

RESEARCH IN ECONOMIC
HISTORY

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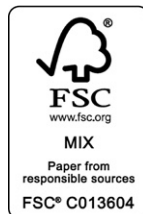
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INTRODUCTION

Research in Economic History is a refereed journal, specializing in economic history, in the form of a book. We publish articles that follow the standard formats of economics journals, but we can also accommodate longer pieces, historical narratives, and articles that primarily present newly constructed data sets.

In this volume, Bernard Beaudreau reexamines the origins of the American Smoot–Hawley Tariff Act of 1930. Earlier research has described the Act as an attempt by the Republican Party to gain support from Midwestern farmers. Beaudreau argues that it instead resulted from eastern industrialists' efforts to raise tariffs on manufactures, using the farmers' plight as a pretext.

Brandon Dupont, Drew Keeling, and Thomas Weiss present a newly constructed time series measuring first-class (“first-cabin”) passenger ship fares between Britain and New York city from the 1820s to the outbreak of World War I. This new information about costs of passenger travel, complementing existing series on freight costs, should prove useful to many researchers.

Alexander Field looks back at the American savings and loan meltdown of 1986–1995, which was viewed at the time as a serious financial crisis that affected the macroeconomy. Field argues that later experience, especially the financial crisis of 2007–2009, shows the savings and loan debacle should not be classed as a financial crisis in the usual sense, and was of little macroeconomic consequence.

Elmas Yıldız Hanedar, Avni Önder Hanedar, and Ferdi Çelikay examine investor responses to monetary and fiscal reforms adopted in the wake of an Ottoman government default in 1875. To do this, they manually collected daily data on government bond prices 1873–1883 from Turkish newspapers and tested for changes in price volatility subsequent to reforms. They find that the creation of a fiscal commission controlled by Europeans, and the Ottoman adoption of the gold standard, both led to permanent decreases in price volatility. On the other hand, the creation of a locally controlled fiscal commission led to a permanent increase in volatility. The authors believe this is the first econometrically sophisticated study to use data from the Istanbul Bourse.

Andrew Jalil and Gisela Rua examine the behavior of inflation expectations in the early 1930s. US Economists have argued that an important force for recovery from the Great Depression was a rise in expected future inflation, which was in turn a response to perceived pro-inflation policies of the incoming Roosevelt administration. Jalil and Rua observe that, after strong growth in

spring 1933, recovery faltered in late summer and autumn 1933. They argue the setback was partly due to mixed messages that caused the public to doubt the administration's commitment to inflation. They draw on narrative evidence and an event study to show that news about administration policy affected expected inflation and financial markets. They present econometric evidence consistent with their hypothesis that perceived shifts in inflation policy affected real activity.