American Business History - Prof. Dunlavy

Essential details

Course name
American Business History

Course number
448-247-[sec. # 301-304]

Day/time/location

Lectures: Tuesdays and Thursdays, 4:00-5:15 p.m., 1651 Mosse Humanities Building

Sections:
- 301 - 11:00 W - 2653 Mosse Humanities, 455 North Park St
- 302 - 2:25 W - B341 Van Vleck
- 303 - 9:55 R - 2653 Mosse Humanities
- 304 - 8:50 R - 2111 Mosse Humanities

Pre-requisites
Sophomore standing. Honors credit is available by individual arrangement with Prof. Dunlavy (see me after the first lecture).

Prof. Dunlavy's office hours
Wednesdays, 1:00-3:00 p.m., 5109 Mosse Humanities Building; or by appointment: call 263-1854 or email cdunlavy@wisc.edu.

Teaching assistant
Carl Nordenberg
- Office: 5260 Mosse Humanities Bldg.
- Telephone: 263-2386
- Mailbox: #5118 (by the 5th-floor elevator in the History corner of the Humanities Building)
- Email: cdnordenberg@wisc.edu
- Office hours: Wednesdays, 1:00-2:00 p.m., and Thursdays, 11:00 a.m.-12:00 p.m.

Course description

Three themes
This lecture course explores the dramatic changes that have marked American capitalism since the mid-eighteenth century. Throughout the semester, we will emphasize three themes:

- changes in the world of business as a social world;
- changes in the role of government, without which business life would be -- in Thomas Hobbes' words -- "nasty, brutish, and short" (witness the problems of Enron, WorldCom, etc.); and
- changes in the institutional forms of business, especially the increasing importance and power of the corporation.

Three questions
As we explore these themes in the lectures, the readings, and your writing assignments, we will address three broad issues:

- the facts: how and when the nature of American business changed;
- causation: why these changes (and not others) took place; and
consequences: what impact -- social, political, economic -- these changes had.

Three goals
The course is designed to pursue three goals:

- to give you basic **factual knowledge** of changes in American capitalism from one era to the next;
- to sharpen your **intellectual skills** -- that is, to improve your powers of
  - **critical analysis** (your ability to read closely, to reason soundly, and to express your thoughts clearly in writing); and
  - **historical analysis** (your ability to analyze and interpret complex, dynamic events with imperfect information -- if you do well in the course, you may list that valuable skill on your résumé);
- to perform the mental feat of "de-naturalizing" American business. As you develop an understanding of the forces that pushed change in certain directions but not others, you will begin to see that "business as we know it" is the product of specific historical forces, not an inevitable, pre-determined outcome. This insight, in turn, helps in making sense of the changes underway in American capitalism today and in understanding the extent to which human agency can make a difference.

Course materials

**Required readings**
The assigned readings (see Semester Schedule for details) are of two kinds: our focus will be on "primary sources," documents produced by participants in or observers of the historical events that we will study, and we will use a textbook for valuable background or contextual reading.

The **primary sources** take the form of articles, essays, or excerpts from books written either by business people or by other observers about controversial developments in American business. Primary sources provide the grist for an historian's mill. Read them carefully and actively; think not only about what a reading tells you but about who wrote it, why they did so, and what else you would like to know. If more than one primary source is assigned in a given week, they will make more sense if you read them in the order given on the schedule. Discussion sections will focus closely on the primary sources.

The **textbook**, available for purchase and on reserve, is:

You will be assigned two or three chapters at a time. Read and digest them quickly; then review them in subsequent weeks, as indicated on the Semester Schedule. Bring questions to lecture and section or to me in office hours.

**Recommended readings**
If you plan to work actively to improve your analytical and writing skills -- and I encourage you to take advantage of the opportunity to do so in this class, the following works are indispensable (the specific edition is less important):

- William Strunk, Jr., and E.G. White, *The Elements of Style*, 4th ed. (New York: Longman, 2002) or a 1999 online edition. This gem, long a classic, is only 70-some pages long; memorize it!


