

The Cliometric Society

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E. S. R. C. Quantitative Economic History Workshop, 1988

Nicholas von Tunzelmann, Reporter

University of Sussex, U.K. - The 1988 Q.E.H. Workshop for the U.K. was organized by Ian Gazeley and Nick von Tunzelmann. Arrangements were disrupted by a strike in the Post Office at the time the papers should have been circulated to the 35 participants, but most eventually received their copies in advance of the conference.

Stefano Fenoaltea (Princeton, visiting at Banco di Roma) launched the Friday afternoon session with "Europe in the African Mirror: The Slave Trade and the Rise of Feudalism." The paper fell into two parts, with the first attempting to provide an economic rationality for the slave trade. Here Fenoaltea's question was why the slave trade, with its devastating costs in human life, should have been profitable. Why was it not more profitable for the captured blacks in Africa to be bought out by their relatives, given that the latter would have to meet only a fraction of the eventual slave price in the New World precisely because of the mortality in transit? A simple answer

about the relative productivity of labour in Africa versus the New World was inadequate, on grounds of the Boserup thesis about population and productivity in Africa. Fenoaltea's answer was that the persistence of the slave trade rested on two principal factors: on the supply side, the relative transport costs of the three goods in the model (slaves, food and gold), and on the demand side the desires of African elites for European goods. Fenoaltea argued that the role of Europeans was largely limited to one of being merchants rather than raiders in Africa, with slave capture being internecine. Such "internal" raids brought about a succession of internal wars and accentuated economic backwardness.

The second part of Fenoaltea's paper mirrored the first in applying the argument to the rise of feudalism in Europe in the

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Dark Ages. Contrary to the famous Pirenne thesis, which argued that Arab conquests brought about the decline of trade and reversion to a primitive economy, Fenoaltea contended that a trade in Christian slaves to the more advanced Middle East had similar effects to the slave trade in Africa - i.e., trade (but in slaves) rather than the cessation of trade led to feudalism. Although direct evidence for such a European slave trade was not extensive, he believed this was partly the result of biases in the leading historical accounts, which had suppressed or made light of such evidence.

The discussion reflected a skepticism about the building blocks of the argument. Among the assumptions queried were the extent of the ransom market within Africa, the Boserup contention about high African productivity, the difference between Africa and the New World in total output rather than output per hour, the importance of demand by the African elites, the relative prices of food and slaves, whether "food" could be regarded as homogeneous between Europe and Africa, the endogeneity of wars, and the exogeneity of military technology. Steve Broadberry raised a more general point: why was it that Africa did not develop after the stage of anarchy whereas Europe did? And why did the African elite not choose an alternative strategy of

importing technology, which could have resulted in development?

Gunnar Persson (Institute of Economics, Copenhagen) followed with his paper, "Aggregate Output and Labour Productivity in English Agriculture 1688-1801: A Novel Approach and Some Comforting New Results." Persson compared the existing alternative approaches of Deane & Cole on the one hand, who implicitly assumed a zero marginal propensity to consume agricultural goods, and Crafts on the other, where a nonzero value was inserted. The difficulty with Crafts' alternative was that it resulted in attempting to solve a single equation in two unknowns, agricultural output and total income. Persson believed that one could get away from output measures, which as Joel Mokyr had pointed out were built on a most fragile base, by using measures of the distribution of the labour force between agriculture and industry. A second alternative was to use data on relative per capita incomes in agriculture and industry. Persson found that if one used such data for 1688 and 1801/3 one got rates of agricultural productivity growth and output growth that were between the Deane & Cole and Crafts' estimates, though considerably nearer the latter.

The revised estimates were only as good as the revised data that had gone into them, as Fenoaltea pointed out in the discussion; and there were considerable doubts about each of the new ingredients (marginal propensities to consume, relative p.c. income levels, labour force distribution). If the results were reasonable, that might at best justify the approach, rather than the other way around. The labour force data were topographical but the argument required that they be functional. The p.c. income ratio was a reflection of past guesses, and its sharp narrowing between 1688 and 1801/3 surprising. von Tunzelmann pointed out that for his work on the standard of living, he had prepared independent income-based rather than output-based figures on relative p.c. incomes, labour force distribution, etc., from 1760 to 1850. The former indicated that the comparatively narrow gap between agriculture

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Patterns of European Industrialization: Rethinking Gerschenkron's Hypothesis

by Richard Sylla
(North Carolina State University)

BELLAGIO, ITALY - Europe led the way to the modern economic and social transformations that are described as industrialization. From its origins in 18th-century Britain, industrialization spread across Europe and to a number of nations outside of Europe. By the late 20th century, most of the rest of the world is committed to fostering industrialization. Hence, an understanding of the process of industrialization is quite naturally a principal task of economic historians, and a task that makes their work relevant to the aspirations of humankind.

The 20th-century's most influential interpretation of European industrialization is that of the late Alexander Gerschenkron, Professor of Economics at Harvard from the 1940s to the 1970s. Before Gerschenkron, the dominant view among economic historians was that economic history in general and industrialization in particular could be best analyzed in terms of stages of economic growth through which every society passed and in which every society could locate itself at a given point in historical time. Gerschenkron, in his writings and his teaching, reacted negatively to the uniform paths of development and rigid determinism that stage analysis imposed on their historical materials, especially their popular notion that prerequisites had to emerge before a society could move from one stage of development to another, or from a pre-industrial to an industrial society. But as an analytical economist, Gerschenkron did not want to go to the opposite extreme, espoused by traditional historians, that each case of industrialization was unique, with no lessons to be learned from studying other cases, which—in this view—were also unique.

Rejecting both the rigid determinism of stages and the scientific emphasis of traditional historians on uniqueness, Gerschenkron fashioned an approach to

modern European economic history that emphasized industrialization as a process exhibiting many uniformities across societies, but also one that demonstrated many deviations from "necessary prerequisites." Gerschenkron's principal contribution to economic historical scholarship was to organize the deviations into coherent patterns built around his concept of "relative economic backwardness," which referred to economic conditions in a particular society at the time it began to industrialize. Thus, when it embarked on industrialization in the mid-19th century, Germany was more backward than Britain had been when it experienced the first industrial revolution. And Russia, when it began to industrialize at the end of the 19th century, was even more backward than Germany.

From his concept of economic backwardness and his detailed knowledge of the histories of European nations, Gerschenkron derived a number of hypotheses about the patterns of European industrialization. Among them are:

— The more backward the country, the more rapid will be its industrialization; i.e., the faster will be its rate of growth of industrial production.

— The more backward the country, the greater will be its stress on producer (capital) goods as compared with consumer goods.

— The more backward the country, the larger will be the typical scale of plant and firm, and the greater will be the emphasis on latest, up-to-date technology.

— The more backward the country, the greater will be the pressure on the consumption levels of the population; consumption levels will be squeezed to promote a high rate of capital formation.

— The more backward the country, the less will be the role of the agricultural sector as a market for industrial goods and as a source of rising produc-

tivity in its own right.

—The more backward the country, the more active will be the role of special institutional factors—great banks as in Germany, the government ministry of finance as in Russia—in supplying capital and promoting industrialization.

