

# American Business History

History 247 / Prof. Dunlavy

Course Description - Fall 2005

## Overview

- In brief
- Themes, questions, goals
- Readings
- Discussion Sections
- Writing Assignments
- Our Learn@UW Site
- Anti-discrimination policy
- Grading
- Absences and late assignments
- Plagiarism
- Study tips

## In brief

Course ID: 448-247-[sec. #301-308]; lecture meets TR 4:00-5:15 in 3650 Mosse Humanities

Pre-requisite: sophomore standing. Honors credit available by individual arrangements with Prof. Dunlavy.

Prof. D.'s office: 5109 Mosse Humanities

Prof. D.'s office hours: Tuesdays, 12:00-1:00 p.m., or Thursdays, 5:30-6:30 p.m.; or by appt. (email me).

Teaching assistants: David Bishop (secs. 303-305, 308) and Helen Hoguet (secs. 301-302, 306-307)

## Themes, questions, goals

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**.

As we explore these themes in the lectures, the readings, and your writing assignments, we will address **THREE BROAD ANALYTICAL 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.

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.

---

## Readings

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

The **primary sources**, which are available on E-Reserves through your My UW portal, take two forms: some are in the form of articles, essays, or excerpts from books written by contemporary observers about controversial developments in American business; others consist of business records (letters, annual reports) that give us first-hand insight into the world of business at a given moment. Primary sources provide the grist for the historian's mill. Read them carefully and actively; think not only about what information a reading conveys but but, more importantly, about who wrote it, why they did so, and what questions it raises in your mind, especially in light of what you have learned in lectures or other readings. If more than one primary source is assigned in a given week, they will generally make better sense if you read them in the order given on the schedule. Discussions in sections will focus closely on the primary sources.

The **textbook** provides important context for the primary sources and the lectures. It is available for purchase at the University Bookstore and on reserve at College Library:

Mansel G. Blackford and K. Austin Kerr, *Business Enterprise in American History*, 3d. ed. (Houghton Mifflin Company, 1994).

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 Schedule. Bring questions to lecture and section or to me in office hours.

**Also required** is Mary Lynn Rampolla, *A Pocket Guide to Writing in History* (Bedford/St. Martin's, 2004), which covers all the basics that you will need to do well in your writing for this course. It is available at the University Library and on reserve at College Library. Read this carefully and refer to it frequently -- in this and all history courses.

---

## Discussion sections

This course includes mandatory discussion sections, which will be led by our teaching assistants, David Bishop and Helen Hoguet.

| Sec. # | Day/time | Location        | TA           |
|--------|----------|-----------------|--------------|
| 301    | W 12:05  | 2619 Humanities | Helen Hoguet |
| 302    | W 2:25   | 2241 Humanities | Helen Hoguet |
| 303    | R 9:55   | 2221 Humanities | David Bishop |
| 304    | R 11:00  | 2631 Humanities | David Bishop |
| 305    | R 8:50   | 2211 Humanities | David Bishop |

|     |         |                 |              |
|-----|---------|-----------------|--------------|
| 306 | W 9:55  | 2221 Humanities | Helen Hoguet |
| 307 | W 11:00 | 2625 Humanities | Helen Hoguet |
| 308 | W 4:35  | 2261 Humanities | David Bishop |

Please make every effort to attend the section in which you are registered so that the sections remain at a size suitable for fruitful discussion. If you must switch sections, see your assigned TA as soon as possible. If you must occasionally attend a different section -- or if anything else interferes with your attendance or participation -- be sure to keep your TA apprised.

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. Most weeks you will receive a set of questions to guide your reading for the subsequent week. Use these! David and Helen will provide more details in sections.

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

1. **Attendance** -- this is vital, though 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 "themes, questions, goals" section of this document occasionally to focus your response to the readings and assignments.

