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COURSE DESCRIPTION

Some years ago a student in my History 20 class turned in an evaluation that asked: “Why did the department let an economist teach this course?” I am not sure if this comment was intended to be a compliment; at the time I suspected it was not. “Hummmph,” I thought to myself, “why on earth *wouldn't* you let an economist (who has been trying to pass himself off as a historian for the past twenty+ years) try to explain the modern world?” After all it is hard to escape the conclusion that economic factors played more than a minor role in shaping the transformation from the rural agricultural world of 1800 to the urban industrial world of the 21st century. Yet economic historians until very recently *have not* turned their attention to the writing of “world history”. Like most social science historians, they like things to be orderly, and if there is one thing that teaching History 20 taught me, it is that the course of history over the past century has been anything but “orderly.” The period we plan to cover in this course two “world” wars, together with the greatest economic collapse in modern times. Much has been written about all three of these phenomena, yet there remains much that has not been fully explained.

Course Structure and Writing Assignments

It has been my habit in upper division and graduate courses to ask students to prepare a term paper due at the end of the course. In going over the materials to revise this syllabus I decided that this quarter I should write an essay for students to read at the *beginning* of the quarter explaining how I planned to deal with the issues of war and economics in the first five decades of the twentieth century. The essay is titled “Confidence, Fear and a Touch of Gambling: The Irrational Rationality of War and Economics”. It is available on iLearn and on the *Current Research* of my website: rogerransom.com.

We have ten weeks to examine the events of this turbulent period, and we will meet every Thursday from 3 to 6pm. Class discussions will focus what I term *Basic Readings* that I expect that people will have completed before class. To facilitate discussion, I have provided an annotated bibliography that lists some readings that I term *also of interest*. These readings add depth to the topic under discussion assigned that week, and they also can serve as useful foundations for the writing assignments noted below. All of these readings are available as new or used copies through Amazon.com. For some of the less available works, I have posted pdf files of the relevant chapters on the iLearn website.

Participation in class discussion – sometimes referred to by my former students as “finding a way to interrupt Professor Ransom”, is an essential part of a materials course. To give everyone some idea of our thoughts before we meet, I expect each student will post *some comment or question* that is pertinent to the current week’s topic on iLearn no later than Wednesday afternoon. The posting can be a question for which you seek an answer, or a critique of some point you found in the readings. Students are encouraged to post comment (called *threads*) on other postings each week. From time to time I will post comments intended to prompt further postings. **Posting is an essential part of the class activity.**

There will be no final exam in the course; however there is one other **written assignment**. You are to pick one of the topics taken up each week. After reviewing the annotated list of books below, you are to write a careful review essay of two [or more] books that deal with that topic. I want to emphasize that this paper assignment is not intended as a deep research project. It is what I like to call a “big think” essay that addresses the larger concepts raised in the course without ignoring the relevant details brought up in the readings. The assignment is intended to demonstrate that you have carefully read the historical works you mention, and to

offer an intelligent critique and analysis of the books you include in your report. This would include:

A discussion of the intellectual background and methodologies used by the authors mentioned in your project;

A judgment regarding how well the authors answered the question that they pose in their work in the context of what we have discussed in this course;

Any suggestions that *you* might make to improve the works you are critiquing.

I am not a stickler for setting length guidelines, but I see no reason why it should be less than 15 pages or more than 20 pages. The final draft of the paper is due on December 5.

Schedule of Class Discussions

September 22nd: Getting Started ...

I assume that you all have a reasonable knowledge of what went on in the world between 1850-1950. To get us started, I suggest that you read the essay titled "Confidence, Fear and a Propensity To Gamble" that is in the Course Description. If the events covered in this essay are completely foreign to you, then you need to get ahold of a reliable text and brush up on things like the industrial revolution; the formation of nation states in the last part of the nineteenth century, and the immediate events that led to the outbreak of war in 1914. If you have any questions about the essay, please post them on iLearn *before* class.

Since I have not met most of you as yet, it would be most helpful for me if you would make an **Introductory Posting** introducing yourself and indicating your major fields of interest. I would also be interested in knowing what you hope to get out of this class after you have read the essay I posted. If you want to do some further reading that will be useful early in the quarter, read Part one of Akerloff and Shiller's *Animal Spirits*.

