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# HISTORY OF AMERICAN CAPITALISM

## BASIC INFO

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Lectures/discussion Prof. Dunlavy – contact info	Tuesdays and Thursdays, 2:30-3:45 p.m., 1101 Mosse Humanities Bldg. <a href="mailto:cdunlavy@wisc.edu">cdunlavy@wisc.edu</a> – (608) 263-1854 – mailbox #5005 Website: <a href="http://historyofcapitalism.net">http://historyofcapitalism.net</a>
Office hours	Tuesdays and Thursdays, 4:00-5:00 p.m., 5109 Mosse Humanities

## OVERVIEW

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How did American capitalism reach its current state? This is one of today's most pressing questions, and it's arguably the most exciting time in a century to grapple with it.

This course offers useful ways of thinking about (i.e., analyzing, understanding) American capitalism through a survey of its historical development since the mid-eighteen century. Although history cannot be used to predict the future, understanding the historical processes by which we arrived at our current state helps us to make sense of the transformations going on around us.

Our survey of that history is structured around two broad *dimensions* of American capitalism:

- the foundational, though ever-changing, *role of government*, broadly construed, which both shaped and was shaped by American capitalism; and
- changes in *technology*, which have transformed (and are transforming) both the American economy and social relations.

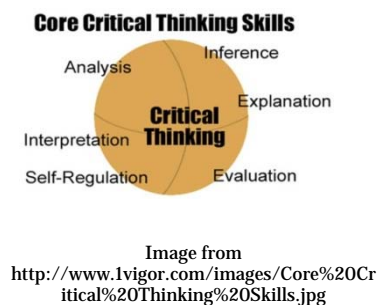
Class periods will combine lecture and discussion. In virtually every lecture, we will devote a portion of our time to discussion of the assigned readings or the lectures.

## GOALS: KNOWLEDGE- AND SKILL-BUILDING

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This course offers you an opportunity to enhance both your *knowledge* of the history of American capitalism and your *skill* at thinking critically and historically.

The lectures, assigned readings, and writing assignments will encourage you to develop your ability to think critically. *Critical thinking* is one of the two most important skills that you can learn, whatever your career aspirations. The components of critical thinking are illustrated in the image to the right. For more information, see The Critical Thinking Community's webpage at <http://www.criticalthinking.org/pages/our-concept-of-critical-thinking/411>. If you would like to work on your critical-thinking skills, I encourage you to read M. Neil Browne and Stuart M. Keeley, *Asking the Right Questions: A Guide to Critical Thinking* (any recent edition).



The second important skill is *historical thinking*. This means paying careful attention to *events*, to *change over time*, and to the *particular sequence* of events (chronology). It also means learning to grapple creatively with *complexity*—e.g., with differing rates of change, with multi-causality, and with necessarily incomplete information. What could be more useful in today's complex and rapidly changing world?

If you do well in this course, you may characterize these skills on your resumé in the following words:

- Adept at analyzing complex, dynamic, real-world events based on incomplete information and able to communicate the results of that analysis coherently and succinctly.

## READINGS

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The readings are a mixture of primary sources (i.e., documents produced in the years we are studying) and secondary sources (written in later years, usually based on primary sources). With the exception of Rampolla's *A Pocket Guide to Writing in History*, the readings will be available on Learn@UW (<https://learnuw.wisc.edu>, log in with your UW NetID).

Little prior knowledge of U.S. history is presumed in this course. However, if you would like to refresh or enhance your knowledge during the semester, a good choice for this course would be Pauline Maier et al., *Inventing America: A History of the United States*, 2d ed. (W. W. Norton, 2006).

## ASSIGNMENTS

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These are designed to help you develop essential skills—reading and listening carefully, evaluating and synthesizing what you have heard/read, and expressing your understanding coherently and persuasively in writing. If you have not read the little, all-time classic, Strunk and White's *The Elements of Style*, this would be an excellent time to do so. Also, be sure to make use of resources such as Rampolla's *Pocket Guide* and the UW's [Writing Center](#).

