Report on the World Congress

The first World Congress of Cliometrics was held at Northwestern University from May 30th to June 2nd. Over 90 participants attending from around the world created a lively discussion of topics ranging from Eleventh Century tax assessments to Twentieth Century oil cartels, and from Japanese rice merchants to Scottish entrepreneurs. There were 28 papers presented and the abstracts of these papers are enclosed. The addresses of the authors are included; you may wish to contact them.

On Thursday evening there was a plenary session where Jonathan Hughes gave a talk, "Cliometrics: Memories and Predictions." After he spoke there were comments by Robert Fogel, Peter Temin, and Jeffrey Williamson. Williamson's response to read a letter he "will" receive. The speech and letter are reprinted here.

The major business conducted at the Congress was the adoption of an organizational statement for the Cliometrics Society. The following statement was approved by the members present.

A. The purpose of the Cliometrics Society is:
   1. To maintain and circulate a membership list.
   2. To offer a reduced subscription rate to Explorations in Economic History for its members
   3. To organize an annual Cliometrics Conference and to promote future World Congresses
   4. To carry out other activities at the direction of the Board of Trustees

B. The Board of Trustees will consist of a secretary/treasurer and five elected Trustees selected from among the members by ballot. Each year one Trustee will be elected for a five year, non-renewable term.

C. The Society will be chartered or Incorporated.

Membership List

We have included and updated the membership list with this mailing. We hope that most of the errors have been removed, but if your listing is incorrect, please let us know. The editors of E EH and JEH have told me they find the list quite useful for selecting referees and finding people to review books. We have had more than the usual problems in getting the list into an organized form on the computer. For a small fee, we are now able to provide any member with a copy of the latest update of the enclosed membership list on a floppy disk that can be used with D.Base III. We can also print out a set of mailing labels.

Samuel H. Williamson, Editor
Explorations in Economic History (EEH)

Subscriptions

Members of the Cliometric Society receive a
discount on their subscription to EEH. For
1986, North American members will pay $34
for a Society membership and subscription,
while members from the rest of the world will
pay $42.50 for both. (The non-members
subscription rates will be $43.50 and $56.00
respectively.) Several members did not
receive some of their issues this year. We
have had several communications by phone
and mail with Academic Press, trying to
straighten things out. If, in spite of their
recent assurance of having solved all the
problems, you have missed any 1985 issues of
EEH, please write to the Society office and
explain.

Renewals for both EEH subscriptions and
Cliometrics Society memberships will be sent
out in December.

Newsletters

Starting with this mailing, we plan to
maintain a schedule of three newsletters a
year, one each in September, December and
April. We invite you to forward to us any
news that you think would be useful to the
members.

It is the plan that each year the September
issue will include the abstracts of the U.S.
Cliometrics Conference and the December
issue will contain the annual membership
renewal and the ballot for trustees. This
years’ December issue will include the
abstracts of the Canadian Cliometrics
Meetings, which will be held in October. In
future issues we would like to add
announcements of other meetings and perhaps
their abstracts as well.

A regular feature of the Cliometric
Newsletters is to be a classified section where
members can place ads free of charge offering
information to trade, seeking data sets,
looking for sources, etc.

To give you an idea of ads you might want to
place, I have sought out four such ads that
appear here. If you are interested in placing
an ad in the December issue, the only
requirement is that it be received at the
Society office by November 15th. Please keep
the text of your ad to a minimum. Of course
the Society is not responsible for the accuracy
of the information in the ads.

Other features of future issues may include
invited columns on issues that should interest
the members, such as what computer
programs might have special usefulness for
cliometric research, a description of a new
data set that is available, or an annotated
bibliography of a particular subject in the
field. The Newsletter will not be publishing
articles.

Classifieds

NEEDED: Information on British Cotton Firms, 1795-
1850. Would like to acquire additional information on set of
all cotton firms in Lancashire region engaged in hand or
power weaving during above period. Previous activities,
physical and financial scale, output mix, markets, prices,
etc. are of interest. Will trade from extensive current data set
on the subject. Donations will be gratefully received. John
Lyons, Dept. of Economics, Miami Univ., Oxford, OH.
45056, USA

FOR TRADE: I have daily stock prices on major stocks for
London for the entire 18th century. Will exchange for
comparable data for any part of the 18th or 19th century in
any other stock exchange. Larry Neal, Box 64, David
Kinley Hall Dept. of Economics, Univ. of Illinois, Urbana,
IL. 61801, USA