---

## Writing assignments

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 they work and where they don't. Also, 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 -- **four keyword quizzes, three paper assignments, and a blue book exam**. All ask you to apply your powers of critical thinking to the course materials 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 by going to <http://faculty.history.wisc.edu/dunlavy/me/247-f05/Keywords.htm>. 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). **Four keyword quizzes** (20% of your course grade) will be given without advance notice in lectures. You will have five minutes for each keyword both in the quizzes and on the final exam.

The **three paper assignments** (constituting 10%, 15%, and 15% of your course grade, respectively) require you to digest and synthesize the primary sources, their maximum length ranging from two to five pages. You should bump up against these limits and you may find them quite constraining. If so, know that they are intended to encourage you to express 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** (20% of the course grade) will be two-hour, closed-book, blue-book exam, which will take place on Tuesday, December 20, at 10:05 a.m. at a location to be announced later. You will be asked to write four keywords and two essays. On Tuesday, December 13, 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 Friday, December 20.

---

### 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. There's also a page of links to websites that deal with aspects of the history that we will be exploring.

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.

---

### 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 Resource Center, 179A Bascom Hall, 500 Lincoln Drive, Madison, WI 53706; (608) 263-2378.

---

### Grading

Your grade in this course will be composed of the following elements:

|                           |     |
|---------------------------|-----|
| Participation in sections | 20% |
| Keyword quizzes           | 20% |
| Paper #1                  | 10% |

|                               |            |
|-------------------------------|------------|
| Paper #2                      | 15%        |
| Paper #3                      | 15%        |
| <u>Final exam (blue book)</u> | <u>20%</u> |
| 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. For details, go to <http://faculty.history.wisc.edu/dunlavy/me/247-f05/CalculateGrade-History247.htm>. For a discussion of performance expectations in the discussion sections and on the writing assignments, see "Sections" and "Writing Assignments" 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 capitalist 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 manual on plagiarism). 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 -- that's pretty self-evident, isn't it!
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 slides by adding details in your own words.
3. Review, review, review . . . your notes as well as the keywords and readings.
4. Come and talk with Prof. Dunlavy 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

Note: the keywords and lecture titles may change.

---

## Era of Proprietary / Small-Scale Capitalism

Week 1 - September 6-8

*Keywords this week:* mercantilism, colony

*Lecture - Sept. 6 (T):* Introductions, course mechanics

*Sections - Sept. 7-8 (W-R):* introductions, useful information

*Readings:*

- Blackford and Kerr, Introduction + chapter 1, "Business in Colonial America"

*Lecture #1 - Sept. 8 (R):* *On the periphery of the world economy*

## Week 2 - Sept. 13-15

*Keywords this week:* bills of exchange, capitalism, Eliza Pinckney

*Lecture #2 - Sept. 13 (T):* Ways of doing business in the colonies

*Sections - Sept. 14-15 (W-R):* what is "capitalism"?

Readings:

- James Fulcher, *Capitalism: A Very Short Introduction* (complete)

*Lecture #3 - Sept. 15 (R):* Profiles of colonial capitalists + **1st keyword quiz**

## Era of Shareholder / Industrial Capitalism

## Week 3 - Sept. 20-22

*Keywords this week:* Gerard Beekman, War of 1812, (First) Bank of the United States

*Lecture #4 - Sept. 20 (T):* Post-colonial business from the revolution through the War of 1812 + **1st paper assignment handed out**

*Sections - Sept. 21-22 (W-R)*

Readings:

- Blackford and Kerr, chapter 2, "Business in the Revolutionary Era" (= background reading)
- 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). [on Learn@UW]

*Lecture #5 - Sept. 22 (R):* Land and capital in early America

## Week 4 - September 27-29

*Keywords this week:* general incorporation, "American System" (the policy package), Erie Canal

*Lecture #6 - Sept. 27(T):* A new institutional power - the corporation + **1st paper due**

*Sections - Sept. 28-29 (W-R):* discussion of early corporations

Readings for discussion:

- Blackford and Kerr, chapters 3-4, on the period 1790-1850 (= background reading)
- Daniel Raymond, *Thoughts on Political Economy* (Baltimore: Fielding Lucas, Jun'r., 1820), 425-433 - chapter on "Corporations".
- *Letter, on the Use and Abuse of Incorporations, Addressed to the Delegation from the City of New-York, in the State Legislature. By One of Their Constituents* (New York: G. & C. Carvill, 1827), pp. 3-14, 50-59.
- [Theodore Sedgwick, Jr.], *What is a Monopoly? Or Some considerations Upon the Subject of Corporations and Currency* (New York: George P. Scott & Co., 1835), pp. 4-14, 35-37.

