

Fall 2008: History 4000
The History of Money in America
Tuesday and Thursday, 3:30 pm – 4:45 pm
Location: LeConte Hall, Room 321

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Office Hours: Tuesday and Thursday, 12:30 pm – 2:00 pm (and by appointment)

Course Description: This class surveys the history of the United States from colonial times to the present from an unorthodox vantage point: the money supply. Please understand that this is not a course in economic history so much as it is a course that uses an economic subject – money – to investigate a series of questions that are equally the domain of cultural, political, and social history. What, for example, is the historical relationship between the nation state and the money supply? How have foreign currencies played a role in American economic development? What are the economic and cultural beliefs that privilege gold or silver over other, alternative currencies? How did the dollar go from being a derivative currency to the most powerful form of money in the world today? Though we will tackle these and other questions from the standpoint of the nation state, much of this course will necessarily adopt a global perspective: the dollar, like most currencies, has never been a purely national phenomenon, even if it has underwritten the creation of a national identity.

Course Readings: The course is grounded in several texts available (if you're lucky) at the University of Georgia Bookstore across from the Tate Center. You'll have better luck at both branches of the Off Campus Bookstore at either 360 or 696 Baxter Street. Wherever you go, please purchase the following: Ranjit S. Dighe, *The Historian's Wizard of Oz: Reading L. Frank Baum's Classic as a Political and Monetary Allegory* (New York: Praeger, 2002); John Kenneth Galbraith, *Money: Whence It Came, Where It Went* (Boston: Houghton Mifflin, 1975); Richard H. Timberlake, *Monetary Policy in the United States: An Intellectual and Institutional History* (Chicago: University of Chicago Press, 1993); and Viviana Zelizer, *The Social Meaning of Money: Pin Money, Paychecks, Poor Relief, and Other Currencies* (New York: BasicBooks, 1994). The balance of the readings can be found in the course packet available at Bel-Jean Copy Center at 163 East Broad Street. To get there, exit through the arch on North Campus, cross Broad Street, take a left, and walk half a block. Please review the course packet before purchasing it to confirm that the copies are legible and complete.

Overview of Course Requirements: Classes will take the form of a modified seminar: students will spend most of their time discussing the readings, with the remainder spent listening to occasional lectures. Please note that this is a reading-intensive course, with upward of 150-200 pages a week. Students who foresee having difficulty with this requirement should not take this class. Students who may have trouble meeting the other demands of the course – as listed below – should not take the class, either. Please note that all course requirements are subject to change at the professor’s discretion.

Attendance: Regular attendance is mandatory, and you are expected to be on time. *Any absence for any reason beyond three* will be penalized as follows: miss four classes, and your final grade will drop by a third of a letter grade; miss five classes, and your final grade will drop by two thirds of a letter grade; miss six, and your final grade will drop by an entire letter grade; and so forth. The foregoing policy becomes effective on August 26. Coming late to class will also be penalized, with three tardy arrivals counting as one absence. Students are responsible for all material covered in any classes they miss. Students who come late to class on a regular basis will be dropped from the course.

Participation: Class participation will be evaluated on the basis of coming to class having done the reading *and* having thought about what you’ve read. Understand that I “cold call” students about the reading and expect that you will be prepared for that challenge. Please meet with me if this poses any difficulties for you.

Laptops: Laptops are not permitted in this course at any time. There are no exceptions to this rule.

Read and Respond: Two times over the course of the semester, students will be required to turn in a two-page, double-spaced, typed response (approximately 600 words) to the assigned primary source readings for the week. These are due at the beginning of class on September 18 and November 6. Late papers will be penalized a letter grade for every day they are late. Papers not completed will count as an “F” and carry extra weight in the final determination of your grade. In the unlikely event that students fail to do the reading, there will be additional assignments of this sort.

Exam: There will be one mid-term examination on October 30, which will require students to review, synthesize, and analyze readings, lectures, and discussions, and will consist of a combination of short-answer and essay questions. Students who miss an exam will be expected to make it up by writing a separate 25 page paper (approximately 7000-8000 words) with footnotes. I will choose the topic of the paper, but rest assured that it will involve reading another book (a primary source) as well as doing

research in the library. Students who miss this exam and then fail to write this paper will receive an “F” for that exam – no exceptions.