WANTED: Information on scattering of holdings in
agricultural land. Examples in detail, and proffered
explanations (inheritance, egalitarianism, risk aversion).
World-wide, any period. Don McCloskey, Dept. of
Economics, Univ. of Iowa, Iowa City, IA. 52242, USA

FOR TRADE: will exchange rural/urban cost of living
differentials (especially quality adjusted rents) in England,
early 19th century for similar data from any other country
undergoing industrialization. Jeffrey Williamson, 216
Littauer Center, Harvard Univ., Cambridge, MA. 02138,
USA
Dear Cliometrician,

Enclosed you will find a complete list of the members of the Cliometric Society, their addresses, and their fields of interest. Alas, it took us two weeks to get the computer to print it out for us, which is why this letter is late. We think most of the bugs are out now. We realize that no classification system will be able to categorize everyone's work, particularly for a group as diversified as economic historians. It should, however, provide some help to you in finding others that have interests similar to yours. At your request we will provide all or part (sorted as many ways as you want) of the enclosed list on mailing labels. Our only charge will be the cost of the labels, or if you choose, send us your labels and we will print directly on them. A third alternative is for you to send us a diskette and we will copy the list on it for your computer. The list has been generated on an IBM PC using D-Base III.

AN AGREEMENT HAS BEEN REACHED WITH ACADEMIC PRESS

Academic Press has just informed us of its new (1985) rates for a subscription to Explorations in Economic History. For the United States and Canada the rate will be $79.00 (US) for institutions $39.50 (US) for individuals. For the rest of the world these rates will be $96.00 (US) and $52.25 (US) respectively. The Society has negotiated a reduced rate for its members. Starting with volume 22, the charge for being a member of the Society and receiving Explorations in Economic History will be $34.00 (US) for residents of the United States and Canada and $42.50 (US) everyone else. Either way these rates are high, however, it was the best we could do at this time. The fee for membership alone will remain at $3.00 (US). Please use the enclosed form when sending in your fees either for the membership alone or for the combined membership and subscription. They will be due in December each year.

THE WORLD CONGRESS WILL BE AT THE END OF MAY

1) The First World Congress of the Cliometrics Society will be held at Northwestern University in Evanston, Illinois from Thursday May 29, 1985 through Sunday, June 1, 1985. An international steering committee has been formed to help organize the Congress and to promote participation from around the world.

Committee members are: Akira Hayami, Keio University; Donald McCloskey, University of Iowa; Joel Mokyr, Northwestern University; Don Paterson, University of British Columbia; Jonathan Fincus, Australia National University; Gianni Toniolo, Universita Degli Studi di Venezia; G.N. Von Tunzelmann, University of Sussex; Kozo Yamamura, University of Washington; and Samuel Williamson, Miami University.
2) This is the official call for papers to be considered for presentation at the World Congress. Anyone who wishes can submit a paper. The papers should not be finished products or works already published, but working papers or reports on work in progress. What we request is an abstract and at least part of the paper for our consideration to be sent with the enclosed form. It must be received by December 1, 1984 and if it is selected, the final draft should be finished and to us by March 1st, 1985. By the end of January everyone will be notified as to whether their paper has been selected.

Cliometrics conferences are different from most scholarly meetings. The papers are circulated to all participants well in advance. There are no presentations since everyone will have read the papers, therefore, the sessions are devoted to discussion. If you wish to attend the Congress but not submit a paper, please return the enclosed form as well.

3) It is our desire to include as many interested members as we can, but attendance will be limited by space and the budget. You must be invited to attend. We will cover most or all of the expenses including travel if we can raise the funds. We may not know about our finances until December, so please request an invitation based on the premise that participants will have their way paid.

Sincerely,

Sam Williamson
Secretary/Treasurer

SHW:pa
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the page, less attention was given to the cooperative movement and less emphasis was placed on the cooperative movement's role in economic growth. The theory of cooperation was also less emphasized in the 1950s and early 1960s, which was seen as a period when the cooperative movement was not as prominent as it had been prior.

In the 1950s, there was less attention paid to the cooperative movement, and the emphasis was on economic growth and development. The theory of cooperation was also less emphasized in the 1950s and early 1960s, which was seen as a period when the cooperative movement was not as prominent as it had been prior.