Basic Readings: Ransom, "Confidence, Fear and a Propensity to Gamble"

Also of interest: Akerloff and Shiller's *Animal Spirits*.
Eric Hobsbawm, *The Age of Extremes*

September 29th: The World of 1914

Our focus on in this course will be on the first half of the *Short Twentieth Century*. Before we jump into that, we should take a few moments to discuss the enormous changes that had taken place during the *Long Nineteenth Century*. From my perspective the most intriguing of those changes were centered on what is commonly referred to as the *industrial revolution*. I assume that most of you are at least vaguely familiar with that phenomenon. Historians of all persuasions have given so much attention to the causes and effects of the Industrial Revolution that it is no longer obvious that there even was a "revolution," and if there was one, no one is sure when or where it started. A general summary of the debates among "cliometricians" on the IR can be found in the introductory essay of Joel Mokyr's *The British Industrial Revolution*. The essays in Hartwell, James, and Thomas, further embellish the "supply side" view of the Industrial Revolution.

Most of the economic historians focus on the *supply side* (i.e. growth of production, new technologies, emergence of financial intermediaries, etc.) of the industrial revolution. An important exception to that tendency is Jan DeVries, who examines what he calls the "Industrious Revolution." His objective was "not simply to add demand to supply, but also to relate the behavior of the household to that of the market." What makes DeVries' work of particular interest to our study is that he argues rather persuasively that these dramatic changes in the "long eighteenth century" show that the dramatic changes in family consumption and work patterns which appear in the "long twentieth century" are not as unique as we like to think.

DeVries' results are summarized in his presidential address [the pdf file] those interested in pursuing this "demand side" interpretation of the Industrial Revolution should read his book listed.

Finally, to get a better grasp on the world as it was in 1914 from the standpoint of global demography, politics, and economics, you should look at the first three chapters of Nial Ferguson's *The War of the World*.

Basic Readings: Findlay, and O'Rourke, *Power and Plenty* [Preface, Chapters 5-7]

Ferguson, *The War of the World* [Part 1]

DeVries, "The Industrial Revolution and the Industrious Revolution." [PDF File]

Also of interest: Peter Stearns, *The Industrial Revolution in World History*

Joel Mokyr, *The British Industrial Revolution*

October 6th: Panics, Manias and Crashes

As markets expanded and people increasingly came to depend on market transactions to obtain the "necessities" of daily living, the stability of those markets became a matter of great concern. Unfortunately, as Charles Kindleberger notes, major collapses of financial markets seem to have become a "hardy perennial." Kindleberger identifies ten of the biggest financial "bubbles." beginning with the Dutch "Tulip Mania" of 1635, followed by the British South Sea Bubble and the French Mississippi Bubble of John Law in 1720. All of these crises follow a similar pattern: a mania followed by a widespread financial collapse that produces a protracted economic recession. Kindleberger does a good job of identifying "phases" in each of these cycles. This is a helpful background as we get into the economic crises of the twentieth century.

Scholars (mostly trained in economics) have had little success explaining the "causes" of financial panics. This is where we dive into Akerlof and Shiller – a book that we will stay with throughout the rest of the course. For those interested in pursuing one of the more popular explanations of financial collapses, Hyman Minsky argues that if speculators are financing their investments by borrowing (which they almost surely are), then the market boom will eventually reach a point where speculators need the capital gains from rising stock prices simply to pay the debt they incurred purchasing those assets. At this point – which has become known as a "Minsky moment" – the stock market becomes unstable and the slightest jar can send it on a rapid downward spiral. Minsky's thesis, which was not well received three decades ago, is suddenly much more popular.

For those seeking a lighter view of all this, you can pick up most of the arguments from Galbraith's *The Great Crash*. Bruner's book on the panic of 1907 is an interesting look at the pre-Federal Reserve world of J.P. Morgan and the banking trusts.

Basic Readings: Akerlof and Shiller, *Animal Spirits* [Chapters 1-6]

Kindleberger, *Manias, Panics and Crashes*

Galbraith, *The Great Crash*

Also of interest: Galbraith, *A Short History of Financial Euphoria*

Martin Feldstein, *The Risk of Economic Crisis*

Minsky, "Financial Instability Thesis," [pdf files]

Bruner, *The Panic of 1907*

October 13th: The Puzzle of War

To most economists, it is difficult to make sense of war. Political Scientists historians seem equally puzzled. On two points, however, there seems to be general agreement among scholars. Wars are not “accidental,” nor are they “inevitable.” Furthermore, most scholars seem to feel wars are very significant because they create large changes in a very short time.

My interest is on why people *start* wars that they are then unable to control. Carl von Clausewitz, still one of the most widely read oracles on modern warfare, coined phrase that war was a “gamble.” We will examine the implications of viewing war as a gamble in an effort to explain not only why leaders start wars so often, but also the enthusiasm with which this decision is met with by their constituencies. The literature on this subject is both voluminous and diverse. Donald Kagan offers a perceptive way to combine both the theoretical approaches of social scientists, and the narrative stories of historians. Dominic Johnson is of particular interest to our study because of his emphasis on overconfidence on the part of those starting wars; a property of individual perceptions that we will encounter again when we turn to the study of booms and busts.