*Lecture #7 - Sept. 29 (R):* Stalemated "state," activist states - the early American political economy

---

## Week 5 - October 4-6

*Keywords this week:* Rebecca Lukens, domestic manufacturing, "American System" (of manufacturing)

*Lecture #8 - Oct. 4 (T):* Social limits of property rights - race and gender in antebellum business

*Sections - Oct. 5-6 (W-R):* discussion of "domestic manufacturing"

Readings for discussion:

- Review Blackford and Kerr, chapters 3-4 (= background reading)
- American Society for the Encouragement of Manufactures, "Address to the People of the United States (1817)," in *The Philosophy of Manufactures: Early Debates over Industrialization in the United States*, eds. M. Brewster Folsom and Steven D. Lubar (Cambridge, Mass.: MIT Press, 1981), pp. 199-224.
- James Swan, "Address on the Question for an Inquiry into the State of Agriculture, Manufactures and Commerce (1817)," in *ibid.*, pp. 225-240.

*Lecture #9 - Oct. 6 (R):* The "industrial revolution" - what was it?

---

## Week 6 - October 11-13

*Keywords this week:* "American System" (of railroad construction), overseer, national banking acts

*Lecture #10 - Oct. 11 (T):* American railroads - disorderly development

*Sections - Oct. 12-13 (W-R):* discussion of the business of plantations

Readings for discussion:

- Review Blackford and Kerr, chapters 3-4 (= background reading)
- 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), pp. 122-126, 134-147

*Lecture #11 - Oct. 13 (R):* The Civil War - birthing a national, industrial economy

---

## Era of Managerial / Financial Capitalism

### Week 7 - October 18-20

*Keywords this week:* horizontal integration, vertical integration, Homestead

*Lecture #12 - Oct. 18 (T):* New managerial strategies - vertical and horizontal integration + **2d paper assignment handed out**

*Sections - Oct. 19-20 (W-R):* discussion of the Homestead Strike

Readings for discussion:

- Blackford and Kerr, chapters 5-6 (= background reading)
- "The Homestead Strike" (in 3 parts), *North American Review*, September 1892, 355-375.
- *The Autobiography of Andrew Carnegie* (Boston and New York: Houghton Mifflin Co., 1920), 228-239 (ch. 17, "The Homestead Strike").



Lecture #13 - Oct. 20 (R): Work transformed

---

### Week 8 - October 25-27

*Keywords this week:* Granville T. Woods, one vote per share

*Lecture #14 - Oct. 25 (T):* Social barriers to entry - race and gender at the turn of the century + **2d paper due**

*Sections - Oct. 26-27 (W-R):* discussion of race and gender in turn-of-the-century business

Readings for discussion:

- Review Blackford and Kerr, chapters 5-6 (= background reading)
- Booker T. Washington, *The Negro in Business* (orig. pub., 1906), ch. 1.
- W. E. B. Du Bois, *The Souls of Black Folk* (orig. pub., 1903), ch. 3 - "Of Mr. Booker T. Washington and Others."
- Rheta Childe Dorr, *What Eight Million Women Want* (1910), ch. 5 - "Women's Demands on the Rulers of Industry"

*Lecture #15 - Oct. 27 (R):* The paradox of American corporations - plutocracy ascendant

---

### Week 9 - November 1-3

*Keywords:* producer cooperatives, scientific management, "race to the bottom," Clayton Act

*Lecture #16 - Nov. 1 (T):* Capitalist alternatives to the large corporation

*Sections - Nov. 2-3 (W-R):* discussion of scientific management

Readings for discussion:

- Blackford and Kerr, chapter 7 (= background reading)
- Frederick W. Taylor, *Principles of Scientific Management* (1911), ch. 2.
- Selections from *Hearings before Special Committee of the House of Representatives to Investigate the Taylor and Other Systems of Shop Management . . .* (Washington, D.C.: Government Printing Office, 1912), pp. 3-33.