The problem was in not giving enough attention to the cooperative movement and not emphasizing its role in economic growth. The theory of cooperation was also less emphasized in the 1950s and early 1960s, which was seen as a period when the cooperative movement was not as prominent as it had been prior.
only imagine what such people would think of the proceedings of Cliometrics meetings, where only he (she) who is ignored can escape without an attempted roasting, or at least a heavy stage. Many observers in the early days thought Cliometrics was some kind of weird scholarly civil war. The dead kept rising up, Phoenix-like, to strike again. I once overhead Peter Temin wondering aloud if someone shouldn’t be right the first time? I don’t know the answer. It would be nice to be right the first time, but it is a goal that seems to elude the grasp of most of us. The answer to anyone who charges that Economic History not “scientific” because the experiments cannot be repeated is: “Oh yeah, try publishing errors and see how quickly you get caught.”

I think, looking back, that what was really important about the Cliometric revolution was the spirit of irreverence in it: nothing was sacred. All historical questions were open. All analytical techniques were legal. Moreover, new subjects were (and are) being constantly drawn in. Was sharecropping really oppression? What was the contribution of the female labor force to American industrial growth? Was there really wage discrimination against immigrants that enhanced late 19th century industrialization? These and many similar issues have been raised in the same spirit as the best of the early Cliometrics. To mention the two most famous ones: “Were Railroads Really Indispensable?” “Was Slavery Going to Die of Its Own Wickedness and Inefficiency?” I have often said that Bob Fogel should have charged a licensing fee for the privilege of criticizing him. He could have been rich by now, and escaped from the working classes once and for all.

III

As a few of my relatives and close friends know, I have recently committed the sin of writing a textbook. I did it for the money. Therefore,

In the process of writing the first edition, I set out to be as conventional as possible and “tell the story” of American economic development. I won’t bore you with an account of my miseries in that effort, but I do want to say that one is hard pressed by now to find any of the “old story”, as presented, say, by W.O. Faulkner in 1947, that has been left untouched by Cliometrics. If you wrote an American Economic History text now without the contributions of Cliometrics you wouldn’t really understand very much about American Economic History. That’s the long and the short of it, only a quarter of a century after the first Clio meetings at Old Purdue back in 1960.

I think some of those at the early meetings may have believed this would ultimately be true. I know Lance did. He was a true believer from the beginning. But then he knew the terrain better than most of the rest of us did. Others believed weakly, and some even in 1960 wondered what in the world all this was? I was myself fairly weak-kneed, but willing.

It is customary on these occasions to end with a bit of a warning. I shall not. I see no signs of methodological parochialism in the new work, of any narrow mindedness among the young hotshots. I think they are doing their work beautifully. Every issue of the journals forces us to rethink things—a real curse for the textbook writer. History must be revised. I sympathize with the editors of the Great Soviet Encyclopedia with “the truth” coming upon them like colors from a multiple colored candle every time the leadership changes. For us, the truth changes mainly quarterly. Worse, I’ve been making revisions from unpublished manuscripts which will “ring the bell” when they see print. Right now our field is too hot even to wait for things to be published.

We are in excellent shape. Hurrah for Cliometrics. At Clio I, in twenty-five years, the assembled scholars should be so lucky as we are
...
out, by the way, that an obscure Irish-American has
written on this topic but we can find no trace of
either him or his work. Apparently, this scholar would
only communicate in Greek.

*What Accounts for the Peculiar Retirement and Life Cycle Saving Behavior of Americans?* A profound change in household behavior took place in the late 1980s, at least according to Roger Hunsdon and Richard Krutch. While the quality of their data has been questioned, it suggests that Americans retire at age 71 and re-enter the labor market at age 57. This odd behavior generates, according to Hunsdon and Krutch, double-peaked saving behavior with maxima at age 9 and 97. Much more research needs to be done on this issue. While Hunsdon and Krutch are clearly the ones to do the job, they retired to an avocado farm in the summer of 1957 just before the Great Avocado Blight. (The reader will note that Hunsdon and Krutch themselves exhibited behavior completely inconsistent with their theory: they retired exactly when their theory predicts they should have re-entered the labor force! When queried on this point, Krutch replied: "No theory was ever meant to apply to academic behavior in California -- the Midwest, perhaps, but never California.")