### BRIEF ANALYSIS

This, the first assignment of the semester, is due in lecture on January 29. Its focus is on sharpening your analytical skills—in this instance, your ability to discern and summarize the key points to be gleaned from a set of primary sources.

### RESEARCH ASSIGNMENT

You will have one research assignment this semester, using online digital sources. This assignment is designed to cultivate your research skills as well as your skills in critical thinking and historical thinking. It will ask you to relate articles published in a newspaper (e.g., *Chicago Tribune*) or a magazine (e.g., *Harper's Weekley*) to the assigned readings.

### TAKE-HOME ESSAYS

Both the mid-term and the final exam will be take-home essays, based solely on the assigned readings and the sources used for your research assignments. I will devote some time in lectures to the writing process.

### OCCASIONAL QUIZZES OR BRIEF, IN-CLASS WRITING ASSIGNMENTS

From time to time (unannounced), a brief quiz or writing exercise will check your understanding of assigned readings or recent lectures.

## GRADING

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These tables indicate the relative weight of the various components that will form the basis for your semester grade. Your assignments will be graded on the scale shown at the right. Bear in mind that, even if your grade is at the upper (or lower) edge of a grading interval, it will still be reported at the end of the semester as the basic interval grade (e.g., 83 and 87 will both be reported as a B). Penalty for late papers: one full step (e.g., from A to B) for each day (partial days to be pro-rated).

Components of Your Grade	
Brief analysis	5%
Research assignment	20%
Mid-term take-home	30%
Pop quizzes or exercises	15%
Final take-home essay	30%

Scale	
A	93-100%
AB	88-92%
B	83-87%
BC	78-82%
C	70-77%
D	60-69%
F	0-59%

## INTELLECTUAL ENGAGEMENT

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Faithful attendance of lectures is critical to getting the full benefit of a lecture course (seems rather obvious, doesn't it ;-)). But in a lecture course, it is all too easy to adopt a posture of passivity—sitting back and waiting to “receive” information. Developing analytical skills and historical understanding requires engagement. So cultivate an active posture in lectures. Don't be lulled by my use of PowerPoint: use the slides for what they offer—an outline of the lecture and related illustrations—and take your own

notes to fill in the details. Engage actively and critically with your readings. Bring the questions that your active engagement stimulates to lectures or office hours. Engagement is your choice.

## CLASSROOM ETIQUETTE

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Please reserve the back row of the lecture hall for auditors. If you cannot avoid arriving late for lectures (or leaving early), please let me know and sit on the aisle near the rear. You are welcome to use laptops or tablets, but only to take notes. Doing anything else will distract your fellow students. Cell phones: please turn off the sound; no texting, please.

## ACADEMIC HONESTY

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My default assumption is that you are in my class to learn and to do so honestly.

As our world has become increasingly property-oriented, plagiarism has become an increasingly serious offense. What is exactly is “plagiarism”? Here's a definition, based on *Merriam-Webster's Collegiate Dictionary* (10th ed.):

*To plagiarize is “to steal and pass off (the ideas or words of another) as one's own; . . . [to] present as new and original an idea or product derived from an existing source.”*

The very notion of “stealing” ideas or words implies private-property rights in them—a concept made explicit in the term “intellectual property rights,” a matter of great controversy in the internet/media world today and the subject of some of our readings this semester. The minimum penalty for plagiarism in this class is an “F” for the semester (you might be surprised how easy it is to detect). All cases will be reported to the Dean of Students for possible further action.

In taking this course, you are committing yourself to academic honesty—that is, to submitting assignments that reflect your own, original words and ideas and to acknowledging clearly when you are relying on the words or ideas of others.

If you have any questions about what constitutes plagiarism, an excellent source of information is the webpage “What is Plagiarism” at <http://www.plagiarism.org/>. I have also posted on Learn@UW a copy of Turnitin's [manual on plagiarism](#). Be sure to read ch. 6 in Rampolla's *Pocket Guide* as well.

