ECON 4710:  
(TOPICS IN ECONOMIC HISTORY) 
THE ECONOMICS OF AMERICA’S GREAT DEPRESSION  
(Prerequisite: ECON 4010)  
(Note: This course syllabus is a general plan for the course; deviations may be necessary and will be announced in class.)

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Course Description

Much of modern macroeconomic thought and policy can be traced to the Great Depression of the 1930s—the most severe depression in modern history. This course reviews economic arguments concerning the causes and consequences of that depression, with particular emphasis on U.S. experience. Particular emphasis is placed upon employing concepts and theories learned in intermediate macroeconomics (and also in money and banking classes) toward a better understanding of this crucial episode in economic history.

Objectives

The course has several objectives. One, already alluded to, is to give students an opportunity to apply theories to which they’ve already been exposed in other classes, and especially in intermediate macroeconomics, so that they may gain a better understanding and appreciation of those theories. A second goal is to familiarize students with an episode that helped to shape many of today’s economic policies and institutions. The course will give students an opportunity to compare and to assess rival claims concerning the causes of the depression and the factors responsible for the economy’s eventual recovery.
Requirements

The course will be in the manner of a seminar, with short (30-45 minute) introductory lectures followed by general discussion periods, with discussions informed by assigned readings. I will serve as a sort of traffic-cop in directing the discussions, but otherwise I intend to let students do most of the talking. *It is therefore essential that students prepare for each class meeting by reading assigned materials in advance.* I also ask that each student come to class with *two* carefully thought-out questions to be raised during the discussion period. I also expect students to contribute to addressing questions raised by fellow students. We may not be able to handle all questions, but I will call on students randomly for their input. The general class participation grade, which is worth up to 20 points, or 20 percent of the overall grade, will depend on your contributions to these discussions. Naturally it therefore depends on attendance, which is *mandatory:* you are allowed *up to three unexcused absences only.* Any further absence, if not justified on the grounds of a medical emergency (as certified by a medical note), will warrant a failing grade.

Apart from class participation, grades will be based on a mid-term exam (worth up to 20 points, or 20 percent of the grade), and in-class team “Alphabet Agency” presentation (worth up to 20 points), and a final exam (worth up to 40 points). The exams may consist of any combination of short essay and multiple choice questions and matching exercises. Students also have the option of submitting *two* 5-6 page book reports, worth up to 10 points each, which can serve as *substitutes* for the mid-term exam. *No make-up exams will be administered.* Books reported on may address important persons, industries, or controversies relating to the Great Depression. In every case the books chosen *must be approved by me in advance.* The first report is due within a week of the date of the mid-term exam; the second is due no later than three weeks prior to the last day of class. *Please note that, once an exam or report is submitted, the grade is final.*

Grades: Summary

The grade breakdown is as follows:

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<thead>
<tr>
<th>Component</th>
<th>Points</th>
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<tr>
<td>Participation</td>
<td>20</td>
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<tr>
<td>Mid-Term</td>
<td>20</td>
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<tr>
<td>(or 2 reports @ 10 points each)</td>
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<tr>
<td>Team presentation</td>
<td>20</td>
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<tr>
<td>Final Exam</td>
<td>40</td>
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The letter grades will generally be based on traditional 10-point intervals, e.g., 90 or above = A and so on. A "curve" making for a relaxed scale is possible, but please don't count on it! Although I may also assign grades of A “plus” to exceptional students, I will not otherwise report plus or minus grades.
The Honor Code and Academic Honesty

As a University of Georgia student, you have agreed to abide by the University’s academic honesty policy, “A Culture of Honesty,” and the Student Honor Code. All academic work must meet the standards described in “A Culture of Honesty” found at: www.uga.edu/honesty. Lack of knowledge of the academic honesty policy is not a reasonable explanation for a violation. Questions related to course assignments and the academic honesty policy should be directed to the instructor.

Outline of Lecture Topics and Assigned Readings

(Each topic will be introduced by a short lecture, to be followed by a seminar-style discussion of one or more assigned readings. You are, of course, expected to have read assigned readings prior to the meetings devoted to discussing them. Readings from the required books are indicated by the author’s initial followed by assigned chapters: thus “A-1” means Anderson, chapter 1. Books and articles are listed in full in the “Reading Materials” section that follows.)

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“Comparing Recessions,” from Marginal Revolution

2. Macroeconomic Theory: A Quick Overview


4. The Great Bull Market: Domestic and International Influences. A16-27; HF 2; White; Santoni


6. Movie: Breadline 1929

7. The Role of Monetary Policy. H 3 and 4; P2; Garrison; Wheelock

8. The Banking Crisis. HF 6.1 and 8.3; Walter; Temzelides; Selgin 1.


11. Hoover and Laissez-Faire. A31-38; HF 8.1; P3; Taylor and Selgin: Powell (article); R7-12; Rothbard.


15. The N.R.A.: No Recovery Allowed. A48-50; HF 9; P9 and 12, Higgins 2; Hazlitt; Chamberlain: Heilbroner.


18. The New Deal Alphabet Agencies. (Student Presentations.) For basic background, see http://www.vw.vccs.edu/vwhansd/HIS122/NewDeal.html and http://en.wikipedia.org/wiki/Alphabet_agencies

19. 1937-8: The Depression within the Depression. A66-70; HF 11; P16; Timberlake


Reading Materials

Books (* = Required)


Articles


Heilbroner, Robert. “Socialism.” From the *Concise Encyclopedia of Economics*.


Powell, Jim. “America’s Greatest Depression Fighter (No, it wasn’t Franklin Roosevelt).”


Selgin, George (Selgin 1). “Are Banking Crises Free-Market Phenomena?” *Critical Review*.

Selgin, George (Selgin 2). Review of Hall and Ferguson’s *The Great Depression:*