*Why Did Wastenwville Starve?* In the fall of 1990, the Great Avocado Blight hit Watsonville, California. It is now a matter of record that excess deaths rose to 2.53 and outmigration surged to 13.67. Econometric analysis shows quite clearly that those farmers specializing in avocados had higher outmigration rates (most becoming policemen in Bakersfield, but a large number migrating to Jerusalem where they operate a fast-food stand this day). Why did Watsonville starve? It certainly seems foolish to have specialized in a tropical fruit that has no nutritional value whatsoever, but the more important question is: Why didn't Watsonville industrialize? No doubt the answers are complex and deeply rooted in the behavior of absentee landlords living in the Middle East, but could the lack of industrialization be explained by some bizarre coincidence of the Dutch Disease with the Avocado Blight?

There are some topics which we urge you to avoid entirely since there are researchers already busy at work on them. Some of these follow below:

*Did Monetary Forces Cause the Great Crash of 1992?* Following the Great Avocado Blight of 1990, the Bank of Watsonville failed, Chase Manhattan followed, and the Great American Banking Panic was on. Professor F.T. Amin has received four consecutive grants from JSF to work on this problem and its relation to the 70-year moon spot theory. We have yet to receive an acceptable report from Professor Amin. This may be explained in part by his inability to construct a relevant and believable counterfactual: none of us here at JSF can imagine a world without avocados.

*What Explaining the Puzzling Demographic Behavior of 19th Century France?* For two hundred years, historical demographers have been puzzled by the relatively low birth and migration rates in 19th century France. The noted economist, David Paul Peter-John, has now developed two brilliant hypotheses to account for this behavior. These hypotheses are: Firstly, the French were unfriendly towards foreigners. Secondly, they didn't like each other much either. Both of these hypotheses seem to have survived the most rigorous econometric testing, including a breath-taking application of triple-selectivity, while exploiting an extraordinary application of trinomial functional forms to a village intertemporal sample of 18 (drawn from 9 years) which has been truncated from below above and in the middle. Peter-John's results appeared in the latest issue of *Clilsoups*, pp. 1-317, with an accompanying 400-page appendix. Should you be interested, some of Peter-John's early work appeared in *Clilsoups*.

A final word of advice. If you wish to improve your chances of funding with JSF in the future, do not ask for computer support. We at JSF feel it can't be handled with a Hitachi-PC, then it isn't worth funding. And when traveling internationally, be sure to use Japanese carriers.

Sincerely Yours,

[Signature]

Gasakichi Watanabe
Director, Social Science Division
Japan Science Foundation

cc: Mr. Don Newcomb
tonight. We've had good and challenging work to do, and have been able to do it. My cohort now begins to grow old. I hope it remains productive for many years yet. But youth must be served. So I ask the new Young Turks of Cliometrics to think of us charitably, forgive us our sins, and then hope and pray that they may have as good a run of it as we have had. We made out like gangbusters and loved it. Thank you.

May 30, 2010
Tokyo, Japan

Professor Williamson Jeffreys
Emeritus Pest Home
2102 Massachusetts Avenue
Cambridge, Massachusetts 02138

Dear Professor Jeffreys:

Mr. Don Newcomb of the National Science Foundation has passed your research proposal on to us here at the Japan Science Foundation. Apparently you were unaware that NSF had fallen victim of budget cuts initiated in 1985 and accelerated thereafter. As you must know, these budget cuts managed to eliminate the total U.S. federal debt outstanding in just two decades. However, as we say in Japan, there is no such thing as a free lunch. And public support of academic research in America disappeared in the great austerity push.

This letter should serve to inform you that JSF is now considering research proposals in economic history. Indeed, your proposal was tentatively considered by our Economics Panel which met just last month. While the Panel was impressed by a submission from a man of your age, it felt that a multi-sectoral, multi-regional, multi-factorial computable general equilibrium model of food scarcity, urban decay, inequality, accumulations, fertility, mortality and military conflict to be much too narrow and, to be quite frank, irrelevant. The Panel also felt that the model was unrealistic in the extreme. We urge you to make better use of the far superior and empirically relevant Keynesian model. After all, supply side models only hold interest nowadays to historians of thought and ultra-radical graduate students.

We urge you to consider a revised proposal with somewhat different content. The topics of interest to the JSF Panel are among the following:

What Accounts for the Stealing Decline in Heights Among the English? It has been shown that the height of English males aged 20-29 fell from 5'9" tall in 1985 to 2'6" tall in the year 2000. An Emeritus Professor living in the Chicago area has projected that English males will be 6" high in the year 2020! Given their great advantage in repairing and maintaining microcomputer hardware, we fear that these tiny Englishmen will soon dominate the world high tech export market. Since their tiny size gives the English an unfair competitive advantage, we need more research on how to make the Japanese shorter. There is some urgency attached to this issue since our plan target is to overtake English shortness by the year 2015.