## BIAS-FREE LEARNING

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I am committed to creating and maintaining a bias-free learning environment that allows each of you to do your best work. Please note carefully the following excerpt from UW policies:

*The University of Wisconsin-Madison, in accordance with the laws of the State of Wisconsin, seeks to protect its students from discrimination. S. 36.12 of the Wisconsin Statutes reads in part: No student may be denied admission to, participation in or the benefits of, or [be] discriminated against in any service, program, course, or facility of the (UW) system or its institutions or centers because of a the student's race, color, creed, religion, sex, national origin, disability, ancestry, age, sexual orientation, pregnancy, marital status, or parental status.*

If religious obligations should conflict with sections or lectures or with the assignments, please be sure to give me or your teaching assistant advance notice. If you are a McBurney student, please talk with me early in the semester so that we can discuss necessary arrangements.

If you have any questions or concerns about these policies, please don't hesitate to bring them to me or to the Dean of Students in the [Division of Student Life](#). For more information on the university's policies, contact UW-Madison's [Office for Equity and Diversity](#), 179A Bascom Hall, 500 Lincoln Drive, Madison, WI 53706; (608) 263-2378.

SCHEDULE OF LECTURES AND READINGS – SEE NEXT PAGE

## SCHEDULE OF LECTURES AND READINGS

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Lecture topics are subject to change. The readings are best read in the order that they appear on the schedule. Except for Rampolla's book, which you should purchase or use at College Library Reserves, the readings are (or will be) available on our Learn@UW website.

JANUARY 20 INTRODUCTIONS – COURSE OVERVIEW

JANUARY 22 THINKING ABOUT THE HISTORY OF CAPITALISM – ANALYTICAL TOOLS

Reading for discussion in lecture


- Mary Lynn Rampolla, *A Pocket Guide to Writing in History*, 7th ed. (Boston: Bedford/St. Martin's, 2012), chs. 1-4.
  - James Fulcher, *Capitalism: A Very Short Introduction* (Oxford: Oxford University Press, 2004), ch. 1, "What is capitalism?" (1-18).
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JANUARY 27 THE NATURE OF COLONIAL CAPITALISM  
Keyword: bill of exchange

Reading for discussion in lecture

- Selected letters of Gerard G. Beekman from Philip L. White, transcriber and ed., *The Beekman Mercantile Papers, 1746-1799* (New York: New York Historical Society, 1956).
- R. C. Nash, "The Organization of Trade and Finance in the Atlantic Economy: Britain and South Carolina, 1670-1775," in *Money, Trade, and Power: The Evolution of Colonial South Carolina's Plantation Society*, ed. Richard Middleton, Greene, Jack P., Rosemary Brana-Shute, and Randy J. Sparks (Columbia: University of South Carolina Press, 2001), 74-107.
- Gary Kulik, "Dams, Fish, and Farmers: Defense of Public Rights in Eighteenth-Century Rhode Island," in *The Countryside in the Age of Capitalist Transformation: Essays in the Social History of Rural America*, eds. Steven Hahn and Jonathan Prude (Chapel Hill and London: University of North Carolina Press, 1985), 25-50.

JANUARY 29 THE IMPERIAL POLITICAL ECONOMY  
Keyword: colony

Due in Learn@UW dropbox by 2:30 pm today: Brief analysis (5%) of the Beekman letters – what do they tell us about the world of business in his time? Max. 400 words; see the grading rubric on Learn@UW. 

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FEBRUARY 3 BREAKING WITH THE COLONIAL PAST –REV./POST-COLONIAL TUMULT  
Keyword: (first) Bank of the United States

Reading for discussion in lecture

- John Lauritz Larson, *The Market Revolution in America: Liberty, Ambition, and the Eclipse of the Common Good* (Cambridge: Cambridge University Press, 2010), 12-38 (ch. 1, "First Fruits of Independence").
- J. Montefiore, *The American Trader's Compendium; Containing the Laws, Customs, and Regulations of the United States Relative to Commerce . . .* (Philadelphia: Samuel R. Fisher, Junr., 1811), selections.