During the three to four decades that have elapsed since Gerschenkron formulated his hypotheses about European industrialization, many scholars have questioned and even rejected important elements of his work. But no analytical insights or grand syntheses comparable to Gerschenkron's have come in the wake of the critical work his seminal ideas stimulated. Scholars and teachers of European economic history are left with little more than discussions of amorphous long-run trends, tiny regional patterns, and individual "causes" that inevitably are shown to be unimportant. On the whole, the subject of European industrialization seems to have become more precise but at the same time less intellectually appealing, at least for the younger generation of students from whom will come tomorrow's scholars.

Two dozen European and North American based economic historians met in the Rockefeller Foundation's Bellagio Study and Conference Center at the Villa Serbelloni, October 3-6, 1988. Their purpose was to discuss and evaluate the research that has emerged out of Gerschenkron's seminal ideas in an attempt to understand what has survived of his hypotheses on European industrialization, and to see if and in what way today's economic historians can detect a pattern or patterns of European industrialization, either like or unlike the ones Gerschenkron found. Two sets of papers, one dealing with the methodological approaches and general insights of Gerschenkron and the other with the nations that he studied intensively, were prepared by scholars influenced by Gerschenkron's work. A number of them were his former students at Harvard.

The first of the general and methodological papers, Knick Harley's (Western Ontario) "Prerequisites to Industrialization and Their Substitutes: Compara-

tive Institutions and Performance," argued that Gerschenkron's emphasis on patterns of substitution has an analog in Oliver Williamson's later work on markets and hierarchical organizations. Harley combined Gerschenkron's and Williamson's insights into the summary observation that hierarchies were more important relative to markets the more backward a country was at the time of its industrialization. With this as his theme Harley went on to challenge the contentions of a number of scholars that Britain lost its economic lead because it failed to adopt the organizational, technological, and financial innovations of countries such as Germany and the United States.

My paper, "Banking and Industrialization: Gerschenkron Reconsidered," explored the reasons for Gerschenkron's fascination with banking and attributed it in part to his belief that most European countries were moderately backward and thus ripe for active banking when they began to industrialize. The critique of Gerschenkron on banking takes two very different directions. One line argues that banks were quite important in industrial finance in advanced Britain and in backward Russia, as well as in the moderately backward in-between cases. The other line argues that banking's role in industrialization was nowhere crucial; rather, banks responded passively to demands arising from basic, non-financial forces that promoted industrialization. After reviewing the evidence for these two lines of critique, I briefly discussed the difficulties of testing Gerschenkron's banking hypothesis.

Paul Gregory's (Houston) "The Role of the State in Promoting Economic Development: A Case Study of Russia," challenged Gerschenkron's emphasis on the effectiveness of state economic intervention in overcoming economic backwardness. Although the peasant emancipation of 1861 could have had the negative effects on agriculture that Gerschenkron posited, Gregory argues that it did not have these effects. Russian agriculture was not so backward. Similarly, the industrial policies of the Russian state were more enlightened on paper than in their execution. In Gregory's view, the keys to Russian indus-

trialization were imports of foreign savings and foreign entrepreneurship; he thinks that prospects of high returns in private markets were more important than state economic policies in attracting foreign saving and entrepreneurship.

Don McCloskey's (Iowa) "Kinks, Tools, Spurts, and Substitutes: Gerschenkron's Rhetoric of Relative Backwardness," argued that Gerschenkron was a master rhetorician and that this is fully consistent with, if indeed not necessary for, being a master scientist. Gerschenkron used metaphors, developed plots, and told stories—all in the interests of science.

The country studies—on Britain, France, Germany, Austria, and Russia—began with Nick Craft's (Leeds) paper (with S.J. Leybourne and T.C. Mills), "Economic Growth in Nineteenth Century Britain: Comparisons with Europe in the Context of Gerschenkron's Hypotheses," contending that Britain conformed to the pattern of a Gerschenkron early-comer. Contrary to Gerschenkron, however, the statistical methodology indicated that among European countries discontinuities (kinks, spurts) were neither common nor dramatic.

The paper of Maurice Levy-Leboyer and Michael Lescure (Nanterre & Provence), "Gerschenkron et l'industrialisation de la France au XIXeme siecle," faulted Gerschenkron for overemphasizing the Second Empire and the Pereires. A real spurt would have to be dated earlier or later, but would not be expected to have been dramatic because France was an old, advanced country on Gerschenkron's relative backwardness scale. Even in the Second Empire the role of big banks in backing French industry was not large or increasing. Probably more important were the numerous local banks and bankers that aided smaller-scale industries in their regions and provinces.

Richard Tilly's (Munster) "German Industrialization and the Gerschenkronian Backwardness Syndrome" was a wide-ranging critique of Gerschenkron's backwardness propositions and his "basic model," as applied to Germany. The only one

of the propositions that survives relatively unscathed is the important one—for Germany—concerning the role of the universal banks. Tilly offered several suggestions for revising and broadening the Gerschenkron model based on his reading of trends in recent German historiography.

Gianni Toniolo (Venice) and Giovanni Federico (Pisa) provided a contrast to Tilly in their paper, "The Economic Development of Italy during the 19th Century." They argued that the "German" banks, thought by Gerschenkron to be key actors in the Italian spurt commencing in the 1890s, were neither quantitatively nor qualitatively important for industrial expansion. The great spurt in Italy arguably came a decade earlier than Gerschenkron supposed and in the spurt he identified, a number of other agents of industrialization played a larger role than the "German" banks.

David Good's (Temple) paper, "The Economic Development of Austria-Hungary in the 19th Century," challenged Gerschenkron's characterization of Austria as a case of an economic spurt that failed. In Good's view, Austria was a case of successful gradual development without any great spurt. Such a pattern, he thinks, is also more typical of European industrializations than is the "great spurt" model of Gerschenkron. Good used the diversity of development experience within the Austro-Hungarian Empire as a springboard to launch some guidelines for a new approach to European industrialization.

Olga Crisp's (London) paper, "The Gerschenkron Model of Industrialization under Conditions of Relative Backwardness and the Economic Development of Russia during the 19th and Early 20th Century," reinforced Gregory's contention that Gerschenkron had too negative a view of post-emancipation agriculture. Crisp, however, gave state economic policies more credit for promoting industrialization than did Gregory. Like Good and unlike Gerschenkron, Crisp placed more emphasis on continuities than on discontinuities in Russian development.

General discussants at the conference were Paul David (Stanford) and William Parker (Yale). David argued that the types of historical economic statements Gerschenkron made were and are important, even if the exact statements may be questioned on the basis of later research. Specifically, David contended that economic history shows that the course of dynamic change is not independent of the path previously traveled. In historical analysis, initial conditions may matter a great deal, there may be critical points where a variety of alternative outcomes were possible, and at those points individual and institutional actors can make a difference. These are the general points illustrated in Gerschenkron's work, and they are points that still can inform and reform modern economics.

Parker, in contrast, said that Gerschenkron's work dealt with a period when nation-state economies were the focus of historians' attention, and when national product and industrial output series were developed to study these economies. He argued that this style of work was now outmoded, that regions of Europe and Europe as a whole now mattered more than individual nations. Parker agreed with McCloskey that Gerschenkron was a master of rhetoric, but questioned whether his scientific contribution has held up under subsequent scrutiny. Unlike David, who thought Gerschenkron's work offers valuable insights for present-day economists and historians, Parker seemed to think that it now belonged more properly in the history of economic thought.

The conference organizers, Toniolo and Sylla, are planning to develop a volume based on the Bellagio proceedings.