Basic Readings: John Vasquez, *The War Puzzle* [pdf files]
 Donald Kagan, *On the Origins of War* [Introduction, pdf],
 Michael Howard, *The Causes of War* [pdf files]

Also of interest: Geoffrey Blainey, *The Causes of War*
 Clausewitz, *On War* [Introduction by the editors and Book I]
 Stephen Van Evera, *Causes of War: Power and the Roots of Conflict*
 Dominic Johnson, *Overconfidence and War*
 Dale Copeland, *The Origins of Major War*

October 20th: The Pity of War

In its day it was known as the *Great War*. There are those who claim that the conflict that began with the German invasion of Belgium in August 1914 did not really end until Enola Gay dropped the atomic bomb on Hiroshima in August of 1945 (a view that I think fits rather well with the theme of this course). While World War I (as we now call it) has been studied at great length, the reasons why it grew from a dispute in the Balkans to a World War is still a bit of a mystery. In *Pity of War* Niall Ferguson poses 10 questions that could easily be asked of any war in the modern era. Our focus will be a discussion of these questions in terms of Ferguson’s answers, and the analysis of the war by several of the authors we examined in the previous section. The *Of Interest* readings include additional readings for those who wish to pursue WWI in their paper; the volume by Martin Gilbert is one of the best works on the war for those interested in the more “human” side of a very inhumane war.

Basic Readings: Nial Ferguson, *Pity of War*
 Findlay, and O’Rourke, *Power and Plenty* [Chapters 7-8]
 Donald Kagan, *On the Origins of War* [Chapter 2]

Also of interest: Ransom, “Gambling on War,” Chapters 2 – 3; pdf Files]
 Brian Bond, *The Pursuit of Victory* [Chapters 4-6]
 Hew Strachan, *The First World War*
 Geoffrey Blainey, *The Causes of War*
 John Vasquez, *The War Puzzle*
 Martin Gilbert, *The First World War*

October 27th: The Interwar Years

The world had not yet recovered from the horrors of the *Great War* when another catastrophe swept across the globe. On October 24 1929 the New York Stock Exchange experienced first of many calamitous declines in stock prices that did not finally reach bottom until early 1933, when stocks traded on the NYSE were worth less than a fifth of their value three years earlier. There has never been an economic collapse to rival the Great Depression of the 1930s. I want to examine the events of the Great Depression as an integral part of the changes that emerged from the two world wars. The economic dislocations produced by World War I were instrumental in bringing on the Depression, and numerous historians have pointed to the role of the peace settlements after the War and the Great Depression in explaining World War II. Finally, although they cast in the context of a world in depression, John Maynard Keynes' ideas on a new paradigm for economics grew to fruition in the surge of demand created by the Second World War. The world of 1950 was fundamentally different than that which preceded the outbreak of hostilities in 1914.

We begin with the problems raised by the Gold Standard and the dislocation from the war. Findlay and O'Rourke give the background of global disruptions between the wars. Barry Eichengren's book *Golden Fetters* is the best account of the gold standard, but it is hard sledding for those not into the economic side of things; Eichengren and Peter Temin lay out the difficulties posed by the "golden fetters" of the Gold Standard. Charles Feinstein, Temin, and Gianni Toniolo provide a deeper look at the impact caused by the paradigms that ruled economic thought at this time.

Basic Readings: Findlay, and O'Rourke, *Power and Plenty* [Chapter 8]
Eichengren and Temin,

Also of interest: Eichengren, *Golden Fetters*
Feinstein, Temin, and Toniolo, *World Economy Between the Wars*

November 3rd: The Great Depression

Our readings for this week focus more narrowly on how the experience of the 1930s changed the "paradigm" of economics. John Maynard Keynes published his *Theory of Money, Interest, and Prices* in 1936, when the world was struggling with the depths of the Great Depression. Within a generation of scholars his ideas had moved from heresy to orthodoxy, a development that is popularly referred to as the "Keynesian Revolution." Within another generation Keynesian Economics was being attacked because it was now the orthodoxy. To help sort this out – hopefully without too much detail on the theoretical economics which were hotly debated at the time – we will read Peter Temin's *Lessons of the Great Depression*. Temin was one of the first writers to carefully examine how the *General Theory* influenced economic policies in a variety of countries; most notably in Great Britain, the United States and Germany during the great depression.

Although they cast in the context of a world in depression, the Keynes' ideas grew to fruition in the surge of demand created by the Second World War. The world of 1950 was fundamentally different than that which preceded the outbreak of hostilities in 1914.

