welfare: Recent developments and new directions." *Explorations in Economic History* 46, no. 1 (2009): 1-23.

Persson, Karl Gunnar. "The Malthus delusion." *European Review of Economic History* 12, no. 2 (2008): 165-173.

Palma, Nuno. "Sailing away from Malthus: intercontinental trade and European economic growth, 1500–1800." *Cliometrica* 10, no. 2 (2016): 129-149.

Bodenhorn, Howard, Timothy W. Guinnane, and Thomas A. Mroz. "Sample-selection biases and the industrialization puzzle." *The Journal of Economic History* 77, no. 1 (2017): 171-207.

Carson, Scott Alan. "Height of female Americans in the 19th century and the antebellum puzzle." *Economics & Human Biology* 9, no. 2 (2011): 157-164.

Cranfield, John, and Kris Inwood. "The great transformation: A long-run perspective on physical well-being in Canada." *Economics & Human Biology* 5, no. 2 (2007): 204-228.

Cranfield, John, and Kris Inwood. "A Tale of Two Armies: Comparative Growth in the Mirror of the First World War." *Australian Economic History Review* 55, no. 2 (2015): 212-233.

Zehetmayer, Matthias. "The continuation of the antebellum puzzle: stature in the US, 1847–1894." *European Review of Economic History* 15, no. 2 (2011): 313-327.

Haines, Michael R., Lee A. Craig, and Thomas Weiss. "The short and the dead: nutrition, mortality, and the "Antebellum Puzzle" in the United States." *The Journal of Economic History* 63, no. 2 (2003): 382-413.

Week 9: Confederation, Tariffs and Anti-Combines

*Forster, Ben. "The Coming of the National Policy: Business, Government and the Tariff, 1876-1879." *Journal of Canadian Studies* 14, no. 3 (1979): 39-49.

*Geloso, Vincent. "Collusion and combines in Canada, 1880–1890." *Scandinavian Economic History Review* (2019): 1-19.

*Smith, Andrew. "The Reaction of the City of London to the Quebec Resolutions, 1864-1866." *Journal of the Canadian Historical Association/Revue de la Société historique du Canada* 17, no. 1 (2006): 1-24.

Alexander, Patrick D., and Ian Keay. "Responding to the First Era of Globalization: Canadian Trade Policy, 1870–1913." *The Journal of Economic History* (2018): 1-36.

Acheson, Thomas William. "The National Policy and the Industrialization of the Maritimes, 1880-1910." *Acadiensis* 1, no. 2 (1972): 3-28.

Beaulieu, Eugene, and Jevan Cherniwchan. "Tariff structure, trade expansion, and Canadian protectionism, 1870–1910." *Canadian Journal of Economics/Revue canadienne d'économique* 47, no. 1 (2014): 144-172.

Alexander, Patrick D., and Ian Keay. "A general equilibrium analysis of Canada's national policy." *Explorations in Economic History* 68 (2018): 1-15.

Beaulieu, Eugene, and JC Herbert Emery. "Pork packers, reciprocity, and Laurier's defeat in the 1911 Canadian General Election." *The Journal of Economic History* 61, no. 4 (2001): 1083-1101.

Troesken, Werner. "Exclusive Dealing and the Whiskey Trust, 1890–1895." *The Journal of Economic History* 58, no. 3 (1998): 755-778.

Troesken, Werner. "The letters of John Sherman and the origins of antitrust." *The Review of Austrian Economics* 15, no. 4 (2002): 275-295.

Geloso, Vincent, and Germain Belzile. "Electricity in Quebec before Nationalization, 1919 to 1939." *Atlantic Economic Journal* 46, no. 1 (2018): 101-119.

Grant, Hugh, and Henry Thille. "Tariffs, strategy, and structure: Competition and collusion in the Ontario petroleum industry, 1870–1880." *The Journal of Economic History* 61, no. 2 (2001): 390-413.

