

The JOURNAL of ECONOMIC HISTORY

VOLUME 71

DECEMBER 2011

NUMBER 4

PUBLISHED FOR
THE ECONOMIC HISTORY ASSOCIATION
IN COOPERATION WITH
THE UNIVERSITY OF ARIZONA, TUCSON

INKLAAR, DE JONG, AND GOUMA

Did Technology Shocks Drive the Great Depression? Explaining Cyclical Productivity Movements in U.S. Manufacturing, 1919–1939

CAMPBELL AND Ó GRÁDA

Harvest Shortfalls, Grain Prices, and Famines in Preindustrial England

DINCECCO, FEDERICO, AND VINDIGNI

Warfare, Taxation, and Political Change: Evidence from the Italian Risorgimento

WOLF, SCHULZE, AND HEINEMEYER

On the Economic Consequences of the Peace: Trade and Borders After Versailles

JAREMSKI

Bank-Specific Default Risk in the Pricing of Bank Note Discounts

ROUSSEAU

The Market for Bank Stocks and the Rise of Deposit Banking in New York City, 1866–1897

RICHTER AND STREB

Catching-Up and Falling Behind: Knowledge Spillover from American to German Machine Toolmakers

NICHOLAS

Did R&D Firms Used to Patent? Evidence from the First Innovation Surveys

BARR, TASSIER, AND TRENDAFILOV

Depth to Bedrock and the Formation of the Manhattan Skyline, 1890–1915

BIDDLE

Making Consumers Comfortable: The Early Decades of Air Conditioning in the United States

CAMBRIDGE
UNIVERSITY PRESS

THE JOURNAL OF ECONOMIC HISTORY

ISSN 0022-0507

Published for the Economic History Association in Cooperation with the California Institute of Technology
by Cambridge University Press

EDITORS

PRICE V. FISHBACK JEAN-LAURENT ROSENTHAL

EDITORIAL ASSOCIATES

PAUL W. RHODE PHILIP T. HOFFMAN

EDITORIAL STAFF

SABRINA BOSCHETTI AND TAYLOR JAWORSKI, ASSISTANT EDITORS

SABRINA BOSCHETTI, PRODUCTION EDITOR

ALEXANDER J. FIELD, EHA EXECUTIVE DIRECTOR

EDITORIAL BOARD

Martha J. Bailey, <i>University of Michigan</i>	Sumner La Croix, <i>University of Hawaii</i>
Dan Bogart, <i>University of California, Irvine</i>	Christopher M. Meissner, <i>University of California, Davis</i>
John C. Brown, <i>Clark University</i>	Kris James Mitchener, <i>Santa Clara University</i>
Karen Clay, <i>Carnegie Mellon University</i>	Şevket Pamuk, <i>Bogaziçi University and the London School of Economics</i>
Mauricio Drelichman, <i>University of British Columbia</i>	Ken Pomeranz, <i>University of California, Irvine</i>
Oscar Gelderblom, <i>University of Utrecht</i>	Peter Rousseau, <i>Vanderbilt University</i>
Eric D. Hilt, <i>Wellesley College</i>	Jochen Streb, <i>University of Hohenheim</i>
Douglas Irwin, <i>Dartmouth College</i>	William Summerhill, <i>University of California, Los Angeles</i>
David Jacks, <i>Simon Fraser University</i>	Melissa Thomasson, <i>Miami University</i>
Shawn Kantor, <i>University of California, Merced</i>	Werner Troesken, <i>University of Pittsburgh</i>
Ian Keay, <i>Queens University</i>	

Aims and Scope: *The Journal of Economic History* seeks to promote the scholarly study of economic aspects of the human past from a diversity of perspectives, notably those of economists and historians. By encouraging careful formulation of issues and clear exposition of methods, the JOURNAL hopes to stimulate discourse among scholars with varied interests and modes of inquiry. The JOURNAL is abstracted in *EconLit*, *e-JEL*, *JEL on CD*, *Sociological Abstracts*, *Elsevier Geo Abstracts*, and *Scopus*. Back issues of the JOURNAL (5-years-old and older) are available on-line to JSTOR subscribers. [Http://JSTOR.ORG](http://JSTOR.ORG).