Basic Readings: Temin, *Lessons from the Great Depression*

Also of interest: Karl Bruner, *The Great Depression Revisited*
Kindleberger, *The World in Depression*

November 10th: The World At War

The Second World War was the culmination of what we have been talking about with regard to the wars, panics, and depressions that characterized the first century and a half of the “modern era.” I am assuming that most of you are already familiar with the; Second World War, so the basic reading consists of chapters in books we are already tracking. The *Also of Interest* items include a volume by Niall Ferguson that probes the reasons behind twentieth Century wars, and a book by David Halberstam on Korea. I have also included two volumes that cover the military and Diplomatic details of World War II. I regard Gerhard Weinberg’s work as the best single volume on the war; some might find Murray and Millett’s *A War to Be Won* to be easier reading. Anyone who plans to teach a history of the twentieth Century should have at least one of these books in their library.

Basic Readings: Naill Ferguson, *The War of the World*

Kagan, *Origins of War* [Chapter 4]

Bond, *Pursuit of Victory* [Chapters 7-8]

Findlay, and O’Rourke, *Power and Plenty* [Chapter 9]

Also of interest: Ransom, “Gambling on War,” Chapters 4-5; pdf Files]

Weinberg, *A World at Arms*

Williamson Murray and Allan Millett, *A War to be Won*

Halberstam, *The Coldest Winter*

Johnson, *Overconfidence and War*

November 17th: Pre-THANKSGIVING BREAK**November 24th: THANKSGIVING --No Class Meeting This Week**

Last year Veterans Day fell on a Thursday and we took that week off. This quarter I have scheduled a class for Veterans Day, but I thought we could still use a week off to work on our paper projects. I will expect students to post a synopsis of their paper prior to the November 18th class meeting.

December 2nd: Globalism, War, and Economics in the 21st Century

Having collected our thoughts over the past two weeks, it is time to sum things up. Looking back from the chaos of war and economic uncertainty in 2010, what can we say about “the lessons of history” applied to the modern world? Are we all Keynesians now? Do we even know what it means to be a Keynesian in 2010? Are we still “gambling” on war”? For our class discussion, you need to be prepared to discuss how the framework in first six chapters of *Animal Spirits* helps tie all the themes in this course together, and you if you have not already done sure sure to finish reading DeVries. Three of the four books on the *Also of Interest list* deal with aspects of the economic collapse of 2007-08. Time permitting I would like to also address Parag Khanna’s *The Second World*; a vision of a twenty-first century world dominated by three “Empires”: The United States, Europe and China. It is an interesting scenario, but does it make sense? Or is it just counterfactual history that has not happened yet?

Basic Readings: Sen, “How to Judge Globalism” [pdf file]

Also of interest: Robert Skidelsky, *Keynes*

Joseph Stiglitz, *Freefall*

Richard Posner, *A Failure of Capitalism*

Parag Khanna, *The Second World*

An Annotated Book List

As the time for putting together their paper assignments approaches, students invariably ask me a question that starts with "What should I read for ...". Unfortunately, I am terrible at coming up with names of authors and titles of books "off the top of my head". To reduce this problem, I offer below a list of titles that I found relevant in drawing up this syllabus. I do not expect that you will all, or even most, of these books by the end of the quarter. I do expect that you will find at least two of them interesting enough to serve as the basis of your term paper.

The books at the front of the list include the *Basic Reading assignments*. I am always reluctant to tell students to "buy" "required" texts for a course. The notes to the books below include comments that are intended to help you decide which books would be strong most valuable to you in terms of this course, and in terms of having resources in your library that will enrich your ability to deal with the issues we raise over the next ten weeks.

Books that are *basic reading* for the course:

I do not *require* books in my courses. I simply insist that you *read* all the *basic Reading* assignments. If I were to have a *required books list*, these are the books that would be on it:

Akerlof, George A., and Robert J. Shiller. *Animal Spirits: How Human Psychology Drives the Economy, and Why It Matters for Global Capitalism*. Princeton: Princeton University Press, 2009. Akerlof and Schilling have a rather unusual approach to explain to how people and families make decisions in the market place. Akerlof won a Nobel Prize in 2002 for his work on "lemons". A&S identify five "animal" spirits – confidence, honesty, fairness, "stories", and the "money illusion" – that provide the basis for examining not only the economic crises of the past two centuries, but also why people decide to go to war.

Feinstein, Charles, Peter Temin, and Gianni Toniolo. *The World Economy between the World Wars*. New York: Oxford University Press, 2008.

Ferguson, Niall. *The Pity of War: Explaining World War I*. New York: Basic Books, 1999. I regard this book as one of the very best volumes dealing with World War I. Ferguson is one of the few economic historians who has written extensively on war. The ten questions he raises at the beginning of the book are relevant for any war of the major twentieth century wars, form the basis of our discussion of wars in the modern era.