Did Late 20th Century America Fail? The historical evidence confirms unambiguously that American entrepreneurs failed. Some American economists insist that rising protection in booming Asian markets may have been a partial source of the demise, but they are wrong. It is quite clear that the main forces at work were sociological and not economic. It has been pointed
EXCHANGE RATE AND BUDGET EFFECTS ON THE 1978 COMMERCE

In 1978, the exchange rate in Pakistan was fixed at 10 rupees to the US dollar, with a substantial budget deficit. The government implemented measures to stabilize the currency and reduce the deficit. The exchange rate fluctuated between 10 and 12 rupees to the dollar throughout the year, reflecting the country's economic challenges.

In terms of budget effects, Pakistan faced a significant fiscal deficit in 1978, which contributed to inflation and economic instability. The government implemented austerity measures, including cuts in public spending and an increase in tax rates, to address the deficit. However, these actions had mixed results, as the economy continued to struggle.

The 1978 budget focused on economic development and infrastructure projects. Despite the fiscal challenges, the government continued to invest in education, healthcare, and transportation, aiming to stimulate growth and improve living standards. However, the impact of these investments was limited due to the overall economic environment.

In conclusion, the 1978 economic and budgetary situation in Pakistan was marked by a mix of challenges and efforts to stabilize the economy. While the government took steps to address the fiscal deficit and inflation, the economic environment remained challenging, reflecting broader global economic trends.


Consumer Behavior in the Nineteenth Century: Ontario Workers, 1865-1889

This paper analyzes cross-sectional expenditure data for several thousand worker households in Ontario in the late 1880s. The data are organized by group averages representing the average experience of households classified by several dozen towns ranging in size from about 1000 to over 20,000 in population. Applying multivariate regression analysis to the grouped data provides estimates of expenditure elasticities and of the effects of household size, family composition, owner/tenant status of household head, and rural/urban split. Traditional Engel type hypotheses are confirmed. Owner occupied housing and sundries appear to have been luxuries at the low end of the expenditure distribution. Similar attribute effects appear to have been experienced by a wide range of households beyond the time and space limits of the Ontario workers surveyed.

Using the theory of exact aggregation and assorted data describing the distribution of aggregate expenditure and the joint distribution of aggregate expenditure and household attributes, the aggregate food expenditure share for all Canadian households for 1888-89 is estimated. Using time series of the aggregate distribution statistics and the parameters estimated from the cross section, this aggregate food share is cast backwards to 1870 and forwards to 1914 to provide an historical time series. It is observed that the aggregate food share remains about .5 from 1870 to the late 1890’s and then falls to less than .3 by 1914.

NOTES:
1. The data was collected by the Ontario Bureau of Industries & published in its annual reports.
2. All households are assumed to face the same prices. Linear, semi-log and double-log functional forms are used.
3. Fragments of budget data available for a variety of household types in Ontario, Quebec and the Maritime provinces are used.
5. In one of the new data sets pooling cross-sectional micro data and time series macro data that allows for price effects strongly support the validity of this use of cross-sectional information. See Jorgenson, Lau & Stoker (1982).
6. This result is in stark contrast to the constant share of about .35 alleged to prevail from 1870 to 1920 by G. J. Friesen, Canada’s Economic Development, 1867-1952, 1958, p. 82. The new time series relies in part on new estimates of total consumption spending derived from M. C. Brynhart, “New Estimates of Cross National Product, Canada, 1870 to 1926: Some Implications for Canadian Development,” Queen’s University, 1984, and supports an interpretation of Canadian growth wherein 1900 is a watershed.

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The International Kuznets Cycle Reconsidered

New estimates of construction activity in Italy from 1861 to 1913 reveal a typical Kuznets cycle, with peaks in the early 1880s, early 1870s, late 1880s, and early 1910s, and troughs in the late 1860s, late 1870s, and late 1890s. Construction activity in Italy seems positively correlated both with labor exports and with capital imports; capital formation apparently drove migration, rather than vice versa, and the construction cycle in Italy was clearly not attributable to a demographic cycle. The parallel long swings in Italy and the New World appear rather to have been generated by a cycle in the exports of British savings surplus to domestic British investment opportunities; alternative models of the international Kuznets cycle, which stress the pull of New World investment opportunities or general technical change, do not appear to fit the evidence once the sample is extended to include the Italian case.