Second World Congress Schedule Almost Complete

Thanks to considerable work by the program committee and our Society office staff, Second World Congress planning and implementation are 'on target', even if not meeting each and every announced deadline. Headed by George Grantham, the paper-selection committee of Larry Neal, Knick Harley, Joel Mokyr, and Sam Williamson examined over 70 papers whose high quality made the selection process very difficult. They consoled themselves with the knowledge that there is an abundance of good cliometric work available for our future meetings (both ASSA in December and the 1990 Clio Conference).

Meanwhile, in Spain, Leandro Prados has been making local arrangements. As a way of thanking the Universidad de Cantabria for hosting the World Congress, all those attending who have recently published a book are bringing an inscribed copy as a gift for the university library. If any other Clio members would like to contribute a recent volume, please send it to the office by June 1 and we will add it to those being presented by the Congress organizers.

The tentative list of papers to be on the program appears below. A write-up on the Congress and abstracts of the papers will be included in the next Newsletter, which will come out in July due to the dates of the World Congress.

* * * * *

- FRANCISCO ALCALA & CARLES SUDRIA-TRIAY -
The Spanish Economy During the First World War:
A New Approach
- LEE ALSTON & JOSEPH FERRIE -
The Agricultural Ladder in the Early 20th Century:
A Re-examination With Some Old Data
- MORRIS ALTMAN -
Average Plant Size in Canadian Manufacturing
- FRANCESCA ANTOLIN -
Electricity and Economic Growth: A View from Spain
- J.T. BOMPARD, T. MAGNAC, & G. POSTAL-VINAY -
A Model of Seasonal Labour Supply to Industry in
Mid-19th Century France

- LOREN BRANDT & BARBARA SANDS -
Structure and Performance of Three Early
20th Century Chinese Rural Economies:
A Network Approach
- J.M. CHEVET -
Political Economics of Wheat Prices at the End
of the 19th Century
- PAUL DAVID -
The Future of Path-Dependent Equilibrium Economics
- LANCE DAVIS, ROBERT GALLMAN & TERESA HUTCHINS -
The Entrepreneurial Factor in Productivity Growth:
American Whaling, 1816-1906
- GERARDO DELLA PAOLERA -
How the Argentine Economy Performed During the
International Gold Standard; A Re-examination
- GIOVANNI FEDERICO & ANTONIO TENA -
On the Accuracy of Historical International Foreign
Trade Statistics. Morgenstern Revisited.
- STEFANO FENOALTEA -
Europe in the African Mirror: The Slave Trade
and the Rise of Feudalism
- ROBERT FOGEL -
Second Thoughts on the European Escape from Hunger
- JAMES FOREMAN-PECK -
Insiders and Outsiders: Some Institutional Economics
of International Migration in the 19th and
20th Centuries
- ALAN GREEN & DAVID GREEN -
Immigration and Regional Growth in Canada
and the US
- AVNER GREIF -
Contractual Problems and Non-Market Economic
Institutions in Medieval Long-Distance Trade:
Theory and Historical Application
- PHILIP HOFFMAN -
The Productivity of Agriculture in France, 1500-1800
- M. KIMURA -
Ethnic Income Distribution in Korea and Taiwan in the
1930s - An Unfavorable Change for Japanese
Colonizers?
- RICHARD KOHL -
A Counterfactual Analysis of the 1982 Debt Crisis:
The Case of Brazil
- PEDRO LAINS -
How Far Can We Go? Measuring Portuguese
Economic Growth (1850-1913)
- GARY LIBECAP -
The First Consumer Quality Guarantees by the Federal
Government: The Meat Inspection Acts of
1890 and 1891
- MARY MACKINNON -
The Lowest Rung on the Ladder? The CPR's
New Employees, 1910 - 1940
- MARVIN MCINNIS -
Competition for the British Timber Market, 1850-1900
- AKIRA MOTOMURA -
Reputation Building and Coinage Depreciation in
Early Modern Spain
- DOUGLASS NORTH -
Cliometrics and Institutional History
- JOHN NYE -
Optimal Tariff Calculations and the 1860
Anglo-French Treaty of Commerce
- KEVIN O'ROURKE -
Did the Great Irish Famine Matter?
- WILLIAM PARKER -
Econometric History: The View from Here
- MICHAEL PERCY & RICHARD SZOSTAK -
The Abolition of Seigneurial Tenure in Canada East:
Why 1854?
- GUNNAR PERSSON -
Labour Productivity in Medieval Agriculture Before the
Plague. The Case of Tuscany and the Low Countries
- JOSHUA ROSENBLUM -
One Market or Many? Quantitative Evidence of Labor
Market Integration, 1870-1898
- RONALD SHEARER & DONALD PATERSON -
A Tael of Two Cities: New York and Montreal in the
Panic of 1857
- KENNETH L. SOKOLOFF -
Local Effects in Inventive Activity: Evidence from the
US Patent Records
- MARTIN C. SPECHLER -
The Economic Advantages of Being Peripheral:
Subordinate Nations in Multinational Empires
- WILLIAM A. SUNDSTROM -
Wage Flexibility and Labor-Market Adjustments in the
Depression of 1893
- JOHN TREBLE -
The Pit and the Pendulum: Arbitration in the British
Coal Industry, 1893-1914.
- M.C. URQUARDT -
The Fundamentals of Canadian Development
- FRANCOIS VELDE & DAVID WEIR -
The Financial Market and Government Debt in
France, 1750-1793
- THOMAS WEISS -
Economic Growth Before 1840: Revised Conjectures
- ROBERT WHAPLES -
The "Problem of Old Age:" Older Men, Retirement,
and the Industrial Scrap Heap
- WARREN C. WHATLEY -
Black Strikebreaking and the Origins of the American
Labor Movement
- JEFFREY WILLIAMSON -
Labor Market Failure in the New World? Rural-Urban
Wage Gaps and Industrialization in America

Conference on Crashes and Panics in Historical Perspective

by Eugene N. White
(Rutgers University)

NEW YORK - In the wake of the stock market crash of October 19, 1987, analysts, the media and public investigations began to search for explanations. They found new trading strategies and current market mechanisms to be at fault. While these discoveries quickly identified culprits for the public, they were far from satisfactory and failed to recognize that asset market busts had occurred when these specific elements were not present.

To place recent events in their proper historical perspective and employ economic history to identify the common features of asset bubbles, Arnold Sametz and I organized a one-year-after-the-crash conference on October 19, 1988 at New York University's Stern School of Business. Sponsored by the Salomon Brothers Center for the Study of Financial Institutions, the conference drew in a crowd of over one hundred that included academics, the Wall Street community, and government regulators from Washington and as far away as Italy.

The first session examined two cases of asset bubbles in the pre-modern era. Peter Garber (Brown) presented the first paper, "Who Put the Mania in the Tulipmania?" This first bubble is invariably cited by the media and many economists as evidence for the "madness of crowds." However, Garber found little, if any, evidence for a speculative bubble in the tulip market of seventeenth century Netherlands. Employing newly discovered data, he showed that the supposedly outrageous prices recorded for tulip bulbs were for recently discovered rare varieties. The subsequent price decline was merely a consequence of the successful propagation of these bulbs. Garber tracked down the origin of the story of the tulip "mania" back to a few contemporary pamphlets sponsored by the ruling elite. He argued that this group sought to quash the new financial markets that had developed around the

tulip trade in favor of the established ones that they dominated.