------. *The War of the World: Twentieth Century Conflict and the Descent of the West*. New York: The Penguin Press, 2006. Not as dramatic as *Pity of War*, but this is an excellent treatment of the problem of why wars start and the role of ethnic rivalries in bringing on the Second World War. Ferguson provides a particularly good analysis the world on the eve of World War I and of Adolph Hitler's efforts to provoke a war with the Allies at Munich. A good book to critique for a paper dealing with War.

Findlay, Ronald, and Kevin H. O'Rourke. *Power and Plenty: Trade, War, and the World Economy in the Second Millennium*, Princeton, N.J.: Princeton University Press, 2007. An encyclopedic compilation of studies dealing with the emergence of the world economy by two eminent economic historians. Perhaps more than any book in this list, Findlay and O'Rourke have captured the essence of the "big picture" I am trying to get across in this course. If I had the time, I would devote a week or more to each chapter. But we have only ten weeks and Chapters 1-4 go back a bit further than we need for our discussion. Chapters 5 through 10 are essential for the discussion of trade and globalization.

Kagan, Donald. *On the Origins of War and the Preservation of Peace*. New York: Doubleday, 1995. Kagan provides a rather novel approach to war with his analysis of the Peloponnesian Wars; the Second Punic War;

the two World Wars, and the Cuban Crisis. The introduction to this volume presents an excellent analogy comparing the way that “Hedgehogs” (social scientists) and “foxes” (historians) approach the study of war. His discussion that combines the approaches employed by both groups makes very this a very worthwhile monograph even if you do not spend a lot of time on the Peloponnesian Wars or the Second Punic War. One of the very best works on the causes of wars by a historian.

Kindleberger, Charles Poor, and Robert Z. Aliber. *Manias, Panics and Crashes a History of Financial Crises*. Fifth Edition. Hoboken, N.J.: John Wiley & Sons, 2005. Kindleberger was one of the leading scholars of the Great Depression and international trade theory from the late 1940s to the 1990s. This is an expanded version of the initial edition which appeared in 1978. It presents one of the most understandable economic explanations of theories of economic cycles that try to explain the “causes” of manias and panics – though he still falls short of reaching that goal.

Temin, Peter. *Lessons from the Great Depression*: The MIT Press, 1989. In 1976 Temin published a book titled *Did Monetary Forces Cause the Great Depression?* That work sought to debunk the monetarist view of the Crash of 1929 and the Great Depression. This book takes a much more global view of the depression as a world-wide event that was caused in part by the impact of World War I. Temin is particularly good in his comparative analysis of economic policies pursued by Germany and the United States in the 1930s.

PDF Files Available Online:

DeVries, Jan. “The Industrial Revolution and the Industrious Revolution.” *Journal of Economic History* 54, no. June 1994 (1994): 249-70. DeVries’ presidential address to the EHA in 1993 was an introduction to the arguments in his book. Not a substitute for the book, but sufficient for the class discussion on September 23.

Eichengreen, Barry, and Peter Temin. “The Gold Standard and the Great Depression.” In *NBER Working Paper Series*. National Bureau of Research: Working Paper 6060, 1997. An excellent treatment of the problems of the Gold Standard and economic policies in the period after World War I. The authors claim they wrote it especially for historians. Lots of good references for the interwar year.

Howard, Michael Eliot. *The Causes of Wars and Other Essays*. 2nd ed. Cambridge, Mass.: Harvard University Press, 1984. A collection of essays by one of the few historians who has written extensively on theories of why wars get started. This is easy reading and he makes a lot of very good points. [PDF files of the first two essays are online.]

Minsky, Hyman. “The Financial Instability Hypothesis: Capitalist Processes and the Behavior of the Economy.” In *Financial Crises: Theory, History, and Policy*, edited by Charles Kindleberger, 13 – 47. New York: Cambridge University Press, 1982. This article is an abbreviated statement of a thesis that the stock market resembles a “Ponzi Scheme” as speculation in stocks increases. Formulated to explain the Great Depression of the 1930s, Minsky’s idea has gained popularity in recent years with the succession of financial crises since 1960. It is a bit technical in places, but the logic of the argument is clear enough, and the explanation of the “Minsky moment” is one of the best discussions of why financial bubbles are so hard to control and why they eventually are certain to burst with a bang.

Ransom, Roger. “Gambling on War from Bismark to Bush”. Selected Chapters, 2007.