Where to find the readings

<table>
<thead>
<tr>
<th></th>
<th>E-Reserves¹</th>
<th>UBS²</th>
<th>College Lib.</th>
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</thead>
<tbody>
<tr>
<td>Blackford &amp; Kerr</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Primary sources</td>
<td>Y</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Recommended books</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
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¹ Access E-Reserves (electronic reserves) through your UW portal, http://my.wisc.edu, only.
² UBS = Textbooks Department of University Bookstore on Library Mall.

Course requirements

Discussion sections
This course includes mandatory discussion sections, which will be led by our teaching assistant, Carl Nordenberg. For his contact information and the section meeting times and locations, see "Essential Details" above.

Please attend the section for which you are registered, so that the sections remain at a size suitable for fruitful discussion. If you need to switch sections, see Carl as soon as possible. If you must occasionally attend a different section, be sure to let him know that you need to do so.

Discussions will focus on the primary sources and the paper assignments, although you should feel free to raise questions about lectures, the keywords, and the textbook assignments as well. Each week you will receive a set of questions to guide your reading for the subsequent week. Use these! Carl will provide more details in sections.

"Participation" accounts for 20% of your course grade and is composed of several elements:

1. Attendance -- vital but not sufficient for a good grade.
2. Preparation: Be sure to do the assigned reading, discussion questions in hand, before section. Come with answers to the discussion questions as well as your own questions about the readings, lectures, or writing assignments. Occasionally you will also be given specific assignments to prepare for sections.
3. Engaged discussion: Active and informed discussion of the readings and lectures enhances the value of your section for all concerned. You can make a difference! Be sure to review the course description occasionally to focus your response to the readings and assignments.

Written work
Even in a digital age, it is impossible to overstate the importance of being able to write well. You may have the most interesting, innovative thoughts in the world, but if you cannot express them well in writing, how many people will know? Writing is also an indispensable tool in sharpening your analytical skills, since it is usually in the process of putting your ideas on paper that you figure out where your ideas work and where they don't. And don't assume, because your native language is English, that you are fluent. Everyone can improve his/her writing and most of us need to work at it.

You will have several opportunities to hone your skills this semester -- six keyword quizzes, two paper assignments, and a blue book exam. All ask you to apply your powers of critical thinking to the lectures and assigned readings and then to convey the results on paper. Writing good essays in this class requires you to listen and read closely and to think critically, historically, creatively, and coherently (more on these qualities in lecture and sections).
On the syllabus each week, you will find two or three **keywords** to master. You may reach a complete list of the keywords on our Learn@UW site by clicking on "Keywords" on the Schedule (or visit http://history.wisc.edu/dunlavy/me/247-S05/Keywords.htm to go directly to the full list). The keywords are drawn from the lectures and primary-source readings and serve as foundation stones for your essays. You will need to define or describe each keyword, place it in time (by date or decades), and explain its significance in American business history (notice that: not its importance to American business but in American business history). **Six keyword quizzes** (20% of your course grade) will be given without advance notice in sections or in lectures. You will have five minutes for each keyword both in the quizzes and on the final exam.

The **two paper assignments** (constituting 15% and 20% of your course grade) require you to digest and synthesize the primary sources, their maximum length increasing from three to six pages. You should bump up against these limits, and you may find the page limits quite constraining. If so, know that they are intended to encourage the valuable habit of expressing your thoughts directly and succinctly. Prune and pare your paper draft until it meets the page limit and its quality will improve.

The **final exam** (25% of the course grade) will be two-hour, closed-book, blue-book exam, which will take place on Friday, May 13, at 7:45 p.m. at a location to be announced later. You will be asked to do six keywords and to write two essays. On Tuesday, May 3, we will hand out in lecture the two essay questions that will appear on the final exam, and we will hold a review session on Tuesday, May 10.

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**Our Learn@UW site**

This class has a password-secured Learn@UW site, which you can reach through your UW portal at http://my.wisc.edu or directly at https://uwmad.courses.wisc.edu. Use your UW NetID and password to log in.

