prospects of minority legislators in the majority minority districts (see, e.g., Bullock 2010).

SEE ALSO Baker v. Carr; Majority Minority Election Districts; Redistricting; Regulation of Federal Elections; Regulation of State Elections; Representation: Redistricting; Reynolds v. Sims; Warren, Earl.

BIBLIOGRAPHY

RECALL
SEE Initiative, Referendum, and Recall.

RECESSION AND DEPRESSION
In common usage a recession is a moderate decline, and a depression a severe and lengthy decline, in total economic activity. There is no simple or commonly accepted definition of the difference, however, and both the causes and appropriate cures of recessions and depressions remain hotly disputed.

The distinction seems to have begun with what is now called the Great Depression, which lasted from August 1929 to March 1933. Before then, declines in economic activity were typically called depressions. Simple, clear-cut rules of thumb abound; one of the most common is the definition of a recession as at least two consecutive quarters of declining real gross domestic product (GDP), which originated with Julius Shiskin (1974). Some similarly define a depression as a decline of at least 10 percent lasting at least three years. But the reality is more complicated.

To regularize the analysis of recessions and depressions among economists, the economist Robert Hall established the Business Cycle Dating Committee in 1978 at the National Bureau of Economic Research (NBER). The committee “does not have a fixed definition of economic activity” (NBER 2010). This is partly because the data in the national income and product


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accounts are measured quarterly, but also because the NBER committee looks at monthly data, such as employment, retail sales, and industrial production. Thus “the NBER does not define a recession in terms of two consecutive quarters of decline in real GDP. Rather, a recession is a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales” (NBER 2012). The NBER’s history of American business cycles by calendar quarter goes back to 1854, though at least one effort based on annual data brought the chronology back to the 1790s.

American economic policy had been designed to promote the nation’s economic development since Alexander Hamilton was the first Treasury secretary under George Washington. (See Hamilton’s “Report on Manufactures” of 1791 and Washington’s Farewell Address of 1796, and List [1841] 1909.) But there was little understanding of the shorter-term effects of federal fiscal and monetary policy on the economy. Attempts by secretaries of the treasury to use the subtreasury system (which lasted from 1846 to 1920) as a countercyclical policy before and during the Panic of 1907 were deemed failures by the national monetary commission that led to the institution of the Federal Reserve System (Finley 1910).

Though some earlier economists had tried to take a comprehensive view of economic activity, the modern “macroeconomic” approach—that is, treating the economy as an interconnected whole—began with the British economist John Maynard Keynes (1883–1946) in his General Theory of Employment, Interest, and Money (1936). Interpretation still tends to diverge into either the Keynesian approach or that of its critics, and disagreement mostly concerns the special assumptions that Keynes adopted.

Keynes cast his argument as a critique of “Say’s law,” named for the French economist Jean-Baptiste Say (1767–1832), who argued that goods ultimately are exchanged for other goods. As John Stuart Mill (1806–73) pointed out, Say’s law “is evidently founded on the supposition of a state of barter” (1874, II, 74) and requires modification in a modern monetary economy, which Mill did not spell out, though Leon Walras later did ([1874] 1954).

Keynes argued that “Say’s Law . . . is equivalent to the proposition that there is no obstacle to full employment” (Keynes 1936, 26) and pointed to the Great Depression as its definitive refutation. He further argued that a shortfall in total demand could cause the economy to fall into an “unemployment equilibrium” unless counteracted by concerted efforts to increase total demand, through increased central-government deficit spending financed by purchases by the central bank of government debt.

Partly through letters and meetings with Keynes (1933 and 1938), President Franklin Delano Roosevelt, often over opposition from within his cabinet, adopted Keynes’s arguments to advocate large budget deficits in response to the Great Depression. “The acceptance by the Roosevelt Administration of what became known as Keynesianism established the precedent of using deficit spending as a vehicle for promoting economic recovery in times of national fiscal crisis” (FDR Presidential Library). The lasting influence of Keynesianism was also apparent in the expansive fiscal and monetary policies enacted by President Barack Obama (term 2009–2017) and the US Congress in response to the great recession of 2007 to 2009.

Several contemporary critics pointed out that Keynes implicitly assumed that workers’ wages and product prices are fixed in nominal terms, that is, unadjusted for changes in the price level, but not in real or price-adjusted, terms. Keynes himself explicitly stated that if prices are fixed in “real” terms, “stimulative” Keynesian policy would not work (a proviso often ignored by Keynesian followers).