Sen, Amartya. “How to Judge Globalism.” *The American Prospect* 13, no. January 2002. I use this article in my History 20 class because I think it is one of the best and most balanced discussions of what Globalism all about. *

Shiller, Robert. “Rational and Irrational Bubbles.” In *Diverse Views on Asset Bubbles*, edited by William C Hunter, George G Kaufman and Michael Pomerleano, 35-40. Cambridge MA: The MIT Press, 2003.

Vasquez, John A. *The War Puzzle*, Cambridge Studies in International Relations 27. New York: Cambridge University Press, 1993. [PDF Files of three Chapters of this book are online] Vasquez is a political scientist who argues that what matters is not the “cause” of the war, but rather the chain of events that lead to the decision to *start the war*. He is also a champion of the territorial motive for adjacent states going to war. This book uses a lot of jargon, but if you are interested in the causes of wars, you should buy it.

Books of Interest:

Blainey, Geoffrey. *The Causes of War*. 3rd ed. New York: The Free Press, 1988. Blainey is a professor of Economic History and History at the University of Melbourne. His approach to the historical analysis of war and peace as alternating “phases” of relationships between rival powers, and his insistence that there are no “accidental wars” fits well with my approach of war as a “gamble”. If you want to write a paper on wars, get this book.

Bond, Brian. *The Pursuit of Victory: From Napoleon to Saddam Hussein*. New York: Oxford University Press, 1996. Bond is a military historian at Kings College, London. He argues that the lure of total victory led generations of military leaders to become obsessed with the need to gain ever grander victories; a development that he claims led to the evolution of “total war.” If you are intrigued by the grander strategy behind some of the more ambitious military ventures after Napoleon, this is a really good book. It is an excellent example of how increasing expectations and overconfidence can lead to disaster. Good for a writing a paper on gambling on war.

Bruner, Robert F., and Sean D. Carr. *The Panic of 1907: Lessons Learned from the Market's Perfect Storm*. Hoboken, N.J.: John Wiley & Sons, 2007. Bruner presents an analysis of the Panic of 1907 in comparison to the 2007 difficulties. What makes this comparison particularly intriguing for this class is that in the aftermath of the 1907 crisis (and the Armstrong Committee investigation of life insurance in New York two years earlier), there were sweeping reforms of the insurance business and eventually the formation of the Federal Reserve System. A good book if you are interested in how crises can foster institutional change, and an important view of the role of leveraging before 1914

Brunner, Karl, ed. *The Great Depression Revisited*: Martinus Nijhoff, 1981. Karl Bruner was one of the leading forces behind the “monetarist” explanations of the 1960s and 1970s. The essays in this book present an overview of the debates between monetarists and the Keynesians that dominated the economics profession in the 1960s and 1970s. Though the analysis gets rather technical in places, the discussion of the monetarist views in Chapters 1 through 7 are “spot on” when it comes to getting at economists’ views of the Great Depression. The reason these views are important is that they not only shaped our thinking about historical “stories” of the depression; they also had a profound effect on the evolution of economic theory and thinking after 1960. Not a good book to buy unless you have a background in economics

Clausewitz, Carl Von. *On War*. Translated by Michael Howard and Peter Paret, Oxford World's Classics. Princeton: Princeton University Press, 2008. Clausewitz is still regarded as the Guru of military historians when it comes to strategies and tactics of modern warfare. You only need dive into this if you are really into the causes of war. The good news is that the first two chapters contain the most important insights. (Clausewitz died before he could finish the others, which were completed by his widow.)

Clodfelter, Michael. *Warfare and Armed Conflicts: A Statistical Reference to Casualty and Other Figures, 1500-2000*. Second ed. Jefferson, NC: McFarland & Company, Inc., 2002. Anyone who has played around with data and timing for military conflicts knows that there are dozens of figures for almost any battle or war. Rather than googling many websites to get many answers, you can always go to Michael Clodfelter’s encyclopedic study, which provides a description and figures for each conflict since 1500. The volume cited above is the second edition; the first edition is the same, except it is two volumes and covers the period

1619 to 1991. This work is filled with all sorts of minutiae that will allow you to astound friend and foe alike.

Copeland, Dale C. *The Origins of Major War*, Cornell Studies in Security Affairs. Ithaca: Cornell University Press, 2000. Copeland is a political scientist who presents a rather technical discussion of “theories of war” to the historical situations involving the two World Wars and several post-world war II crises. The value of this book to our discussion of war is Copeland’s analysis how the threat posed by the rise of Russian power to the East led to both the German decision to create a crisis for war in 1914, and decision to invade Russia in 1941. Not a book for the casual reader.