Larry Neal's (Illinois) paper, "How the South Sea Bubble was Blown Up and Burst," explored another of the infamous pre-modern bubbles. According to Neal, the bubble arose out the government's assignment of a debt conversion to the South Sea Company. The proposed conversion intended to exchange heterogeneous and difficult-to-trade annuities for uniform and tradeable stock in the company. The increased liquidity created by this transaction provided a gain that was to be shared by the government, the debt-holding public and the South Sea Company. However, under government pressure and competition from the Bank of England, the company promised more than it could deliver. Its machinations to carry out the conversion under this condition produced the bubble. Far from being the consequence of a foolish public madly buying securities or simply a scam orchestrated by the company, the bubble arose because of the real, if imprecisely known, opportunities for gain.

Both of these bubbles are usually cited by anyone writing about the "madness of crowds" in 1929 or 1987. Commenting on Garber's paper, Frederic Mishkin (Columbia) pointed out the paper's importance for deflating the powerful rhetorical allusions in these comparisons. Mishkin also compared the pricing of tulips to racehorses. While he found that Neal threw considerable light on the South Sea bubble, Forrest Capie (City University) wished for a more precise apportionment of the rise in stock prices between swindle, technical change and public gullibility.

The second session took the conference to the American stock market in the nineteenth century. Americans have always tended to see crashes as purely domestic events, and Charles Kindleberger (MIT) provided an international perspective in his paper, "The Panic of 1873." He argued that it was not simply the securities markets which were affected by the boom and bust, but also other assets, notably land. Kindleberger suggested that the pecu-

liarities of American institutions and markets that have been blamed for bubbles are not the key factors.

In the wake of 1987, there was extraordinary concern about the increased volatility of securities markets. Fearful of its effects, policy makers have considered many suggestions to limit price movements. These recommendations were, of course, made with little historical perspective on the problem. Collecting data on stocks, bonds, commercial paper and interest rates back to 1834, Jack Wilson, Richard Sylla and Charles Jones (North Carolina State) provided a much needed study in their paper "Financial Market Volatility and Panics Before 1914." Focusing on the period before the establishment of the Federal Reserve, when financial markets were unregulated and there was no central bank, they found that rises in volatility did not regularly precede either stock market crashes or banking panics. Furthermore, the periods of greatest volatility, for the different financial assets they investigated, are far apart in time. Volatility seems to be much more of a consequence than a cause of upheavals in financial markets.

While agreeing with Kindleberger's focus on the international dimensions of 1873, Michael Bordo (South Carolina) criticized de-emphasis of monetary factors. He argued that the worldwide decline in asset values was closely associated with the decline in gold production and more countries joining the gold standard. Gary Gorton (Pennsylvania) found that none of the hypotheses advanced by Wilson, Sylla and Jones to explain the relationship between panics and volatility could be supported by the data. He remarked on the policy implications of the fact that stock and bond markets were less, not more, volatile before 1914 when there was no regulation.

The third session focused on the two great crashes of the twentieth century. In a paper "When the Ticker Ran Late: The Stock Market Boom and Crash of 1929," Eugene White (Rutgers) examined the various explanations for the boom and bust of 1929 and

found most of them wanting. He linked the steady rise in stock prices in the late 1920s to the changes in financial markets and the evolution of American industry. Nevertheless, in early 1928, the stock market began to rise more rapidly than can apparently be justified by dividend or earnings growth. Attempts by the Federal Reserve to slow the stock market did finally succeed but only at a cost of pushing the economy into a sharp recession. The parallels between 1929 and 1987 suggest that changes in the economy at large drove the market up, while the differences in Federal Reserve policy reveal why a depression did not immediately follow the second crash.

The theory and tests for bubbles in financial markets have largely ignored the bull market of the 1920s. Gary Santoni and Gerald Dwyer Jr. (Ball State) corrected this omission in their study, "Bubbles vs Fundamentals: New Evidence from the Great Bull Markets." Using a battery of econometric tests, they examined whether fundamental changes in earnings and dividends or some mania-driven bubbles produced the bull markets of the 1920s and 1980s. They uncovered no evidence to support the contention that the exuberant stock markets were the result of anything but fundamentals.

Mark Rubinstein and Leland Hayne (Berkeley) surveyed the explanations offered so far to explain the 1987 collapse. They were unconvinced by any of the claimed causes of the stock market's sudden bust. Their analysis of how the market panic unfolded challenged the standard models of financial markets and the existing rationale behind market regulations.

Robert Shiller (Yale) generally concurred with White's skepticism about most of the prevailing hypotheses about the boom and bust of 1929, but he was not wholly convinced by the supporting econometric evidence. Drawing on an episode not explored by any of the conference papers, Merton Miller (Chicago) compared 1946 to 1987. He concluded that there was a need for inter-market circuit

breakers to cope with difficulties that arise when there are large imbalances of orders.

A summary round table session ended the conference. To begin, Eugene White offered a short paper: "Are There Any Lessons from History?" He suggested that the asset market bubbles were a reaction to underlying changes in the economy and argued that the correct policy was simply to let them run their course. This anti-interventionist position was vigorously attacked by Brandon Becker (SEC). Franklin Edwards (Columbia) countered that the current explanations of 1987 focused too much on the present institutional arrangements. Bubbles had occurred under other systems and any broad intervention might harm market efficiency. William Silber (New York) worried that the increased internationalization of markets would undermine the Federal Reserve's ability to effectively cushion the financial system during the next crash. Barry Eichengreen (Berkeley) was impressed with the analogy between margin trading and portfolio insurance in bringing about the busts of 1929 and 1987, but emphasized that it was unclear whether these techniques increased volatility and the difficulties for making a market. The crash of 1987 appeared to Eichengreen not to be of great concern because, unlike 1929, it did not occur during an economic downturn. Next time, he warned, we might not be so lucky.

The conference volume will be published by Dow Jones-Irwin this year.

Californians Look at Technological Change

by Joel Mokyr
(Northwestern University)

San Francisco - The All UC Group in Economic History met on Nov. 12 in the Nikko Hotel. About forty participants spent the day discussing a variety of

issues in the economic history of technological change. The seminar was centered around Joel Mokyr's forthcoming *The Lever of Riches: An Economic History of Technological Change*, and consisted of a full day of lively roundtable discussions. Among the topics debated were "What have we learned from 25 centuries of technological change" (discussion leader: Peter Lindert); Technological change in Chinese economic history (leader: Francesca Bray); Technological change in medieval and modern European agriculture (leader: George Grantham); Technological changes during the British Industrial Revolution (leader: Robert Allen); Institutional and legal influences on technological progress (leader: Harry Scheiber); Methodological issues in the study of technological change (leader: Paul A. David); and The research agenda for the study of technological change (leader: Ken Sokoloff). Closing remarks were made by Joel Mokyr and Richard Sutch.

Among the many substantial questions raised were whether the economic history of technological change had much to learn from Cliometrics. It was pointed out that if Cliometricians could see further today, it was because unlike Isaac Newton they can stand on the shoulders of midgets. It was also widely agreed that studies of productivity were essential to the study of technological change, though it was not agreed upon to what extent productivity changes depended on technological change. The formal economics of technological change were viewed as only tangentially relevant to historical studies. Some attention was paid to issues raised in Mokyr's manuscript, such as the importance of the state, of pluralism, and of wars in stimulating or inhibiting technological progress. Finally, the participants stressed the importance of distinguishing between one-shot innovations and those occurring in integrated systems, and the need to deal separately with changes in best-practice as opposed to average practice techniques.

