Economics 664, Second Half

Business Cycle History

Josh Hausman

Course Information and Procedures

Schedule: T/Th 1-2:30pm in B810 East Quad.

Office hours: Mondays and Wednesdays 2:35 to 3:35pm in Weill 3309.

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Grading: idea memos (described below) and problem sets 30 percent; referee report 30 percent; final 40 percent.

Description
This course will provide an overview of topics in business cycle history. The focus will be on the Great Depression. While this is an economic history course, I will frequently draw parallels to more recent events. And I will frequently comment on general lessons that macroeconomists have drawn from historical business cycles.

I will expect students to put significant time into the course: two papers will be assigned to be read each class, and students will be expected to know these two papers very well.

Assignments

1. Idea memos and problem sets: Each week students will complete either an idea memo or a problem set. For the idea memos, I will provide a question (or questions) relevant to the weeks’ reading. Students will write a one-page response.

2. Referee report: Students will choose one of the required readings and write a detailed referee report. As is standard, the referee report should summarize the paper, and make both major and minor suggestions for improvement. The report should be roughly 2 single spaced pages. It is due on April 29th.

3. There will be an in-class exam on the final day of class, April 21st.
Students with Disabilities

If you believe you need an accommodation for a disability, please let me know at your earliest convenience. Some aspects of this course may be modified to facilitate your participation and progress. As soon as you make me aware of your needs, I can work with the Office of Services for Students with Disabilities to help determine appropriate accommodations. I will treat any information you provide as private and confidential.

Readings

Required book:

Note: This is an excerpt from Friedman and Schwartz’s book *A Monetary History of the United States* (1963). If you are interested in pursuing macro history, I recommend purchasing this entire book instead of the excerpt. It is a fantastic book and is well worth the money.

Highly recommended book
For those students who wish to obtain a more comprehensive narrative of the Great Depression, as well as more understanding of its implications for current policy, I highly recommend a new book by Barry Eichengreen, *Hall of Mirrors* (2015, Oxford: Oxford University Press). I recommend all of it. Below I indicate where chapters from this book fit with the course material.

Other course readings: Other than these books, almost all readings can be easily found through the Michigan library website (e.g. JSTOR). If not, there will be a link below.
Daily schedule. ALL READINGS EXCEPT THOSE FROM HALL OF MIRRORS ARE REQUIRED.

2/26: Introduction to business cycle history

3/10: Historical data

3/12: The Gold Standard

3/17: Causes of 19th century U.S. business cycles

3/19: The Great Depression in the U.S. I
3/24: The Great Depression in the U.S. II


3/26: Alternative monetary policy


3/31: Liquidationism: Alternative views


4/2: Recovery in the U.S. and the New Deal I


4/7: Recovery in the U.S. and the New Deal II

4/9: The 1937-38 Recession

4/14: Depression and recovery abroad

4/16: Supply-side policies

4/21: Exam