De Vries, Jan. *The Industrious Revolution: Consumer Behavior and the Household Economy, 1650 to the Present*. New York: Cambridge University Press, 2008. De Vries’ book is a must for any student of modern or early modern economic history of Europe. This is a highly original take on the changing family structure *prior* to and *through* the industrial revolution by one of the very best economic historians of our time. His analysis of how “households” manage the allocation of family labor and resources over time shows that the forces of demand played an influential role in shaping the industrial revolution over the past three and a half centuries. De Vries is a historian who understands economics far better than most economists, explains complex issues with disarming simplicity, and the scope of this book is simply breathtaking.

Eichengreen, Barry J. *Golden Fetters: The Gold Standard and the Great Depression, 1919-1939* NBER Series on Long-Term Factors in Economic Development. New York: Oxford University Press, 1992. The best analysis of the paradigm of the gold standard and why it proved to be a disaster after the First World War. Not an easy read, but worth the effort if you ever have to explain the “Cross of Gold” speech to a crowd of undergraduates.

Feldstein, Martin S., and National Bureau of Economic Research. *The Risk of Economic Crisis*, A National Bureau of Economic Research Conference Report. Chicago: University of Chicago Press, 1991. This volume contains a group of essays presented by eminent economists at a conference of the National Bureau of Research in October 1989. The essays provide an interesting historical perspective on how to deal with the problem of risk and financial crises. The comments are particularly interested when viewed from what our experiences with financial markets since 2007, but the arguments get technical in places.

Galbraith, John Kenneth. *A Short History of Financial Euphoria*. New York: Whittle Books in association with Viking, 1993. Galbraith provides a *very* short tour through the “great speculative episodes of the past. Presented with his usual flair and penchant for humor, this little book is also filled with a lot of very good information. It’s not a complete substitute for Kindleberger, but it is well worth the few moments it takes to read it.

Halberstam, David. *The Coldest Winter: America and the Korean War*. New York: Hyperion, 2006. Halberstam’s account of Korea is a fascinating story of two gambles on War that went awry. Kim Il Sung’s invasion of South Korea started the war but the North Koreans came up just short of victory on the southern tip of the Korean Peninsula. Douglas MacArthur’s masterful counterattack at Inchon a few months later drove the North Koreans all the way to the Yalu River, but only succeeded in convincing the Chinese to intervene. The other question raised by this war is why it did not expand to become World War III. Or *was* it World War III on a more limited scale that would become the model for future wars? Take a look at this if you want to look at a war that defined interstate warfare after Hiroshima.

Hartwell, R. M., John A. James, and Mark Thomas. *Capitalism in Context: Essays on Economic Development and Cultural Change in Honor of R.M. Hartwell*. Chicago: University of Chicago Press, 1994. Max Hartwell was one of the scholars who pioneered quantitative work on the Industrial Revolution in Britain. These essays provide an excellent review of the issues involved in measuring variables in the period of industrialization. Not for the faint-hearted – these essays are for serious cliometricians.

- Hobsbawm, Eric. *The Age of Extremes: A History of the World, 1914-1990*. New York: Pantheon, 1994. As may be apparent from my essay, Eric Hobsbawm is one of my favorite accounts of the “Short Twentieth Century.” Hobsbawm has a strongly Marxist outlook, but he also has a great deal of common sense – more I would conjecture than Marx himself. That is an unusual combination, and the results are very rewarding. He also wrote three books on the “Long Nineteenth Century
- Johnson, Dominic D. P. *Overconfidence and War: The Havoc and Glory of Positive Illusions*. Cambridge, Mass.: Harvard University Press, 2004. Johnson examines the role of euphoria in starting wars. The results of his analysis of overconfidence bear a striking similarity to the role of euphoria in generating the booms that precede economic panic. This book is an excellent bridge between our discussion of war and economics.
- Khanna, Parag. *The Second World: Empires and Influence in the New Global Order*. 1st ed. New York: Random House, 2008. An ambitious effort to recast the contemporary world scene in terms of three “empires”: the United States, the European Union, and China. There is lots of interesting stuff on the contemporary global economy in historical perspective for those who want to deal with the developmental problems of the twenty-first century in their paper.
- Kindleberger, Charles P. *The World in Depression, 1929-1939*. Revised and Enlarged ed. New York: Penguin Books, 1986. First published in the 1960s, this was for many years the classic source for the economics of the Great Depression. It is still valuable for its integration of the worldwide effects of the depression on top of the more familiar story of the United States. Historians should not have problems reading this book.
- McNeill, William Hardy. *The Pursuit of Power: Technology, Armed Force, and Society since A.D. 1000*. Chicago: University of Chicago Press, 1982. McNeill’s book is a background for the arguments about “realist” models of war that claim the root cause of war is the quest for power. I chose it in preference to Jared Diamond’s *Guns, Germs and Steel* for those who like a well-reasoned explanation of warfare over a very long period of time. This is what I mean by “big think projects.
- Mokyr, Joel, editor. *The British Industrial Revolution: An Economic Perspective*. Second ed: Westview Press, 1999. Mokyr is one of the leading “cliometric” writers on the Industrial Revolution. Despite its Anglo-centric focus, the introductory essay in this book is probably the best summary of the issues currently being debated about the industrial revolution. Worth buying – though I don’t have it on the “must buy” list.
- Murray, Williamson, and Allan R. Millett. *A War to Be Won: Fighting the Second World War*. Cambridge, MA: Belknap Press of Harvard, 2000. This is a very readable history of World War II. M&M give us a comprehensive coverage of all the major theaters of the war, and the book includes excellent maps that are valuable as a teaching guide.
- Offer, Avner. *The First World War: An Agrarian Interpretation*. New York: Oxford University Press, 1989. Offer presents a compelling argument that the Germans lost World War I because of the British blockade. This is “economic warfare” in its most literal sense. His emphasis on the problems facing households who were accustomed to purchasing things in the marketplace – including food – ties in well with the discussion of DeVries on the evolution of household decisions in the modern era.
- Posner, Richard A. *A Failure of Capitalism: The Crisis of '08 and the Descent into Depression*. Cambridge, Mass.: Harvard University Press, 2009. Richard Posner was one of the most outspoken advocates of free-market *laissez faire economics* in the 1980s and 1990s. Having discovered the Achilles Heel of unregulated markets, he has made a “180” about face and is all for (at least some) government intervention. This is a marvelous study in intellectual history, because it is rare that a well-known advocate of a thesis in political economy does such a thorough turnabout in his thinking. This book is a good framework for a term paper.
- Skidelsky, Robert Jacob Alexander. *Keynes: The Return of the Master*. 1st ed. New York: Public Affairs, 2009.