Primary Research Paper: One primary research paper of approximately 3000 words (about 10 pages typed and double-spaced) is due at the beginning of class on December 11; a proposal for this paper is due on October 16 and a first draft on December 2. Extensions will be granted only for family emergencies or circumstances of comparable seriousness. Otherwise, late papers will be penalized a letter grade for every day they are late. Students who do not complete the formal paper will fail the class. Papers will be graded on the basis of the clarity of the writing, the originality of the thought, and the care (or lack thereof) of the presentation. Misspellings will lower your grade.

Grading: Your final grade will be calculated on the following basis: 25% for Participation; 25% for the “Read and Respond” Papers; 25% for the Mid-Term, and 25% for the Final Paper. Please note that how I weigh your grade is subject to change.

Plagiarism and Academic Integrity: Don’t plagiarize. Any student who turns in an assignment, paper, or exam that is in any way an infringement of the University’s Academic Honesty Code will have their case referred to the Academic Honesty Office in the Office of the Vice President of Instruction. You are responsible for determining what is and what is not plagiarism and you are expected to read “A Culture of Honesty” and review the details of the University of Georgia Academic Honesty Policy at <http://www.uga.edu/ovpi/honesty/ahs.htm>.

Class and Office Hours: We will meet from 3:30 to 4:45 pm on Tuesdays and Thursdays. My office hours are on Tuesdays and Thursday from 12:30 to 2:00 pm. If you cannot make this time, see me about setting up an appointment. I expect to see everyone *at least* three times over the course of the semester. Students who find themselves having trouble in the course should see me immediately *and* should visit the Division of Academic Enhancement (details are available at www.uga.edu/dae).

Course Schedule

Week 1: Introduction

August 19 Reading: None.

August 21 Reading: Maurice Bloch and Jonathan Parry, "Introduction," in *Money and the Morality of Exchange* (Cambridge: Cambridge University Press, 1989), 1-7; Andrew Leyson and Nigel Thrift, "Introduction," *Money/Space: Geographies of Monetary Transformation* (New York: Routledge, 1996), 1-38.

Week 2: Theoretical Approaches

August 26 Reading: Karl Marx, "The Power of Money in Bourgeois Society," in *The Economic and Philosophic Manuscripts of 1844*, 165-169; Viviana Zelizer, *The Social Meaning of Money* (New York: Basic Books, 1994), 1-35.

August 28 Reading: Eric Helleiner, "Historicizing National Currencies: Monetary Space and the Nation-State in North America," *Political Geography* 18 (1999), 309-339; Geoffrey Ingham, "'Babylonian Madness': On the Historical and Sociological Origins of Money," in John Smithin, ed., *What Is Money?* (London and New York: Routledge, 2000), 16-41.

Week 3: Money and Value in the Atlantic World: Wampum, Slaves, Silver

September 2 Reading: "Wampum," in Krooss, *Documentary History*, 9-13; John Demos, "The High Place: Potosí," *Common-place* (www.common-place.org/vol-03/no-04/potosi).

September 4 Reading: Carlos Marichal, "The Spanish-American Silver Peso: Export Commodity and Global Money of the Ancien Regime," in *From Silver to Cocaine. . .* (Durham: Duke University Press, 2006), 25-52.

Week 4: Locke v. Lowndes: England and the Problem of Coinage

September 9 Reading: Joyce Appleby, "Money, Money, Money: The Seventeenth-Century Effort to Get an Intellectual Grasp on this Slippery Medium of Trade," *Common-place* (www.common-place.org/vol-06/no-03/appleby/).

September 11 Reading: John Locke, "Property," from *Second Treatise on Government* (New York: Hackett, 1980), 18-29; Craig Muldrew, "'Hard Food for Midas': Cash and its Social Value in Early Modern England," *Past and Present* 170 (2001), 78-120.

Week 5: Acts of Alchemy: Paper Money in the American Colonies

September 16 Reading: Richard Sylla, "Monetary Innovation in America," *Journal of Economic History* 42 (1982), 21-30; Galbraith, *Money*, 45-57.

September 18 Read and Response Paper due at the beginning of class. Reading: Benjamin Franklin, "A Modest Inquiry" and Thomas Hutchinson, "Massachusetts Banking," in Krooss, *Documentary History*, 24-36, 72-84.

Week 6: Continentals and the Constitution: Revolution and the Rise of the Dollar

September 23 Reading: Galbraith, *Money*, 58-67; James Willard Hurst, *A Legal History of Money in the United States, 1774-1970* (Lincoln: University of Nebraska Press, 1973), 3-27; "Expeditious of a Continental Paper Currency," in Krooss, *Documentary History*, 87-98.