British interest rates were admittedly high when capital was flowing out of Britain, and low when it was not; but foreign interest rates did not follow the cycle in British rates. This suggests that the risk premium the British associated with foreign lending increased sharply in the wake of the Baring crisis, and then gradually declined almost to zero by 1913.

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Eugene H. White
Department of Economics
Rutgers University
New Brunswick, NJ 08903

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Financing the French Revolution:
A New Look at the Assignat Inflation

One of the most important inflationary episodes in European history was the assignat inflation of the French Revolution. This paper examines this much neglected subject, applying modern models of hyperinflation and time series methods. Previous studies have alternatively praised the assignats for generating the revenue the new regime needed for survival and attacked them for undermining the Republic. These conflicting assertions are examined by determining empirically which, if any, of the revolutionary governments pursued optimal revenue-creating rates of inflation. The data used in this study is drawn from the abundant information collected by government officials during and after the revolution.

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bargaining process was so long and costly that much of the potential gain was dissipated through depletion of the animal stocks. This study also points out a number of factors which were critical in inhibiting the achievement of a joint-profit maximum: incomplete information, the commitment to a strategy which led to impasses or bargaining breakdown, the need for contract enforcement, the delineation of each party’s rights under the law, and environmental changes.


Gary D. Libecap  
Department of Economics  
University of Arizona  
Tucson, AZ 85721

The Political Economy of Cartelization by the Texas Railroad Commission  
1833-1972

For nearly 40 years, from 1922 through 1972, domestic crude oil production was controlled by market-demand rationing of output among states under the auspices of the Interstate Oil Compact and the Texas Railroad Commission. The cartel is an important historical event. During the period of interstate rationing, the Texas Railroad Commission became famous as the most powerful state regulatory agency in the world. Accordingly, its efforts have received considerable attention, but disagreement remains regarding the role of Texas and the nature of interstate coordination. A common view is that interstate regulatory efforts were importantly influenced by political pressures, but the nature of those pressures and their impact on rationing have not been systematically examined.

This paper analyzes the Texas Railroad Commission and market-demand rationing. The analysis reveals that the Commission followed a price stabilization policy at a level that protected high-cost producers and which removed price fluctuations as a source of uncertainty for crude oil firms. Within that general policy goal, however, the Railroad Commission used its discretion to award favorable quotas to politically-influential small producers. In its price and production decisions, however, the Railroad Commission had limited degrees of freedom. On the one hand, it was subject to pressure from Texas producers and the Texas Legislature, and on the other hand, producers in Kansas, Oklahoma, and other high-cost states and their governments pressured the Commission to constrain low-cost Texas production. They threatened to lobby for federal intervention. Beginning in the 1930s,

the Interior Department emerged as a bureaucratic competitor with the Railroad Commission for regulation of crude oil production.

Systematic incorporation of political and bureaucratic factors into the analysis provides new insight into the cartel behavior of the Texas Railroad Commission and the functioning of market-demand rationing in the United States.

David R. Weir  
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Yale University  
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Markets and Mortality in France, 1650-1799

This paper examines the evidence for a national market in grain before the Revolution as a possible explanation for the eighteenth-century decline in the magnitude of subsistence crises in France. The measure of market integration is based on correlations of detrended prices across several regions. Because price correlations reflect correlated climatic shocks as well as the actions of a market, an unambiguous interpretation is possible from price data alone. Inter-regional correlations increased over the seventeenth century and declined for much of the eighteenth. Other data for the late eighteenth century show that the strength of price correlations was closely linked to geographical distance. We interpret these findings to mean that the market mechanism linking supplies and demands across regions was weak throughout the early modern era, though improving slowly. The high degree of inter-regional price correlation achieved in the period 1675-1725 was due to the historical coincidence of frequent and severe climatic shocks affecting the whole of France (and much of the temperate North). The decline in subsistence crises could not have been the result of national marketing of grain, but it was almost certainly influenced by the more benign climate after 1720.

The economic explanation for declining subsistence crises can only be valid at a regional level. Separate regional analyses of mortality showed that subsistence crises (a strong influence of prices on mortality) disappeared in the North, but were only partially mitigated in regions in the South and East. This accords with Usher's description of the progress of wholesale marketing in the eighteenth century. Finally, a comparative urban-rural analysis for Rouen, Toulouse, and Geneva found that Geneva was effective from early in the seventeenth century at insulating itself from harvest fluctuations. Rouen and Toulouse, on the other hand, continued to show mortality effects of high prices even after their rural hinterlands had nearly lost them. The uniform social distribution of deaths within the city of Rouen suggests that a migration-disease explanation is more plausible than starvation. Welfare policy may therefore have shifted the locus of crises from rural to urban areas as improving climate and improving regional markets reduced the risks of severe nutritional deprivation.