*Lecture #17 - Nov. 3 (R):* Competition policy goes national

---

### Week 10 - November 8-10

*Keywords this week:* Council of National Defense, diversification, consumerism

*Lecture #18 - Nov. 8 (T):* Consolidating the power of big capital - the Great War

*Sections - Nov. 9-10 (W-R):* discussion of advertising

Readings for discussion:

- Blackford and Kerr, chapters 8-9, on 1920-1945 (= background reading)
- Stuart Chase, *The Tragedy of Waste* (New York: Macmillan Company, 1929; orig. publ. 1925), 1-40, 108-125.
- Earnest Elmo Calkins, *Business the Civilizer* (Boston: Little, Brown, and Company, 1928), 1-46.

*Lecture #19 - Nov. 10 (R):* The growth of "technological systems"

---

## Week 11 - November 15-17



*Keywords this week:* technological unemployment, military-industrial complex

*Lecture #20 - Nov. 15 (T):* Experiencing the Great Depression + **3d paper assignment handed out**

*Sections - Nov. 16-17 (W-R):* discussion of the depression

Readings for discussion:

- Review Blackford and Kerr, chapters 8-9 (= background reading)
- TBA

*Lecture #21 - Nov. 17 (R):* World war again -- forging the modern American political economy

## Era of Organized Capitalism

## Week 12 - November 22-24

*Keywords this week:* Bretton Woods, Federal-Aid Highway Act of 1956

*Lecture #22 - Nov. 22 (T):* The surprise of postwar prosperity

*Sections - Nov. 23-24 (W-R):* **no sections this week**

Readings: Blackford and Kerr, chapters 10-11

*Lecture #21 - Nov. 24 (R):* **no lecture -- Thanksgiving**

## Week 13 - November 29 - December 1



*Keywords:* conglomeration, multinationals, automation

*Lecture #22 - Nov. 29 (T):* Conglomerates and the modern corporation + **3d paper due**

*Sections - Nov. 30-Dec. 1 (W-R):* opposing views of automation in the 1950s

Readings for discussion:

- Review Blackford and Kerr, chapters 10-11
- Selections from *Impact of Automation on Employment*, Hearings before the Subcommittee on Unemployment and the Impact of Automation . . . House of Representatives, 87th Cong., 1st sess., March-April 1961:

o

*Lecture #23 - Dec. 1 (R):* Multinationals - American business goes global

## Week 14 - December 6-8

*Keywords:* OSHA, stagflation

*Lecture #24 - Dec. 6 (T):* Why the "new regulation"?

*Sections - Dec. 7-8 (W-R):* assessing changes in Am. business through the "lens" of Kimberly-Clark annual reports

Readings for discussion:

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

- Kimberly-Clark Corporation annual reports, 1952-53, 1963, 1973, 1983. For a sense of the company's public face today, check out its website as well. <http://www.kimberly-clark.com/aboutus/history.asp>

*Lecture #25* - Dec. 8 (R): Crisis again - the 1970s

---

## A new era of capitalism?

Week 15 - December 13-15

Keywords: pseudo-professionalism, core business



*Lecture #26* - Dec. 13 (T): Against the grain of history - late-20c strategies and structures + **final exam prep sheet handed out**

*Sections* - Dec. 14-15 (W-R): conflicting views of the American economy in the 1970s

Readings for discussion:

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

*Lecture #27* - Dec. 15 (R): 21c revolutions? Nanotechnology + globalization



*Review session* - Friday, December 16, 4:00-5:00 p.m., location TBA

---

Week 16 - December 20



Final exam - Dec. 20, 10:05 a.m., location TBA

---