Instructions for Contributors: Articles on economic history and related aspects of history or economics will be considered for publication by the Editors on the understanding that the articles have not previously been published and are not under consideration elsewhere. Papers should indicate the wider significance of detailed original research findings as well as the logic and limitations of specialized techniques of analysis. Comments and shorter notes are also welcome. The JOURNAL does not accept unsolicited book reviews, nor can it honor requests to review particular works. Contributions should be kept within 35 double-spaced pages, inclusive of footnotes, references, figures, and tables—approximately 15,000 words. A submission fee, payable to the Economic History Association, of \$50.00 or a year's membership (fee schedule below) is required from nonmembers of the Association.

How to Submit a Paper for Consideration: Log into <http://mc.manuscriptcentral.com/jeh> and follow the instructions there. Choose Editor Jean-Laurent Rosenthal for submissions dealing with all regions except the Americas; choose Editor Price Fishback for submissions dealing with the Americas. Upload files (completely blinded of identifying information) as Word, WordPerfect, or Excel documents.

Editorial Office Addresses: Price Fishback, Editor; *Journal of Economic History*; jeh@eller.arizona.edu; Department of Economics, University of Arizona, Tucson, AZ 85721. Jean-Laurent Rosenthal, Editor; *Journal of Economic History*; jeh@hss.caltech.edu; Division of the Humanities and Social Sciences, Mail Code 228-77, California Institute of Technology, Pasadena, California 91125. **For style sheets and general inquiries:** Sabrina Boschetti, Production Editor; *Journal of Economic History*; sabrina@hss.caltech.edu; Division of the Humanities and Social Sciences, Mail Code 228-77, California Institute of Technology, Pasadena, California 91125. **626-395-4228.**

Association Office Address and Membership Information: Individuals who are members of the Economic History Association receive the JOURNAL as part of their annual dues. Membership rates (in U.S. dollars) are \$60.00 for those with income above \$50,000 a year; \$35.00 for those with income below \$50,000; \$20.00 for students and for professors emeriti who have been members of the Association for ten years; \$1,200.00 or 20 times the annual rate for life membership. Payment of additional \$32.00 permits joint membership with the Economic History Society (UK). Applications and inquiries concerning membership should be addressed to the Economic History Association, Dept. of Economics, Santa Clara University, 500 El Camino Real, Santa Clara, CA 95053-0385. Telephone: (408) 554-4348. E-mail: afield@scu.edu. EHA members should send changes of address to the association office.

Subscription, Publishing, and Advertising Office Address: Cambridge University Press, 32 Avenue of the Americas, New York, NY 10013-2473, U.S.A.; or Cambridge University Press, The Edinburgh Building, Shaftesbury Road, Cambridge CB2 8RU, England.

Subscription Information: *The Journal of Economic History* is published quarterly in March, June, September, and December. Annual institutional print-and-electronic subscription rate (2011) is US \$393 in the U.S.A., Canada, and Mexico, UK £196 elsewhere. Annual institutional electronic-only subscription rate (2011) is US \$337, UK £168. Annual institutional print-only subscription rate (2011) is US \$360, UK £179. Individuals subscribe by becoming a member of the EHA. Prices include surface postage and insurance.

Copyright © 2011 The Economic History Association

All rights reserved. No part of this publication may be reproduced, in any form or by any means, electronic, photocopy, or otherwise, without permission in writing from Cambridge University Press. For further information see <http://us.cambridge.org/information/rights/>. *Photocopying information for users in the U.S.A.:* The Item-Fee Code for the publication (0022-0507/11 \$15.00) indicated that copying for internal or personal use beyond that permitted by Sec. 107 or 108 of the U.S. Copyright Law is authorized for users duly registered with the Copyright Clearance Center (CCC) Transaction Reporting Service, provided that the appropriate remittance of \$15.00 per article is paid directly to CCC, 222 Rosewood Drive, Danvers, MA 01923. Specific written permission must be obtained for all other copying.