Report on Clio Sessions at ASSA

by Ane Quade (Ripon College)
and Sam Williamson (Miami University)

New York - This past December the Cliometric Society sponsored five sessions at the Allied Social Science Association meetings. We present here some highlights of comments made at these sessions. (For more details on first, second, and fifth sessions, see your October Newsletter)

In the first session, Historical Issues in Labor Markets, Tim Hatton (Essex) and Lee Alston (Illinois) presented on the reverse migration of the 1930s as a result of urban unemployment. Barbara Sands wondered how they would explain the rural-urban migration of the 1920s. Debate from the floor centered upon the appropriateness of using short-term urban wages without including the value of in-kind payments such as pensions, with additional questions on consumption differences between rural and urban consumers, and on the lack of regional migration in the face of large regional real wage gaps.

Joe Reid (George Mason) and Michael Kurth (McNeese State) followed with a model of voter demand for public goods and the decline of the patronage system between 1860-1890. Peter Lindert suggested that the model could be discarded to focus on the story that the political machine system was an efficient and easily understood method of providing many public services only so long as literacy, incomes and communications systems remained limited. A questioner from the floor, however, urged Reid and Kurth to discard the historical applications, but to keep the model.

Gerald Friedman (Massachusetts) followed with an empirical study of whether skill differences and unions can explain wage differentials. While he found that, in general, larger cities had a smaller wage difference between skilled and unskilled, this was not true for construction workers. He attributes this difference to unions. When asked to explain the

significance of the regional dummy variable, he replied as to how migration and regional wage differences in general defy explanation.

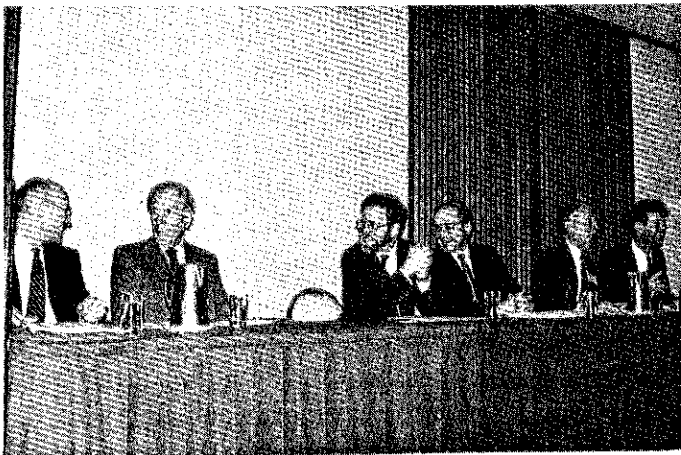
The second session started with Robert Margo (Colgate) arguing that early differences in education and discrimination had serious long-run impacts on black achievement as well as an effect on black outmigration from the South. Responding to questions, Margo argued that the impact of education on white migration was smaller than its impact on black migration, that an Arrow model of the structure of discrimination by educational level had been discovered to hold, that the probability of getting a job seemed to have a strong impact on the decision to migrate, and that these results were affected very little when the absolute value of the wage gap between groups replaced the ratio of their wages in the regressions.

Philip Keefer (Washington) then described investment in Spanish railroads. He found that corruption between the foreign builder/operators of Spanish railroads and the frequently changing Spanish governments during the mid-19th century allowed investors to take their profits in the construction phase rather than in operations. Christopher Grandy commented that while the theme of the paper was intriguing, he missed any description of the actual form of the alleged corruption, and that estimates of construction profits were sensitive to changes in projections of labor and carrying costs. Others wondered if railroad construction profits were higher than other profits in Spain at this time, and how important changes in regimes actually were to the risk of expropriation, given that there was little if any difference in ideology between them.

Anthony O'Brien (Lehigh) then explained the less-than-believed differences between Ford and General Motors during the 1920s and 1930s. He argued that since Ford copied nearly all of the celebrated structural innovations of GM during this time, the triumph of GM must have been due to product diversification. The discussion asked how far-reaching the structural similarities between the two

companies really were, and pointed out that Ford had refused to follow GM into the wholesale provision of credit at either the dealer or the consumer level.

The session concluded with Robert Whaples and David Buffum's (Pennsylvania) explanation of the differences in the demand for life and health insurance by furniture workers in 1889. Generally, they found that income effects dominated substitution effects, where access to informal friendly societies was a primary substitute for insurance. Martha Olney pointed out that the data set did not distinguish between those with access to these non-market insurance networks and those with no insurance at all, and that the supply of insurance, restrictions on its purchase, its cost to participants, the costs of illness and death to participants, and the risk of the insured event's occurrence would affect purchases as well. It was also suggested that firm size may have been a proxy for access to insurance at the workplace.



The next session, held jointly with the AEA, drew a crowd of at least 150 with papers that contrasted the Great Crash of '29 and the Great Correction of '87. John Kenneth Galbraith (Harvard) began by arguing that before each of the market crashes, a speculative bubble had developed, new institutions had imposed considerable changes on financial markets, and at least some of the entrepreneurial speculators responsible for these developments had been imprisoned. After each of the crashes, economists and the

press sought some national cause for it. In both cases, the root cause was simply that imperfections inherent in the market permit such speculative bubbles to expand and to break. The fundamental difference between 1929 and 1987, Galbraith claimed, is that liberal economists have convinced politicians to impose automatic stabilizers upon consumption, banking, investment and agriculture, which operated to prevent an economic collapse in 1987. According to him, the lessons we should learn from the two crashes are that markets err regularly, and that it is possible to control the effects of such errors through proper regulations.

Eugene White (Rutgers) agreed that regulatory agencies are and should be responsible for the control of the economy, but argued that increased regulation of stock markets themselves may be unnecessary and could be counterproductive. Both of the stock market downturns were preceded by rapid economic growth that was interrupted by a serious shock. The preceding market booms were accompanying the development of new financial institutions. In both cases this should not necessarily be mistaken for a bubble as an additional five years of growth in the fundamentals at existing rates would have justified even the highest level of stock prices. White went on to explain that it is particularly difficult to test hypotheses about bubbles, as they are difficult to define econometrically.

Barrie Wigmore (Goldman, Sachs) then provided something of an insider's view on the 1987 collapse, pointing out how price/earnings and market-to-book ratios were at historically high levels last October, as were new stock offerings, which was requiring aggressive pricing behavior to sell them. Markets moved, he argued, due to the behavior of institutional rather than individual investors, with merger and acquisition activities peaking at this critical time, affecting over a third of all Fortune 400 companies, combined with a rapid expansion of the junk bond sector.

Charles Kindleberger (MIT) followed, arguing that while most of the returns to the Crash of '87 are in, a few sectors have yet to complete their adjustments.

For example, the real estate market is far behind, and its decline will leave local banking systems seriously affected. Already overburdened federal deposit insurance agencies have been charged with preventing these events from severely affecting the rest of the economy.

Bob Bartley of *The Wall Street Journal* argued that the market crash itself was only a symptom of the real problem, which is the long-term decline in relative stock prices generally. This has been the result of a lack of international financial policy cooperation, manifested by exchange rate instability. The market crash itself, he thought, was precipitated by a variety of factors, in particular the disagreements between Baker and the West German Bundesbank evident after the breakup of meetings on possible exchange rate interventions with Japan.