The site has a link to this syllabus and a calendar of course events. As they become available, I will also post the powerpoints from lectures (after lectures), the weekly discussion questions, and the paper assignments. Your grades will also be available on the Learn@UW site and they will be submitted electronically to the Registrar at the end of the semester. Check them periodically to ensure that what we have recorded matches your information.

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**Course Policies**

**Do your best work -- anti-discrimination policy**

I am committed to creating and maintaining a bias-free learning environment that allows everyone to do his or her 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 you have any questions or concerns about this policy, please feel free to talk with me. For more information on the university's policies, contact UW-Madison's Equity and Diversity
Grading

Your grade in this course will be calculated as follows:

- Participation in sections: 20%
- Keyword quizzes: 20%
- Paper #1: 15%
- Paper #2: 20%
- Final exam (blue book): 25%
- Total: 100%

Grades will be assigned according to the standard UW format (A, AB, B, BC, C, D, F), except that we will also use pluses and minuses to give you more nuanced feedback during the semester. Click here for an explanation of what pluses and minuses mean; the explanation is also available on our Learn@UW site. At the end of the semester, of course, final grades must be reported without pluses and minuses. Therefore, be aware that a plus or minus will not change your final grade. An overall average grade with a "plus" (e.g., B+) will not translate into the next higher grade (i.e., B+ will be reported as a B). By the same token, a "minus" grade (e.g., AB-) will not result in a lower grade (i.e., AB- will be reported as an AB).

For a discussion of performance expectations in the discussion sections and on the writing assignments, see "Sections" and "Written Work" above.

We will use Learn@UW's "Grades" tool this semester, so you will be able to check your grades whenever you log onto our site.

Absences and late assignments

How faithfully you attend lecture is your choice. Obviously, the more you attend, the more you will get out of this course -- or, more concretely, the fewer keyword quizzes you will miss and the better prepared you will be for the writing assignments and final exam. In that sense lecture attendance inevitably affects your grade a great deal.

Attendance in discussion sections is mandatory, since your section grade depends on participation, and an indispensable element of participation is attendance. As a general rule, students are permitted one unexcused absence from sections; after that, absence will affect your section grade. The best policy is to keep your teaching assistant and Prof. Dunlavy closely apprised of any difficulties that you run into during the semester.

Late assignments will be accepted only in dire circumstances and we may require evidence to substantiate those circumstances (this is a history class, after all).

Plagiarism = fraud in a capitalistic society

From Merriam-Webster's Collegiate Dictionary (10th ed.) -- plagiarize: "to steal and pass off (the ideas or words of another) as one's own; . . . present as new and original an idea or product derived from an existing source."

Plagiarism has become an increasingly serious offense as Western society has become increasingly property-oriented. 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 computer/media world today. If you have any questions about what constitutes plagiarism, an excellent source of information is Turnitin.com's pages on plagiarism (or you may download here a pdf copy of Turnitin's at http://history.wisc.edu/dunlavy/me/Plagiarism.pdf). Also, please feel free to talk with me, with your teaching assistant, or with the Dean of Students, 117 Bascom (3-5700).

Plagiarism can result in expulsion from the university -- not a good way to begin the rest of your life!
Here are my general tips on avoiding plagiarism:

- Notice that plagiarism encompass **ideas as well as words**. This means that you need to document (by citing your sources in footnotes, endnotes, or parenthetically) not only the source of quotations (i.e., borrowed words) but also the source of **borrowed ideas** that you express in your own words.
- If you have troubling deciding what you need to document and what does not require it, that's because it is not always easy to know. A good rule of thumb: **if in doubt, document**.
- Submitting an entire paper that someone else has written, even if they have given their permission, is fraud on a grand scale and completely beyond the pale.