Week 10: Native Economies

*Anderson, Terry L., and Fred S. Mc Chesney. "Raid or trade? An economic model of Indian-White relations." *The journal of Law and Economics* 37, no. 1 (1994): 39-74.

*Geloso, Vincent, and Louis Rouanet. "Ethnogenesis and Statelessness." *Available at SSRN* 3448582 (2019).

*Geloso, Vincent. "Trade or Raid: Acadian Settlers and Native Indians Before 1755." (2017).

Komlos, John, and Leonard Carlson. "The anthropometric history of Native Americans, C. 1820–1890." *Research in Economic History* 30 (2014): 135-161.

Dippel, Christian. "Forced coexistence and economic development: evidence from Native American Reservations." *Econometrica* 82, no. 6 (2014): 2131-2165.

Feir, Donna, Rob Gillezeau, and Maggie EC Jones. *The slaughter of the bison and reversal of fortunes on the Great Plains*. No. 1-2019. Federal Reserve Bank of Minneapolis, 2019.

Steckel, Richard H. "Inequality amidst nutritional abundance: Native Americans on the great plains." *The Journal of Economic History* 70, no. 2 (2010): 265-286.

Gregg, Matthew T., and David M. Wishart. "The price of Cherokee removal." *Explorations in Economic History* 49, no. 4 (2012): 423-442.

Week 12: Conflicts and Wars

*Eloranta, Jari A., Vincent Geloso, and Vadim Kufenko. "Empire Effect versus Crowding Out Effect: Shipping Productivity in the North Atlantic from 1764 to 1860." *Available at SSRN 2963620* (2017).

*Higgs, Robert. "Wartime Prosperity? A Reassessment of the US Economy in the 1940s." *The Journal of Economic History* 52, no. 1 (1992): 41-60.

*Coyne, Christopher J. "Lobotomizing the defense brain." *The Review of Austrian Economics* 28, no. 4 (2015): 371-396.

Geloso, Vincent. "Toleration of Catholics in Quebec and British public finances, 1760 to 1775." *Essays in Economic & Business History* 33 (2015): 51-80.

Higgs, Robert. "Crisis, bigger government, and ideological change: Two hypotheses on the ratchet phenomenon." *Explorations in Economic History* 22, no. 1 (1985): 1-28.

Geloso, Vincent, and Vadim Kufenko. "Can markets foster rebellion? The case of the 1837–38 rebellions in Lower Canada." *Journal of Economic Behavior & Organization* 166 (2019): 263-287.

Geloso, Vincent. "British Public Debt, the Acadian Expulsion and the American Revolution." In *Public Choice Analyses of American Economic History*, pp. 1-11. Springer, Cham, 2018.

Geloso, Vincent, and Alexander William Salter. "State Capacity and Economic Development: Causal Mechanism or Correlative Filter?." *Available at SSRN* 3294086 (2018).

Week 13: Fisheries

*Allen, Robert C., and Ian Keay. "Saving the whales: lessons from the extinction of the eastern Arctic Bowhead." *The Journal of Economic History* 64, no. 2 (2004): 400-432.

*Davis, Lance E., Robert E. Gallman, and Teresa D. Hutchins. "The decline of US whaling: was the stock of whales running out?." *Business History Review* 62, no. 4 (1988): 569-595.

*Smith, Andrew David Allan. "The Use and Abuse of Environmental Knowledge: A Bloomington School Interpretation of the Canadian Fisheries Act of 1868." *The Review of Austrian Economics* 29, no. 2 (2016): 139-161.

Davis, Lance E., Robert E. Gallman, and Karin Gleiter. "The Americans Replace the British." In *In Pursuit of Leviathan: Technology, Institutions, Productivity, and Profits in American Whaling, 1816-1906*, pp. 459-497. University of Chicago Press, 1997.

Bardi, Ugo. "Energy prices and resource depletion: lessons from the case of whaling in the nineteenth century." *Energy Sources, Part B* 2, no. 3 (2007): 297-304.