September 25 Reading: Benjamin Irvin, "Benjamin Franklin's Enriching Virtues: Continental Currency and the Creation of a Revolutionary Republic," *Common-place* (www.common-place.org/vol-06/no-03/irvin/); "Notes by Secretary of State Thomas Jefferson on the Establishment of a Mint and a Coinage System," Krooss, *Documentary History*, 193-200.

Week 7: The Federalist Vision of Money: Consolidation and Control

September 30 Reading: Richard Sylla, "The Transition to a Monetary Union in the United States, 1787-1795," *Financial History Review* 13 (2006), 73-95.

October 2 Reading: Alexander Hamilton and Thomas Jefferson, "Report on a National Bank," "Jefferson's Opinion," and "Hamilton's Opinion," in Krooss, *Documentary History*, 230-261, 273-306; Timberlake, *Monetary Policy in the United States*, 1-27.

Week 8: Political Currency: Banks, Banking, and the Bank War

October 7 Reading: Galbraith, *Money*, 68-83; Timberlake, *Monetary Policy in the United States*, 28-64; "Letter from the Suffolk Bank," "Letter from Nicholas Biddle," and "Annual Message of...Martin Van Buren," in Krooss, *Documentary History*, 630-642.

October 9 Reading: "President Andrew Jackson on Rechartering," "Speech by Daniel Webster," "Veto Message," and "William Gouge," in Krooss, *Documentary History*, 659, 796-805, 816-837.

Week 9: Bank Notes and Gold: State and National Monetary Policies

October 14 Reading: Galbraith, *Money*, 84-89; "Two Speeches by Daniel Webster," "View of Albert Gallatin," in Krooss, *Documentary History*, 1075-1091, 1102-1110. Midpoint Withdrawal Deadline.

October 16 Reading: "Albert Gallatin on Free Banking," in Krooss, *Documentary History*, 1194-1205; "*Briscoe v. Bank of Kentucky*," in *Cases on American Constitutional Law* (Chicago, 1907), 108-117. Assignment: Proposal for Research Paper due at the beginning of class.

Week 10: Civil War: Money Making and Nation Making

- October 21 Reading: Galbraith, *Money*, 89-97. Take-home examination distributed at end of class.
- October 23 Reading: Krooss, *Documentary History*, 1267-1278, 1340-1345, 1355-1380, 1425-1440; "Legal Tender Cases," *Cases on American Constitutional Law*, 136-156.

Week 11: The Wages of War: Greenbacks, Silver, and Gold

- October 28 Reading: "The Color of Money and the Nature of Value," *American Journal of Sociology* 101 (1996), 1556-1591.
- October 30 Viviana Zelizer, *The Social Meaning of Money*, 36-70.

Week 12: The Road to Oz: Free Silver and a Cross of Gold

- November 4 Reading: Michael O'Malley "Free Silver and the Constitution of Man," *Common-place*, (www.common-place.org/vol-06/no-03/omalley/).
- November 6 Read and Response Paper due. Reading: Dighe, *The Historian's Wizard of Oz*, 1-142.

Week 13: "The Impeccable System": The Rise of the Federal Reserve

- November 11 Reading: Galbraith, *Money*, 101-133; "Speech by N. Aldrich," "Speech by C. Glass," and "Speech by O. Calloway," in Krooss, *Documentary History*, 2100-2016, 2343-2355.
- November 13 Reading: Timberlake, *Monetary Policy*, 214-273; Zelizer, *The Social Meaning of Money*, 71-142.

Week 14: The Coming of the New Deal: Social Reform and the Twilight of Gold

- November 18 Reading: Galbraith, *Money*, 183-234; Timberlake, *Monetary Policy*, 218-299; Krooss, *Documentary History*, 2708-2711, 2773-2778, 2815-2823.
- November 20 Reading: "Testimony of Marriner Eccles," in Krooss, *Documentary History*, 2874-2884; Zelizer, *The Social Meaning of Money*, 143-198.

Week 15: The Dollar Unbound: Bretton Woods and Beyond

- December 2 Reading: Assignment: First draft of research paper due at beginning of class.
- December 4 Reading: Robert Aliber, "The Dollar's Day," *Wilson Quarterly* 29 (2005), 14-24.

Week 16: Final Papers

December 11 Final Papers due in my office by 5:00 pm.