In response to questions from the floor, Galbraith and Wigmore explained the nature of junk bonds, Kindleberger predicted further declines in urban real estate prices, everyone refused to speculate on the future direction of interest rates and stock prices, and Kindleberger called for the Fed to "protect the ignorant" while allowing speculators who understood the risks of their investments to carry the burden imposed by their own actions. Bartley attempted to resurrect the efficient market hypothesis, while Kindleberger tried to bury it deeper when he noted that outsiders in the market were more likely to sell out before the "Correction" of '87, while those who should have known better stayed on until the very end. Bartley blamed the event on human error, especially those of policymakers; Galbraith blamed it on market errors and speculation; White gave that both were responsible. All participants declined to predict the year of the next recession. From the audience, Bill Parker pointed out that the session had been lacking in both 'metrics' and Clio, and wondered where one might find a broad base for comparing the two stock market declines. Has this been a serious exercise, he asked, or simply fun with comparisons? No serious attempt was made to respond.

Later that evening, Cliometricians were treated to a reception at the Lehrman House, sponsored by The Manhattan Institute. As the accompanying pictures show, a very pleasant evening was had by all.



The next morning, Donald McCloskey (Iowa) convened a panel discussion on the lessons of American economic history for policymakers. Contributors Elyce Rotella (Indiana), Richard Sylla (North Carolina State), Gary Libecap (Arizona), Hugh Rockoff (Rutgers) and Robert Higgs (Lafayette) presented their views.

This was a very interesting session as the panelists talked about various examples of how understanding the past would give better insight to policy makers today. For example, Libecap talked about how the system of early oil exploration and the problem of property rights created the present inefficient method used today where the U.S. has over three-fourths the world's oil wells and produces less than a fourth of the world's oil. Higgs talked about the evolution of defense contracting, Rotella told how both the political right and the left had switched sides on the Equal Rights Amendment, Sylla talked about how historical events and the ignorance of historical events had influenced regulation in financial markets, and Rockoff talked about our experience with price controls.

The general discussion was lively, though it was clearly preaching to the converted. There was great lamenting of the lack of understanding of the past by the policy makers; however, it was not clear how to solve the problem. The question was raised of whether economic historians should spend more time reporting results to the general public. McCloskey commented that those who do not report on their work are destined to have it mis-reported by others. There was a call for more research into the process of how policy evolves.

The final session on free and not-so-free banking started with Eugene White's paper on banking during the French Revolution, in which he argued that fractional reserve banks overissued currency in hope of a quick profit. As evidence, he demonstrated that inflation was closely tied to the *assignat* issue. Warren Weber commented that the relationship between note issue and inflation may not be that important, as the intermediation of debt would also add to the rate of inflation.

Michael Hauptert (Washington Univ.) then presented "Measuring Reputation Effects in Competitive Banking." He argued that free banks in the United States attempted to maintain the value of their issues by improving their reputations as stable, wealthy and high-quality institutions, and generally did not overissue in the hope of quick profits. As a discussant, Larry Neal stated that the paper was lacking in historical background, in a description of the conditions for solvency and profitability of free banks, and that at best, the regression equations were inadequately defined. Comments from the floor added that reputation effects would likely differ between banks of different types

The final paper was on bank charter rivalry and the Gold Standard Act of 1900-1909 by Michael Hayes (Skidmore College) and co-authored by Thomas Renaghan (California Public Utilities Commission), which considered the causes and effects of state bank conversions to the national system after the Act. Hugh Rockoff commented that local market structure was probably little affected by the

series of bank name changes, and that the results on wildcatting were not surprising during the national banking era. In the discussion, White and Hayes debated the distinction between new bank creation and the conversion of existing banks. Neal pointed out that trusts were the fastest growing sector of the banking industry at this time and suggested that the authors consider linkages between trusts, national and state banks.

Next year the ASSA will be meeting in Atlanta — see *Call for Papers* on the back page.

(E.S.R.C. ; Continued from page 2)

and industry in 1801/3 was a property of the war decade alone, and that as Fenoaltea had thought, the gap generally widened between 1760 and 1850. In addition, Sir Richard Stone had recently prepared better econometric estimates of the propensities to consume ca. 1688. Other improved estimates that could be recruited were pointed out by the participants, including Wrigley on labour force distribution and Mokyr on cross-elasticities. Urbanization rates were a possibility. The other main line of questioning concerned the lack of price substitutability in the parameters, and whether there were price data 'hidden' in the estimates.

Rolf Dumke (Bundeswehr, Munich, and Muenster) followed with his paper on "Income Inequality in Prussia, 1875-1900: A Dualistic Approach." Dumke argued for the need to replace two types of approach that had been popular in the recent literature: on the theoretical side, the neoclassical general-equilibrium models popularized by Lindert & Williamson, and on the empirical side the regional models typical of the historiography of Prussia, e.g., Borchardt. Dumke instead claimed that a Lewis type of classical model better suited the Prussian case in the late 19th century, and that the largest degree of dualism lay between urban and rural areas rather than between West and East. Dumke presented data on the urban/rural wage differential (typically 40% or more) and then developed Gini coefficients for both urban and rural areas, which he

was able to decompose into a within-area component and pure migration effect (both making up about half the inequality) and a between-area component (small and negative). Finally, Dumke drew out the implications of a Lewis model in respect of rising savings ratios and hence a conflict between growth and equity over the period of surplus labour, and argued that these theoretical conclusions fitted the Prussian case.

Questions were directed at many of the issues just noted. Some were concerned about the data - how the classes were structured for the inequality measures, etc. Ian Gazeley asked whether the pay premia represented disamenity differences (a la Williamson) or cost-of-living differences, and pointed particularly to disparities in rents. Others asked about the type of disaggregation (occupational vs regional, etc.), the role of rural/urban landownership, and that of overseas emigration. Some doubted the applicability of the Lewis model to this context, thinking it preferable for protoindustrialization studies, or for policy rather than descriptive purposes. James Foreman-Peck asked whether Atkinson rather than the crude Gini coefficient of inequality had been estimated, but the author felt that it would make little difference to the general impressions.

The final paper in the Friday sessions on Agriculture and Industrialization was by Mark Gray (Heriot-Watt) on "The Structure of the English Agricultural Sector in the Late 18th and Early 19th Centuries." Gray's circulated paper concerned the possibility of using the "invasion returns" from agricultural counties in the South and East of England from 1796 to 1805 to fill out our deficient data on agricultural output. The paper described the cause of the underlying investigations and the modes of collection of the data, to give an indication of the possible biases that might arise. Finally Gray indicated possible uses that might be made of the surviving material. He circulated some data he himself had extracted on livestock, disaggregated by type (cattle, oxen, etc.) and county and the discussion related principally to

these data. The main anxiety concerned the way in which Gray had estimated grazing efficiency for each type of animal on the assumption that no other animals existed in the county, and yet for some counties the average efficiency as assessed by carrying capacity was still well in excess of 100%. This was all the more remarkable in view of the biases towards underestimation which the paper had displayed. One suggestion was that the acreage rather than the numbers of livestock had been underestimated. There was general agreement that the measures of efficiency would have to be reworked. There was also some concern for the welfare of (seemingly absent) pigs in Dorset. Patrick O'Brien suggested reducing the various types of livestock to manure-equivalents and asked what this would look like; the audience responded with guffaws.