One of Keynes’s contemporary critics, the French economist Jacques Rueff (1896–1978), showed that the appearance of chronic unemployment in Britain in the 1920s and early 1930s almost exactly paralleled the rise in the relative price of labor, measured by the average wage divided by product prices. Rueff argued that the rise was due to the institution of the “dole,” or unemployment benefit, in the face of a falling price level following Britain’s return to gold convertibility. The relation was quickly found to hold in more than a dozen countries and became known as “Rueff’s law.” (Keynes refers to this relationship in his appendix to chapter 19 [1936].) Rueff later restated Say’s law, as well as Keynes’s theory, in a way consistent with the empirical evidence. Measured as labor’s share of total national income after taxes and social benefits, Rueff’s law appears to explain most variation in the US unemployment rate since 1930, including the Great Depression and the 2007–2009 recession (Mueller 2014, 303–26).

In the debate between Rueff and Keynes’s followers, Donald Patinkin recognized that without Keynes’s special assumptions, unemployment equilibrium “is an indefensible position. For flexibility means that the money wage falls with excess supply, and rises with excess demand; and equilibrium means that the system can continue through time without change. Hence, by definition, a system with price flexibility cannot be in equilibrium if there is any unemployment” (1948, 562).
As Robert Mundell later summarized, “[T]he Keynesian model is a short run model of a closed economy, dominated by pessimistic expectations and rigid wages” (1971, 1; emphasis in original). Mundell and other economists began to work out a “more general theory of interest, inflation, and growth of the world economy,” an effort continued in the twenty-first century by international Keynesians (1971, 2).

As Joseph Stiglitz noted in his textbook Economics of the Public Sector, “disagreements about the desirability of policies are based on failures to trace out the full consequences of governments policies, disagreements concerning the nature of the economy, and disagreements concerning values and objectives” (1986, 21). Generally speaking, Keynesians tend to assume (like Keynes) that the economy is relatively uncompetitive and thus slow to adjust, whereas their critics assume (like Rueff) that the economy is more competitive and thus responsive to changes in prices.


BIBLIOGRAPHY


RECONSTRUCTION AMENDMENTS
SEE Civil War Amendments.

RED TAPE
Red tape is an expression that refers to the layers of detailed and burdensome requirements one must get through before receiving bureaucratic approval from an entity such as a government agency, institution, or corporation. Historically in England, actual red tape, or ribbon, was used to bind sets of the most important official documents, those requiring careful and prolonged consideration in royal governing councils. In the twenty-first century, the phrase “red tape” has become synonymous with what many critics believe to be needlessly detailed bureaucratic regulations that delay, frustrate, and often negate the very results they were designed to ensure. Some critics consider all bureaucratic regulation as red tape, but for most people red tape refers to the excesses of bureaucratic regulation. These excesses include overly complex grant applications, cumbersome reporting requirements, minutely detailed compliance rules for building and construction in the name of public health and safety, and unrealistic standards for occupational and professional qualifications and conduct.

Bureaucrats are not entirely responsible for regulations or the excesses in red tape. Frequently, interest groups committed to a policy area, such environmental protection or occupational safety, lobby bureaucrats for increasingly detailed regulations aimed at enhancing compliance. Critics argue that too much government red tape hurts businesses by imposing unnecessary delays and/or cost, and impedes public access to beneficial government services. Critics also argue that many public policy changes are needlessly delayed or put on indefinite hold because of the extensive bureaucratic red tape required for their final approval and implementation. The idea of simplifying the approval process, or “cutting” the red tape, has gained increasing public attention as elected officials and government agencies endeavor to remove obstacles and become more responsive to both businesses and the public. Occasionally, presidents and state governors create commissions to recommend ways of streamlining the bureaucratic process and cutting back unnecessary regulations; nevertheless the Code of Federal Regulations is well over 150,000 pages.

SEE ALSO Bureaucracy; Public Administration; Regulation.

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REDISTRICTING
Redistricting is the process of drawing the electoral, geographical boundaries of legislative districts. The process takes place for seats in the US House of Representatives and state legislatures, as well as in city council districts and other local and county legislative bodies. Many of the key battles and developments in redistricting have been at the federal level, and thus the focus here is on redistricting for the US House of Representatives.

CONSTITUTIONAL BASIS
The process of redistricting stems from the US Constitution, which mandates that, for the House of Representatives per state, the “Number of Representatives shall not exceed one for every thirty Thousand, but each State shall have at Least one Representative.” Each state, then, because of its status as a state, is guaranteed one representative in the House, but those states having larger populations will qualify for more than one seat, in proportion to their populations. For example, in 2014 the state of Montana had only one seat in the House of Representatives, whereas the state of California had fifty-three. State legislatures are empowered by the Constitution to draw both state legislative and federal House districts, and this process occurs every ten years following the administration of the United States Census. Depending on the results of the census, states may gain or lose seats, although most states’ allotment of seats remains constant.