FEBRUARY 5 A NEW INSTITUTIONAL POWER – THE CORPORATION  
Keyword: general incorporation

Reading for discussion in lecture

- Pauline Maier, “The Revolutionary Origins of the American Corporation,” *William and Mary Quarterly* 3d ser., vol. 50, no. 1 (1993): 51-84.
- “An Act to Incorporate the Farmers’ and Mechanics’ Bank [of Philadelphia],” March 16, 1809, *Statutes at Large of Pennsylvania*

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FEBRUARY 10 RACE, GENDER, AND PROPERTY IN ANTEBELLUM CAPITALISM

Reading for discussion in lecture

- Documents re. plantation management from John R. Commons et al., *A Documentary History of American Industrial Society*, vol. 1, Plantation and Frontier (Cleveland: Arthur H. Clark Company, 1910), 122-126, 134-148-149, 166.
- Walter Johnson, *Soul by Soul: Life Inside the Antebellum Slave Market* (Cambridge, Mass., and London: Harvard University Press, 1999), 45-77 (ch. 2, “Between the Prices”).
- Walter Johnson, *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom* (Cambridge, Mass., and London: Belknap Press/Harvard University Press, 2013), 97-150 (ch. 4, “Limits to Capital,” and ch. 5, “The Runaway’s River”).

February 12 Capital and Credit in Antebellum Capitalism

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FEBRUARY 17 THE NEW TRANSPORTATION AND COMMUNICATION TECHNOLOGIES

Keyword: “American System” (of railroad construction)

Research assignment – handed out in lecture today – due Feb. 24



Reading for discussion in lecture

- Excerpts from the annual reports to the shareholders of the Baltimore and Ohio Railroad, 1827, 1837, 1847, 1857.
- William G. Thomas, *The Iron Way: Railroads, the Civil War, and the Making of Modern America* (New Haven: Yale University Press, 2011), 1-55 (Prologue and Part I), 149-173 (ch. 7, “The Railroad Strategy”).
  - Explore the book’s companion website at <http://railroads.unl.edu>, focusing on the Topic: Railroad Work and Workers.

FEBRUARY 19 WHAT WAS SO REVOLUTIONARY ABOUT “INDUSTRY”?

Keyword: “American System” (of manufacturing)

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FEBRUARY 24 CIVIL WAR – REFIGURING STATE AND ECONOMY

Keyword: “American System” (the policy package)

Research assignment – due in Learn@UW dropbox by 2:30 pm today



FEBRUARY 26 NEW STRATEGIES OF GROWTH – INTEGRATING ENTERPRISES

Keywords: horizontal integration, vertical integration

No assigned reading this week – use the time to catch up on your reading

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MARCH 3 SOCIAL RELATIONS OF CAPITALISM TRANSFORMED – I: LABOR

Keyword: Homestead

Reading for discussion in lecture

- “The Homestead Strike,” *North American Review*, no. 433 (September 1892): 355-375.
  - A Congressional View (Hon. William C. Oates, Chairman of the Congressional Investigating Committee)
  - A Constitutional View (George Ticknor Curtis)
  - A Knight of Labor’s View (T. V. Powderly, General Master Workman of the Knights of Labor)
- David Iglar, “The Industrial Far West: Region and Nation in the Late Nineteenth Century,” *Pacific Historical Review* 69, no. 2 (2000): 159-192.
- Matthew Frye Jacobson, “Annexing the Other: The World’s Peoples as Auxiliary Consumers and Imported Workers, 1876-1917,” in *Race, Nation, and Empire in American History*, eds. James T. Campbell, Matthew Pratt Guterl, and Robert G. Lee (Chapel Hill: University of North Carolina Press, 2007), 103-129.