The Saturday morning theme was British society and economy in the 20th century. Bernard Harris (Bristol) presented a chapter of his forthcoming doctoral thesis on medical inspection and the nutrition of school children in Britain 1900/50, entitled "Sources and Methods for the Study of Children's Heights in Interwar Britain." Harris described the ways in which height and weight data had been collected by School Medical Officers, the extent to which such data had survived, and the possible biases arising, .e.g., from within-year variation in ages. Harris selected data for 11 locations where the data were relatively extensive, and argued that these represented a good spread of both geographical and socioeconomic experience. The data were expressed as centiles of the Tanner-Whitehouse 1965 distribution of children's heights in London, e.g., to allow comparison of different ages and sexes. The ensuing data showed a substantial rise in heights over the period 1900/50, but the extent and timing of the increase varied considerably across the country, with the earlier and larger increases being in the South and East. Harris also cast doubt on Jay Winter's argument about an improvement in health in World War I and pointed to the ambiguous results concerning the relationship between unemployment and height gain.

Most of the audience were familiar with the work of Roderick Floud (chair of this session) and Fogel et al. on heights, so the main questions were specific to this study. There was some skepticism over the use of centiles to adjust the data, many preferring something like a ratio in inches on the grounds that by definition centile gains would vary over the whole distribution in terms of the number of inches they represented (there was also a feeling that inches were more tangible). Several people asked about the observed or unobserved variations within the data, e.g., within particular towns (Harris stressed that only averages were available) or between schools. How far could short-term and long-term changes, either in heights or in the socioeconomic data, be disentangled? Floud pointed out that this raised questions of lags. What rationale could be given for the observed variations in centiles across age and sex relative to 1965? Could international comparisons, e.g., with Dumke's data on Prussia, be attempted? Noel Whiteside pointed out that there were medical as well as socioeconomic reasons that might help account for the observed improvement in nearly every area in the 1930s; i.e., the diffusion of antibiotics.

Richard Wilkinson (Centre for Medical Research, Sussex) referred to Harris's work in his own paper on "Class Mortality Differentials, Income Distribution and Trends in Poverty 1921-81." Wilkinson's paper was written primarily for health policy-makers, but drew on a broad range of materials in economic history. He synthesized the existing data on mortality according to socioeconomic rankings of occupation and class, to show that the pattern was one of narrowing differentials from 1921 to 1951 and then markedly widening differentials since 1951, contrary to usual intuition. This could be explained by a curvilinear relationship between income and health, with the scale of relative poverty rather than average earnings being the main determinant of class-based mortality differentials. The same pattern occurred in cross-country comparisons that others had made. The remainder of the paper attempted to draw conclusions about decadal

changes in relative poverty in Britain 1921/81 to show the relationship with the mortality data.

No questions were asked about the relative poverty trends, but Stefano Fenoaltea was worried that relative poverty data were really proxying for absolute poverty, which could be more readily interpreted here. He wondered whether expenditures on health were being reduced by lower-income groups, and why upper-income groups managed to keep reducing their relative mortality. There were several questions about the apparent speed of response of mortality to economic change, and whether time lags would not have intruded; Wilkinson replied that there would be considerable long-term effects (i.e., unemployment), but the short-term effects would be additive and thus be reflected in the data. John Treble argued in favour of Gini coefficients, etc., rather than the slope indices of inequality that Wilkinson had borrowed from Pamuk. More fundamentally, he believed that causation might be reversed, going from health to income rather than the reverse, though Wilkinson replied that aspects of the data could not be explained by reverse causation; e.g., the effects of old-age pensions.

Steve Broadberry (Warwick) opened the final session with his paper, "Was the Collapse of British Industry After the First World War Inevitable?: Structural and Macroeconomic Explanations of Interwar Unemployment." Broadberry aimed to confront the micro-oriented structural explanations, particularly that of Sandberg and McCloskey about the misfortunes of traditional industries, with the macro explanations of the postwar slump (early 1920s). He argued that after examining the range of macro data, one could concentrate on the real exchange rate, which was being appreciated from 1920 in the campaign to revert to the Gold Standard. This played its part in Britain's international competitiveness - e.g., against the US - along with relative unit labour costs, which Broadberry evaluated as the ratio of output per employee to the p.c. wage. This could be verified by micro data for the pig-iron and cotton industries, and was attributed by Broadberry to the rapid reduction in hours of work ca. 1919.

Hence the macro and the structural views in these guises could be reconciled, although a counterfactual experiment using world market shares showed that the macro argument was the more compelling, since shares were lost in all types of markets, and not just traditional industries.

In the discussion, Kent Matthews expressed concern over whether the real rather than the nominal exchange rates could be used in the way Broadberry had done, although it was eventually agreed that the mode of measurement obviated the potential difficulties that Matthews was envisaging. A number of questions were asked about the data, e.g., whether they were piece rates or time rates of wages, which could have very different cost effects in the context of reduced hours. Also there could be discrepancies between rates and earnings in a situation of under-employment. Some thought that the labour market was in too drastic a state of upheaval for us to draw any conclusions about labour productivity over these few years. Peter Wardley thought that the Cleveland pig-iron industry was inappropriate for the micro evaluation, since hours did not change there. Charles Feinstein was sceptical about the use of 1913 as a basis of comparison. Noel Whiteside pointed out that the reduction of hours was the result of international agreement, and that the US was not a party to these agreements and hence something of an exception.

The depression of the early 1920s was one of those analysed by Andy Newell (Sussex) in "Three Squeezes: The Demand for Labour During Depressions." Newell noted that depressions were usually specified in terms of changes in aggregate demand with less attention being given to aggregate supply. Estimates of the latter on annual time series tended to show a large degree of inertia (long lags, etc.) and thus supported views about the short-run stickiness of prices that bolstered the demand-oriented view. Newell aimed to re-estimate the equations using monthly data for the depression periods themselves (1919/24, 1929/33, 1979/84). He concluded that the labour demand curves looked rather similar across the three depressions, and that each showed a much

more rapid response and less inertia than the conventional long-period estimates on quarterly or annual data. This suggested that the depressions were like cyclical troughs but speeded up, and Newell assessed some of the historical evidence for this. The equations also reflected some impact of monetary conditions (short-term interest rates) and of inventory changes.

Kent Matthews asked about the wage elasticity which, despite a stable mean lag, changes markedly across the depressions. He also referred to the monetarist work on shifts in labour supply curves over time. Ron Weir thought that the nature of the adjustment costs would have been changing through time; e.g., through changing forms of labour hoarding. Several questions were asked about the lags, and Fenoaltea thought that a distributed lag might reduce the amount of intercorrelation among the lagged independent variables, while Broadberry thought that longer monthly runs would be valuable. There was no real resolution of why things should have speeded up in depressions, although there was some acceptance that econometric tests of any hypothesis would be awkward.

Noel Whiteside (Bristol) delivered the final paper on "Unemployment: The Reconstruction of a Concept, 1911-1939." The main point of her paper was that unemployment is treated by economic historians as an economic concept, whereas the official statistics reflect essentially social criteria. On the political side, Whiteside noted the contending views, including the desire for an actuarial basis to unemployment insurance and the role of the poor law. On the industrial side, there were categories which were variously seen as unemployed, or not, especially short-time workers and women workers. She pointed to some complementarity between figures for the 'disabled' and 'unemployed', indicating that some who were excluded from the latter benefits sought the former.