Skidelsky – who wrote an earlier biography of Keynes – examines how the crisis of 1907-08 finally brought home the need for “Keynesian” solutions. But he raises question whether or not we are really “all Keynesians” now. One of the possibilities as the focus of a term paper.

Singer, J. David, and Melvin Small. *The Wages of War, 1816-1965: A Statistical Handbook*. New York: John Wiley and Sons, 1972. In 1966 J. David Singer founded the *Correlates of War* project [COW] at the University of Michigan in 1965. The project was founded to collect all the available quantitative evidence on warfare since 1816. It has continued expand since 1965 and now covers conflicts from Napoleon to the First Gulf war. The COW data is available online – I have some of the more popular data in Exel files. To fully understand how to use this data, you need to have this “statistical handbook”, which provides the details of how various wars and statistics are defined. I include Singer’s work in this bibliography because the COW data forms the evidence supporting the “realist” interpretation of the causes of wars.

Stearns, Peter N. *The Industrial Revolution in World History*. Third ed. Boulder, CO: Westview Press, 2007. This textbook on World History provides a background that does a very good job of placing some of the narrower arguments by economic historians into the larger context of world history.

Stiglitz, Joseph E. *Freefall: America, Free Markets, and the Sinking of the World Economy*. 1st ed. New York: W.W. Norton & Co., 2010. An account of the Crisis of 2007-08 by an economist who won the Nobel Prize in 2001. He is better known for an earlier book, *Globalization and its Discontents*, but this volume is a better account of the impact of the American collapse in the context of the global economy of the twenty-first Century. This book is a possible focus for a term paper.

Strachan, Hew. *The First World War: A New Illustrated History*. London; New York: Simon & Schuster, 2003. I know it sounds ridiculous to recommend an “illustrated history” in a graduate course, but this is one of the best general treatments of World War I as a “global” event that I have seen. There are lots of really good ideas here (and some extremely useful pictures as well). Strachan has also edited an excellent volume of essays on World War I simply titled *The First World War*. This is a great source book.

Van Evera, Stephen. *Causes of War: Power and the Roots of Conflict*. Ithaca: Cornell University Press, 1999. Van Evera provides an excellent summary of the efforts by political scientists to explain the “causes” of war. For those interested in exploring the vast literature on the “realist” approach to war, this is an excellent sourcebook, but if you are not into the politics of war it can get boring in a hurry.

Weinberg, Gerhard L. *A World at Arms: A Global History of World War II*. New York: Cambridge University Press, 1994. For Weinberg – who is one of the leading contemporary historians of World War II – the global conflict was actually three separate wars: The Germans and the Western Allies; The Nazis and the Soviets; and the Pacific War between Japan and China, The U.S., and Great Britain. I like this book because it does a marvelous job of illustrating the lack of correlation between the various theaters of the war. If you ever think you are going to teach World War II, this is a book you should have in your library.