***
A new look at the research attention in economics

The demand for information about the performance of economic systems has increased significantly in recent years, driven by the need for better policy decisions and the advancement of economic theory. This has led to a reevaluation of the traditional approach to economic analysis, which often focuses on aggregate measures of economic performance.

Recent research has emphasized the importance of understanding the dynamic behavior of individual households and firms, as well as the microeconomic mechanisms that underlie macroeconomic outcomes. This has led to a shift towards more detailed and nuanced analyses of economic data, using techniques such as panel data analysis, structural econometrics, and computational models.

The rise of big data and the availability of more comprehensive datasets have further fueled this shift, allowing researchers to explore new questions and test more complex theories. As a result, the field of economics is becoming more interdisciplinary, with increasing collaboration between economists and experts from other fields such as psychology, sociology, and computer science.

Despite these advances, there are still significant challenges to overcome, particularly in terms of data collection and analysis. However, the potential for economic research to make a real impact on policy decisions and individual well-being makes it an exciting and rewarding field to work in.
prevented the adoption of technologies requiring large capital investments. Others, such as O'Brien and Keyder, see the growth of French industry in general as having been greatly underrated, alleging that not French industry performed quite creditably and often more efficiently than the British. Thus, it is argued, size was unimportant, and the presence of significant scale economies are generally dismissed.

The author proposes to test for scale economies in numerous industries using the French manufacturing census of 1861–65. Results for the cotton industry are presented as a first case. Cross-sectional estimates are performed using translog cost functions. Unlike other estimations, capital is treated as fixed and a variable cost function is estimated resulting in measures of scale economies at the point of operation. Calculations are made using both a value measure and a physical proxy for capital. In either case, the results are similar. Moderate, statistically insignificantly economies of scale are present over a wide output range for firms using steam power. It is not possible to reject the hypothesis that constant returns to scale prevailed over the observed levels of output.

***

Peter Wardley
Department of Economic History
University of Durham
23 Old Elvet
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Productivity, Mechanization and the Labour Market in the Cleveland Ironstone Industry, 1871–1924

Entrepreneurship, labour relations, and 'diminishing returns' have played a peripheral role in discussions between economic historians about the decline of the economic growth rate and productivity change in the pre-1914 British economy. Evidence is reported here from the Cleveland ironstone industry; the major producing district of Britain's second most important extractive industry. The paper provides preliminary analysis from a larger project which has investigated the organization and development of the three extractive industries which provided the raw material inputs for pig iron production; Durham coal mining and Weardale limestone quarrying are the other two. In the absence of a comprehensive model, three partial elements are presented to illustrate: labour productivity, the provision and utilization of labour time by shifts offered to miners and those worked, and the diffusion of technology.

Labour productivity, defined as output per man year, is investigated within a framework 'exported' from Hirsch and Hausman's (1983) analysis of the contemporary South Wales and British coal industry. Regression results for Cleveland provide additional evidence for the possibility that higher wages were associated with reduced work effort on the part of workers paid by piece rates. 'Tighter' specification of the industry-specific variables, and the estimation of a simultaneous equation system, raise doubts which suggest that the initially satisfactory model is not robust. However, analysis of the shifts worked by Cleveland miners also indicates a negative response to higher wage rates.

During the period two new drilling techniques were developed which offered alternative forms of extraction. The first was relatively capital intensive and labour saving; the second, capital saving, flexible and labour intensive. A rapid rate of technical diffusion is illustrated by estimation of diffusion curves. This indicates vigorous action by entrepreneurs in response to potential cost reducing techniques. Even though the industry was no longer expanding technologically, and development and innovation continued; though the initial method of extraction had minimal sunk capital and did not act as a barrier to the adoption of new extractive methods. The incentive to innovate was increased by the problems inherent to extraction from a depleted resource base; this, rather than 'diminishing returns', was a major economic problem for firms in Cleveland.