Most of the questions addressed the issue of whether the use of unemployment data by economic historians would be thus invalidated - the general conclu-

sion being that they could be used (and usually gave sensible results), although more effort should be directed to taking care. Feinstein, the author of the standard series, argued that problems with the Unemployment Insurance statistics had been known for many years, and that he and others had indeed taken great care in preparing revised series, which had utilized other sources such as the 1931 Population Census.

The meetings were judged to be very successful, with a high standard of discussion. The organization of the papers around two principal themes was generally approved of though, of course, some people's interests were not catered to. John Treble reported that the meetings next year will be held at Hull.

Cliomets Fileserver "Up and Running"

A new addition to the Cliometric Society's information sources is a fileserver available to all Cliometricians who have access to the BITNET communications network. As previously stated, the Society has a BITNET account named `CLIOMETS@MIAMIU`. In addition to using the resource for convenient communication, it can now provide registered members a chance to access a database of information called a fileserver. The fileserver can provide you with conference papers, membership lists, and other important information. The system is interactive so you can communicate with it while you are logged on to your account. The service is simple; one uses the TELL command available on BITNET, the Society's BITNET address, and one of several command options available. For example, `TELL CLIOMETS@MIAMIU HELP` will result in a return response of all the available commands for the Cliometric fileserver. As to be expected with a new computer service, the Cliomets fileserver is still in the "Beta" or test mode. You may encounter bugs or problems in using the server; if so, we would appreciate having you document and report them to us. This type of interactive communication will help to solve any problems the fileserver may have. Feel free to start using the service after the posted startup date of March 20th.

If you are current member of the Cliometric Society and have provided us with your BITNET address, you should be able to access the fileserver without having to register. However, if there is a problem and your access is denied, just use the REGISTER command and we will provide you access by the next business day. For those who haven't provided us with a BITNET address it is important that you register by issuing the registration command: `TELL CLIOMETS@MIAMIU REGISTER <YOUR FULL NAME>`. If you are a paid member of the Society, you will be registered and will have full access to the fileserver by the next business day. From that point, you will have available to you a continually growing database of information. Any questions and/or problems concerning the fileserver can be answered by either calling at 513.529.2850 or by sending electronic mail to our BITNET address. Note: anyone, registered or not, can send mail to our BITNET address.

Following is a list of commands to get you started using the fileserver.

`TELL CLIOMETS@MIAMIU HELP`

This will display more information about the commands to use with the fileserver. It will return an interactive message containing a list of all the commands and a short explanation of each.

`TELL CLIOMETS@MIAMIU INFO`

This is a simple informational display about the fileserver, the programmer, and the postmaster. This command is of little use and only serves a procedural purpose.

`TELL CLIOMETS@MIAMIU REGISTER <NAME>`

This is the initial registration command. It should only have to be used the first time you try to gain access to the server. The server will return a message stating that your name has been submitted for registration. From that point, you can expect your name to be added by the next business day to the access list, giving you full use of the fileserver.

TELL CLIOMETS@MIAMIU FEEDBACK <MESSAGE>

This provides you with an opportunity to send a message, complaint, or suggestion to the server's operator. The server will return a message acknowledging the receipt of the note. Use this service as chance to provide input on how you would like to see the server run, or what additional information you would like to be able to access.

TELL CLIOMETS@MIAMIU FILES

This command will send you, by electronic mail, a list of files that are available on the fileserver. This list will be sent in the form of a "reader file". From that point, you may look at that mail and see the list of files that are available on the fileserver. As to be expected, this list will continue to grow as we provide you access to more and more information (i.e., Congress papers, ASSA papers).

TELL CLIOMETS@MIAMIU GET <FILENAME>

This command will send you, via electronic mail, any specific file that you request. After receiving a list of files available to you, choose a specific file and have it sent to you by issuing the above command. Again, you will receive this electronic mail in the form of a "reader file". Remember, you must issue the command for each file desired; the server cannot send a batch of files at once.

TELL CLIOMETS@MIAMIU MEMBERS <WILDCARD>

This command will search the membership database of the Cliometric Society. It will provide you addresses, phone numbers, etc. (all the information in the membership list). The WILDCARD can be specific or non-specific. For example, TELL CLIOMETS@MIAMIU MEMBERS JON DOE will provide you all the information on Jon Doe, but TELL CLIOMETS@MIAMIU MEMBERS DOE will search for all those with the last name DOE and may provide several dossiers of information. This WILDCARD spot may also be filled with a city designation, a country, a research interest, etc. Further, the database search will be sent to you via electronic mail and in the form of a "reader file". Because of the sophistication of the command, it will take longer to perform the task.

CALL FOR "STUFF" FOR FILESERVER - If you would like to make working papers, data sets, etc. available on the Clio Fileserver please send them to us via BITNET (Cliomets@Miamiu).

Classifieds

The deadline for submission to the June Newsletter is June 12.

The **Forum for History of Human Science** is a new organization that has been formed to promote scholarship in the history of the social and behavioral sciences. "Human science" is broadly defined, and encompasses anthropology, economics, geography, history, linguistics, political science, psychiatry, psychology, sociology, and statistics, as well as aspects of the biological and physical sciences, medicine, education, law, and philosophy. The primary aim of the organization is to foster research and education in the history of human science and to encourage communication among scholars, scientists, and others working in the area. Membership is open to interested individuals; dues are \$10 a year. Those seeking further information or wishing to join should contact Laurel Furumoto, Dept. of Psychology, Wellesley College, Wellesley, MA 02181; phone 617 235-0320, ext. 3020 (messages ext. 3019).

The Business History Conference announces the creation of the **Harold F. Williamson, Sr. Prize in Business History**, which honors one of its founding members. The prize will be awarded every two to three years to a scholar/teacher in mid-career who has made significant contributions to the field of business history. The Business History Conference, a non-profit and tax exempt organization, is seeking donations to endow the prize. Anyone interested in contributing to the endowment may make a check payable to: Williamson Prize Fund-BHC, and mail to William J. Hausman, Secretary-Treasurer, Business History Conference, Dept. of Economics, College of William and Mary, Williamsburg, VA 23185.

CALL FOR PAPERS FOR ASSA MEETINGS '89

Anyone interested in presenting a paper at Cliometrics Society sessions at the ASSA meeting in Atlanta, December 28-30, please note the following deadlines. Members are urged to pass this announcement on to their colleagues and students who might want to submit their work.

Deadlines that must be met:

May 24 - Two copies of a two-five page proposal of your paper is received by:

Daniel Raff
Baker Library 110, Soldiers Field
Harvard Business School
Boston, MA 02163

Dan and Susan Carter are serving as the selection committee. Notification of which papers have been

accepted will be mailed from the Society office by June 15.

August 30 - An eight-page summary of your paper is received at The Cliometric Society office: Dept. of Economics, Miami University, Oxford, OH 45056 (513 529-2850). This will be published in the October Newsletter. Please do not submit a proposal if you cannot meet this deadline.

December 4 - The final version of your paper is in the hands of the discussants and other members of the session to which you have been assigned.

Chairs and Discussants are needed. Since it is difficult to know who is going to be attending the ASSA meetings, if you are interested in being involved in the Clio sessions, we would appreciate hearing from you by **July 15**.

NOTE: If the expiration date on the label below does not say Dec. '89 - your dues are in arrears.

THE CLIOMETRICS SOCIETY
DEPARTMENT OF ECONOMICS
MIAMI UNIVERSITY
OXFORD, OH 45056