MARCH 5 SOCIAL RELATIONS OF CAPITALISM TRANSFORMED – II: CAPITAL  
 Keyword: plutocracy

Reading for discussion in lecture

- Richard T. Ely, “The Future of Corporations,” *Harper’s Monthly Magazine*, July 1887, 259-266.
- Louis D. Brandeis, *Business—A Profession* (Boston: Small, Maynard & Co., 1914), 1-12 (“Business—A Profession,” commencement address at Brown University, 1912).

MARCH 10 THE “WEAK” AMERICAN STATE – MYTH AND REALITY

MARCH 12 NEW SOCIAL BARRIERS TO ENTRY – RACE, GENDER, AND THE NEW ECONOMY CA. 1900  
 Keyword: “The Black Edison”  
Mid-term take-essay question handed out today – due March 24



Reading for discussion in lecture

- Booker T. Washington, *The Negro in Business* (orig. pub. 1906; Chicago: Afro-Am Press, 1969), 11-20 (ch. 1, Introduction).
- W. E. B. Du Bois, *The Souls of Black Folk*, ed. David Blight and Robert Gooding-Williams (orig. pub. 1903; Boston and New York: Bedford Books, 1997), 62-72 (ch. 3, “Of Mr. Booker T. Washington and Others”).
- “Corporations: Existence Apart from Stockholders: Corporation Composed of Negroes Not a ‘Colored’ Person.” *Michigan Law Review* 7, no. 1 (November 1908): 67-68.
- Nina Lerman, “New South, New North: Region, Ideology, and Access in Industrial Education,” in *Technology and the African-American Experience: Needs and Opportunities for Study*, ed. Bruce Sinclair (Cambridge: MIT Press, 2004), 77-105.

MARCH 17 THE GREAT WAR – CONSOLIDATING THE MASS PRODUCTION ECONOMY  
 Keywords: dollar-a-year men, Simplified Practice

Reading for discussion in lecture

- Hugh Rockoff, *America’s Economic Way of War: War and the US Economy from the Spanish-American War to the Persian Gulf War* (Cambridge: Cambridge University Press, 2012), 99-154 (ch. 5, “World War I”).

- "National Garment Retailers' Association Arranges Meeting at Waldorf-Astoria, November 27, to Discuss the Conservation of Wool," *American Cloak and Suit Review* 14, no. 6 (December 1917), 139-145.
- "Advertising and the Wool Shortage," *Printers' Ink*, December 6, 1917, 137.
- Mrs. A. Sherman Hitchcock, "Dame Fashion Bows to Decree of Conservation," *Automobile Journal*, February 25 1918, 44-45.
- John Allen Murphy, "Can You Be Patriotic without Adulterating Your Brand? The Wool Situation and the Changes in Merchandising That It Is Causing," *Printers' Ink*, March 7, 1918, 105-106, 109-110.

MARCH 19 THE NEW INTERDEPENDENCE – "SYSTEMS" IN THE 1920S

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MARCH 24 THE GREAT DEPRESSION – CRISIS OF CAPITALISM?  
Mid-term take-essay question due in Learn@UW dropbox by 2:30 pm today



Reading for discussion in lecture

- Lawrence B. Glickman, "The Strike in the Temple of Consumption: Consumer Activism and Twentieth-Century American Political Culture," *Journal of American History* 88, no. 1 (June 2001): 99-128.
- "Capitalism is Unsound: Ohio Debate League Proposition," in *Intercollegiate Debates: The Yearbook of College Debating*, ed. Egbert Ray Nichols, vol. XIII (New York: Noble and Noble, 1932), 41-96.