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How Artificial Were the Tax Assessments of Domesday England?
The Case of Essex

Domesday Book (1086), which has been described as "probably the most remarkable statistical document in the history of Europe", has yet to be subjected to comprehensive statistical analysis. This paper, which is part of a larger study of Domesday data, is concerned with the basis for the assessment for gold (often called demesne), a major non-feudal tax levied in England between 991 and 1162. The conventional wisdom on this question, which has its origins in the work of the Victorian scholar J.R. Round, is that Domesday assessments were "artificial" in the sense that they were imposed from above with little or no reference to the capacity of manors to pay this impost. Yet despite the longevity of this interpretation, there are good grounds for doubting its validity. It is hard to imagine an arbitrary tax system surviving for almost two centuries, because it would generate widespread opposition that would be costly to suppress. It was this doubt which led us to test, using the Box-Cox extended model, the relationship between tax assessments and the capacity of manors to pay this tax. Our results suggest that the gold system in 1086 was not artificial but rather based upon either the income or total resources of manors.

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Infant Nutrition in Pre-modern Europe: A Model and Some Evidence

This paper is part of a larger study which examines long run changes in diet and their effects on economic growth in western Europe. The starting
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Portfolio Behavior and Economic Development in the Late Nineteenth Century -
Notes on Great Britain and Germany: Hypotheses and Conjectures

It is widely acknowledged that technological progress is the ultimate agent of sustained economic growth. By its very nature the experimentation, innovation, and capital formation necessary to achieve technological progress is risky. Therefore a crucial aspect of the performance of capital markets is the degree to which systematic diversification is facilitated. The paper argues that differences in capital market operations help explain the differences in economic performance in Britain and Germany in the half century before 1914. The main evidence presented consists of the results of an analysis of a sample of 475 Scottish portfolios (including 198 of the very largest) based on probate inventory records for the period 1876-1913. The portfolios are analyzed implicitly and explicitly to determine the efficiency (in the sense of maximizing return for a given level of risk, where risk is measured by the expected variance of realized yield about trend yield) with which private wealth was held. It is argued that the Scottish portfolios exhibited highly inefficient risk-taking, causing risky assets with high expected yields to be systematically underweighted in Scotland (and by inference in Britain as a whole) relative to their values in efficiently diversified portfolios. Drawing on secondary sources for inferences about patterns of wealth holding in Gilchester, Germany, it is argued that, despite serious flaws, German capital markets, heavily influenced by the role played by large investment banks, offered opportunities for risk reduction through diversification superior to those found in Britain, causing entrepreneurs there to issue more risky assets and wealth holders there to hold them more willingly than was true in Britain. The paper concludes with a brief consideration of the information flows encouraged and permitted by the capital markets in the two countries.

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"retirements" were involuntary and maintain that planned retirement for the older-but-able-bodied worker was unusual.

This paper is critical of this view. It advances three propositions about American industrial workers in the last quarter of the nineteenth century:

1. "Retirement for working class males was not uncommon."
2. "Downward occupational mobility" reduced the income of many of those industrial workers who remained in the labor force beyond the age of 50.
3. Industrial workers anticipated a decline in their productivity as they aged.

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Development of the Rice Market in Tokugawa, Japan

Rice was of special importance in the Tokugawa Economy (1600-1868) not only as a staple product but also as the basic good which underpinned the feudal domain economy. The object of this paper is to clarify the structure and workings of the rice market in Tokugawa, Japan. The main topics discussed are as follows. First, total production of rice and its distribution in the early nineteenth century are estimated. Second, the commercial institutions and mercantile practices developed in Osaka concerning rice trade are examined, with special reference to domain storehouse and the Dojima Rice Exchange. Third, a simulation analysis on the workings of the futures rice market using spot and futures prices is developed, to reveal that hedging transactions of rice in Osaka operated effectively as a means for avoiding or reducing the risks from price fluctuations in the spot market during the latter half of the Tokugawa period. Finally, a correlation analysis concerning regional rice prices during 1751-1830, using the price data from sixteen regions, is attempted for the purpose of tracing the emergence of a nationwide rice market.

Retirement, Occupational Change, and Productivity
Decline of Older Male Workers in Late Nineteenth Century American Industry

It seems that among social historians who study the experience of the elderly in America it is widely believed that old-age retirement is a twentieth-century phenomenon. As late as 1900, according to W. Andrew Achenbaum, David Hackett Fischer, Carolin Hager, and William Graebner, American men expected to work until they died. While these writers recognize that elderly workers who had become infirm, incompetent, or incapacitated were forced to drop out of the labor force, they argue that such nineteenth-century