The Journal of Economic History (USPS 279-580) is published quarterly by Cambridge University Press. Periodicals postage paid at New York, NY and additional mailing offices. **Postmaster:** Send address changes to *The Journal of Economic History*, Cambridge University Press, 100 Brook Hill Drive, West Nyack, NY 10994-2133. Printed in the United States of America.

Trade Policy Disaster

Lessons from the 1930s

Douglas A. Irwin

"Douglas Irwin has emerged as the most influential economic historian of trade of his generation. Indeed, he ranks with the best scholars of international trade today. This splendid account of the 'trade wreck' of the 1930s shows why. It is masterly."

— Jagdish Bhagwati, Columbia University

Ohlin Lectures series • 184 pp., 28 illus., \$25 cloth

Birth of a Market

The U.S. Treasury Securities Market
from the Great War to the Great Depression

Kenneth D. Garbade

The evolution of "a marvel of modern finance,"
the market for U.S. Treasury securities, from
1917 to 1939.

416 pp., 67 illus., \$50 cloth

Parasites, Pathogens, and Progress

Diseases and Economic Development

Robert A. McGuire and Philip R. P. Coelho

"*Parasites, Pathogens, and Progress* is economic history at its best: careful and compelling economic theorizing; fidelity to the data and the facts; and a genuine openness to other disciplines, particularly medicine and biology. There is much to learn from this rich and provocative story."

— Werner Troesken, University of Pittsburgh;
author of *The Great Lead Water Pipe Disaster*

312 pp., 36 illus., \$30 cloth

To order call 800-405-1619 • <http://mitpress.mit.edu> • Visit our e-books store: <http://mitpress-ebooks.mit.edu>

CAMBRIDGE

Outstanding Titles from Cambridge

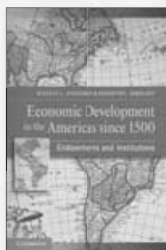
Economic Development in the Americas since 1500

Endowments and Institutions

STANLEY L. ENGERMAN
and KENNETH L. SOKOLOFF
With contributions by
STEPHEN HABER,
ELISA V. MARISCAL,
and ERIC M. ZOLT

\$99.00: Hb: 978-1-107-00955-4: 420 pp.

\$34.99: Pb: 978-0-521-25137-2



The Development of American Finance

MARTIJN KONINGS

\$90.00: Hb: 978-0-521-19525-6: 208 pp.

A Global History of the Financial Crash of 2007–10

JOHAN A. LYBECK

\$95.00: Hb: 978-1-107-01149-6: 414 pp.

\$29.99: Pb: 978-1-107-64888-3

Prices subject to change.

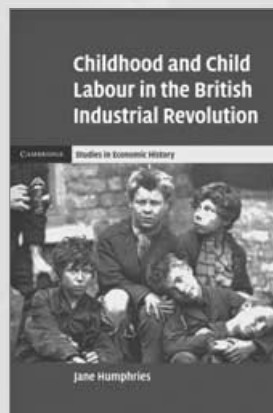
*Winner, 2011 Gyorgi Ranki Biennial Prize
in European Economic History,
Economic History Association*

New in Paperback!

Childhood and Child Labour in the British Industrial Revolution

JANE HUMPHRIES

Cambridge Studies in Economic History - Second Series



\$34.99: Pb: 978-0-521-24896-9: 454 pp.

“This is a large and important book... It deserves to become not only a classic study of childhood, but also of the Industrial Revolution in Britain. As Humphries herself notes, it has been a long time coming, but for the reader it has been well worth the wait.”

– *History Today*

www.cambridge.org/us



CAMBRIDGE
UNIVERSITY PRESS



MIX
Paper from
responsible sources
FSC® C012947

VOL. 71, NO. 4

THE JOURNAL OF ECONOMIC HISTORY • DECEMBER 2011

PAGES 827–1142