MARCH 26 WORLD WAR AGAIN – FORGING MODERN AMERICAN CAPITALISM  
Keyword: "military-industrial complex"

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MARCH 30 – APRIL 3 SPRING BREAK

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APRIL 7 THE SURPRISE OF POST-WORLD WAR II PROSPERITY  
Keyword: National Defense Highways Act

Reading for discussion in lecture

- David E. Nye, *America's Assembly Line* (Cambridge, Mass., and London: MIT Press, 2013), 127-155 (ch. 6, "War and Cold War").
- David F. Noble, "Social Choice in Machine Design: The Case of Automatically Controlled Machine Tools," in *Case Studies on the Labor Process*, ed. Andrew Zimbalist (New York and London: Monthly Review Press, 1979), 18-50.
- *Automation*, special issue of the *Annals of the American Academy of Political and Social Science*, Vol. 340 (March 1962): 90-116. Foreword (Charles C. Killingsworth, iv-vi) and essays on "Private and Public Policies for Automation":
  - Malcolm L. Denise, "Automation and Employment: A Management Viewpoint."
  - Walter P. Reuther, "Policies for Automation: A Labor Viewpoint."
  - Arthur J. Goldberg, "The Role of Government."


APRIL 9 NEW STRATEGIES OF GROWTH – CONGLOMERATION AND FRANCHISING

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APRIL 16 THE PROBLEM OF THE CORPORATION

Reading for discussion in lecture

- Peter Drucker, *The Concept of the Corporation* (1946; rev. ed., New York: John Day Company, 1972), 1-19 (ch. 1, "Capitalism in One Country").
- Victor Perlo, "People's Capitalism' and Stock-Ownership," *American Economic Review* 48, no. 3 (1958): 333-347.

- George W. Wilson, "Democracy and the Modern Corporation," *Western Political Quarterly* 13, no. 1 (1960): 45-56.
  - Daniel Bell, "The Corporation and Society in the 1970s," *National Affairs*, no. 24 (Summer 1971): 5-32.
- APRIL 14 AMERICAN BUSINESS PUSHES ABROAD  
Keyword: multinationals
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- APRIL 21 WHY THE "NEW (SOCIAL) REGULATION"?  
Keyword: OSHA
- Reading for discussion in lecture
- Hugh Rockoff, *America's Economic Way of War: War and the Us Economy from the Spanish-American War to the Persian Gulf War* (Cambridge: Cambridge University Press, 2012), 276-304 (ch. 9, "The Vietnam War").
- APRIL 23 CRISIS AGAIN? THE 1970S  
Keyword: pseudo-professionalism
- Reading for discussion in lecture
- Robert H. Hayes and William J. Abernathy, "Managing Our Way to Economic Decline," *Harvard Business Review* 58 (July-August 1980): 67-77.
  - John E. Schwartz and Thomas J. Volgy, "The Myth of America's Economic Decline," *Harvard Business Review* 63 (Sept/Oct 1985): 98-107.
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- APRIL 28 A NEW ERA OF CAPITALISM? I. REVERSING COURSE – STRATEGIES AND STRUCTURES  
Final take-home essay question handed out today – due May 13 
- APRIL 30 A NEW ERA OF CAPITALISM? II. A NEW MARKET REVOLUTION  
Keyword: "forced capitalists"
- Reading for discussion in lecture
- Daniel T. Rodgers, *Age of Fracture* (Cambridge, Mass., and London: Belknap Press of Harvard University Press, 2011), 41-76 (ch. 2, "The Rediscovery of the Market").
  - Waterhouse, Benjamin. "The Corporate Mobilization against Liberal Reform," in *What's Good for Business: Business and American Politics since World War II*, ed. Kim Phillips-Fein and Julian E. Zelizer (Cambridge and New York: Oxford University Press, 2012), 233-248.
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- MAY 5 A NEW ERA OF CAPITALISM? III. TECHNOLOGICAL REVOLUTIONS  
Keywords: nanotechnology, machine learning
- MAY 7 A NEW ERA OF CAPITALISM? IV. GLOBALIZATION
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- MAY 13 FINAL TAKE-HOME ESSAY DUE  
Due in Learn@UW dropbox by 9:45 am today 