### Study Tips

1. Take notes, take notes, take notes . . . in lectures as well as sections. I cannot emphasize this enough. If you take notes, you will have something to review in writing your papers and preparing for the final exam (duh!).
2. Don't let yourself be lulled by my PowerPoint lectures into a state of passivity, in which you write down only what appears on the screen. Take an active stance. Flesh out the outline from the ppt slides with details in your own words.
3. Review, review, review . . . your notes as well as the keywords and readings.
4. Come and talk with Prof. Dunlavv or your TA about any questions or curiosities you may have.
5. Remember that writing and analysis are intimately linked. For many students, understanding comes from the attempt to write about a topic in a coherent way. So don't be frustrated if the written assignments seem difficult -- you're doing much more than merely writing!
6. UW-Madison's Writing Center is one of the best in the country. Located in 6171 Helen C. White Hall, it offers individual writing instruction, noncredit classes, and an online writing center. Take advantage of it!

### Semester Schedule

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<tr>
<th>Era of Proprietary / Small-Scale Capitalism</th>
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<tr>
<td><strong>Week 1 - January 18-20</strong></td>
</tr>
<tr>
<td><em>Keywords:</em> mercantilism, colony, Gerard Beekman</td>
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<tr>
<td><em>Read:</em> Blackford and Kerr, Introduction + chapter 1</td>
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<tr>
<td><em>Lecture</em> - Jan. 18 (T): Introductions, course mechanics</td>
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<tr>
<td><em>Sections</em> - Jan. 19-20 (W-R): introductions, useful information</td>
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<tr>
<td><em>Lecture #1</em> - Jan. 20 (R): On the periphery of the world economy</td>
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| Week 2 - January 25-27 |
Keywords: Eliza Pinckney, bill of exchange, War of 1812

Read:
- Blackford and Kerr, chapter 2 (background reading)

*Lecture #2 - Jan. 25 (T): The world of colonial business*

*Sections - Jan. 26-27 (W-R): discussion of the Beekman letters (+ 1st keyword quiz)*

*Lecture #3 - Jan. 27 (R): Post-colonial business from the revolution to the Panic of 1819*

**Era of Shareholder / Industrial Capitalism**

*Week 3 - February 1-3*

Keywords: general incorporation, free banking

Read:
- Blackford and Kerr, chapters 3-4 (background reading)

*Lecture #4 - Feb. 1 (T): A new institutional power - the corporation*

*Sections - Feb. 2-3 (W-R): discussion of corporations*

*Lecture #5 - Feb. 3 (R): The stalemated state, part I - land and capital in early America*

*Week 4 - February 8-10*
Keywords: "American System" (the policy package), domestic manufacturing, Free Frank

Read:
- Review Blackford and Kerr, chapters 3-4 (background reading)

Lecture #6 - Feb. 8 (T): The stalemated state, part II - origins of the myth of "laissez-faire"

Sections - Feb. 9-10 (W-R): discussion of domestic manufacturing

Lecture #7 - Feb. 10 (R): Social limits of property rights - race and gender in antebellum business

Week 5 - February 15-17

Keywords: "American System" (of manufacturing), overseer, "American System" (of railroad construction)

Read:
- Review Blackford and Kerr, chapters 3-4 (background reading)

Lecture #8 - Feb. 15 (T): The "industrial revolution" - what was it? + 1st paper assignment handed out

Sections - Feb. 16-17 (W-R): discussion of plantation readings

Lecture #9 - Feb. 17 (R): American railroads - disorderly development
Week 6 - February 22-24

Keywords: national banking acts, integration (horizontal and vertical)

Read:
- Blackford and Kerr, chapters 5-6 (background reading)
- Excerpts from the annual reports of the directors of the Baltimore and Ohio Railroad to their shareholders in 1827, 1847, 1867, 1881.

Lecture #10 - Feb. 22 (T): The Civil War - birthing a national economy + **1st paper due**

Sections - Feb. 23-24 (W-R): discussion of B&O annual reports

Lecture #11 - Feb. 24 (R): New managerial strategies - vertical and horizontal integration

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Era of Managerial / Financial Capitalism

Week 7 - March 1-3

Keywords: Homestead, American Institute of Electrical Engineers, one vote per share

Read:
- Review Blackford and Kerr, chapters 5-6 (background reading)

Lecture #12 - March 1 (T): The new work environment

Sections - March 2-3 (W-R): discussion of the Homestead Strike

Lecture #13 - March 3 (R): The paradox of American corporations - plutocracy ascendant

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Week 8 - March 8-10

Keywords: Booker T. Washington, producer cooperatives
Read:
- Review Blackford and Kerr, chapters 5-6 (background reading)
- Rheta Childe Dorr, *What Eight Million Women Want* (1910), ch. 5 - "Women's Demands on the Rulers of Industry"

*Lecture #14* - March 8 (T): Social barriers to entry - race and gender at the turn of the century

*Sections* - March 9-10 (W-R): discussion of race and gender in turn-of-the-century business

*Lecture #15* - March 10 (R): Alternatives to the large corporation

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**Week 9 - March 15-17**

*Keywords:* "race to the bottom," Sherman Anti-Trust Act, scientific management

*Read:*
- Blackford and Kerr, chapter 7 (background reading)

*Lecture #16* - March 15 (T): Competition policy goes national

*Sections* - March 16-17 (W-R): discussion of scientific management

*Lecture #17* - March 17 (R): Consolidating the power of big capital - the Great War

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**Week 10 - March 22-24** - *Spring break*
Week 11 - March 29-31

**Keywords:** Council of National Defense, technological system, diversification

**Read:**
- Blackford and Kerr, chapters 8-9 (background reading)

**Lecture #18 - March 29 (T):** The growth of technological systems

**Sections - March 30-31 (W-R):** discussion of advertising

**Lecture #19 - March 31 (R):** Why the great slide into depression?

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**Era of Organized Capitalism**

Week 12 - April 5-7

**Keywords:** Bretton Woods, technological unemployment, Highway Act of 1956

**Read:**
- Blackford and Kerr, chapters 10-11 (background reading)
  - pp. 1-2 (intro)
  - pp. 2-10, 20-27, 56-66 (David J. McDonald, Pres., United Steelworkers),
  - pp. 67-82 (John Diebold of the Diebold Group),
  - pp. 353-78 (R. Conrad Cooper, Exec. Vice Pres., United States Steel Corp.).

**Note:** This is on E-Reserves in two parts.

**Lecture #20 - April 5 (T):** Another world war . . . or, forging the modern American political economy
Sections - April 6-7 (W-R): discussion of automation in the 1950s

Lecture #21 - April 7 (R): The surprise of postwar prosperity + second paper assignment handed out

Week 13 - April 12-14

Keywords: conglomerations, multinationals

Read:
- Review Blackford and Kerr, chapters 10-11 (background reading)
- Primary source to be shown in lecture

Lecture #22 - April 12 (T): Multinationals - the "global reach" of American business

Sections - April 13-14 (W-R): no sections

Lecture #23 - April 14 (R): Conglomerates - the end of the line + second paper due

Week 14 - April 19-21

Keywords: OSHA, Business Roundtable

Read:
- Review Blackford and Kerr, chapters 10-11 (background reading)

Lecture #24 - April 19 (T): Why the "new regulation"?

Sections - April 20-21 (W-R): discussion of Kimberly-Clark annual reports

Lecture #25 - April 21 (R): Organized interests in the world of business

A new era of capitalism?

Week 15 - April 26-28
Keywords: stagflation, pseudo-professionalism, core business

Read:

- Blackford and Kerr, chapters 12-13 (background reading)

Lecture #26 - April 26 (T): Crisis again - the 1970s

Sections - April 27-28 (W-R): discussion of "economic decline" in the 1970s

Lecture #27 - April 28 (R): Against the grain of history - late-20c strategies and structures

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Week 16 - May 3-5

Lecture #28 - May 3 (T): 21c revolutions? Nano-technology + globalization + **final exam prep sheet handed out**

Sections - May 4-5 (W-R): review and wrap-up

May 6 - no lecture

Review session, May 10 (T), 4:00-5:15 p.m., **location tba**

May. 13 (F) - Final exam (blue book), Friday, 7:45 a.m., **location tba**