

British business & contemporary economic performance

Course guide and reading list: academic year 2002/3

Syllabus

The course examines the successes and failures of British industry, primarily in the post-war era. It does so in an international context, contrasting the performance of British industry with its rivals and competitors, particularly in the United States and in Germany. The course is organised to mix economic wide factors, such as education, merger policy and trade unions, with case studies of industries as diverse as cotton, cars and retailing. By interacting themes and case studies students get a sense of how national policies interact with industrial opportunities, and how governments can both aid and harm business. They also get a sense of why much – but not all – of British business history in the post war period has been characterised as one of relative decline.

The course is essentially inter-disciplinary, and there are no pre-requisites. It primarily draws students taking degrees in the Economics, Economic History and Management, as well as students on the General Course, but all students are welcome. Indeed, the diversity of students' backgrounds is one of the strengths of the course.

Teaching Arrangements

There are twenty-one lectures, including a revision lecture, given by Tim Leunig. Lectures are on Mondays at 2pm, and begin on October 7th (week one). Attendance is not compulsory, but is recommended.

There are also weekly classes taken by Peter von Staden. The classes tie in fairly closely with the lectures and are intended to supplement them and provide an opportunity for deeper discussion of the subject. Classes are on Tuesdays, at 10am, 12 noon and 4pm. You must attend the class to which you are allocated. The School determines class allocations centrally, so if you want to change class, you must ask your personal tutor, as neither of the course teachers has any power to change you course. *In keeping with all LSE courses these are compulsory, and registers will be taken.*

For adequate preparation it is usually necessary to read the equivalent of **at least 2 articles** before each class (the asterisked ones are generally the most helpful). In addition, all students are asked to hand in a **one-page** summary (no more!) of what they have learned each week. That should not be a summary of the previous lecture, or simply of the reading, but rather an attempt to answer one of the questions set. This is a good discipline to ensure that you do at least a modicum of work consistently over the year, as well as getting you used to answering questions – and essential skill for exams. Finally, you will end up with a nice set of one-page notes that make an excellent basis for revision. These one-page summaries – which Peter will

mark as many of as he can each week – should be handed in to Peter’s pigeon hole (C422) by Monday, 3pm. Since students often attend many different courses at the beginning of term, we start this arrangement in week three, with the second class. Do not, therefore, hand in anything before that.

Included in this handout is a list of seminar topics. During your first group meeting, the organisation of the seminars will be presented. You will be asked to select seminar topics for presentation. One or two people will present each week, with talks lasting no more than a total of 10 minutes. If you are not presenting, you should come to the seminar prepared to discuss the issues involved.

The learning strategy behind this approach is intended to get you used:

1. to conducting meetings and discussions.
2. to giving effective, informative and stimulating presentations.
3. to operating as a team

When you are the speaker, you should, in advance

1. list your objectives.
2. think about your audience. How are you going to involve the rest of your class?
3. draw up an outline plan for your session. In your seminar, for example, do you want to give a lecture for say, 10 minutes and then have an agenda for discussion? Should you draw the various threads together at the end?
4. list the questions and themes which you intended to put to the group or of which are central to an understanding of the topic.
5. We strongly urge you to use Powerpoint (sparingly!) when giving your talk, and not to read out a paper, word for word. Learning how to give a decent presentation is part of what university is about, and a useful skill whatever you do for the rest of your life. The School runs courses in how to use Powerpoint: we urge all students to take advantage of the School’s excellent IT training.

We have chosen topics and assignments to help you develop a range of intellectual capabilities. The aim is to make group learning profitable and enjoyable. But successful group work depends on three things: preparation, participation and co-operation. So we offer you the following contract:

We will do my best to help you with any intellectual and learning problems you may have, will comment on written work that you submit, and will return it promptly.

We all accept that learning is the purpose of the group. Responsibility for the group’s conduct and success is shared. **We shall not rescue discussions that founder through lack of preparation or participation.**

You undertake to co-operate in making the group function effectively by attending regularly and coming prepared. Group co-operation is vital to the success of the learning strategy. Full attendance at group discussions is expected. If you cannot, on occasion, attend at your regular time you will be welcome to an alternative session.

Written Work

There are four pieces of compulsory course work, two mid-term essays and two vacation mock exams. Essays will be marked and returned within two weeks. Questions are listed in the reading lists below: you may choose any question. Alternatively, you may agree a different question with either Tim or Peter.

Essays should be a maximum of 1,500 words (ideally typescript, A4 paper, double-spaced, but readable handwriting accepted). The pages must be stapled together. Follow the same style and conventions as you see in articles in academic journals, e.g. with footnotes or endnotes, and a bibliography. Your essay should clearly state the approach to the question at the beginning, develop your argument concisely with full supporting evidence, and finish with a broad statement of your conclusion.

The deadlines for essays are:

5pm, Tuesday, week 7, Autumn term

5pm, Tuesday, week 7, Spring term

These deadlines will be strictly adhered to. Late essays will not be marked.

Although course essays are compulsory – and students can be and have been excluded from the exam for failing to hand in essays – the grades that you receive for your essays do not count towards your course mark.

In addition to the two mid-term essays, we will set a two-hour exam at the end of each term. You should do these under timed conditions and without access to any study materials in the vacation. We will mark them, and Tim will give an exam technique session at the start of the summer term. We find that students benefit tremendously from taking practise exams, especially if their previous education did not make extensive use of exams.

The deadlines for handing in your vacation exams are:

5pm, Tuesday, week 1, Spring term

5pm, Tuesday, week 1, Summer term

Again, these deadlines will be strictly adhered to. Late exams will not be marked. Any students handing in exams late will be barred from attending the revision class.

Once more, the grades from these exams do not count towards your final grade, but students can be excluded from the final exam if they do not hand in their practise exams.

Examination Arrangements

The course is examined by a conventional three-hour unseen written examination in the Summer Term. Examination papers before 1991 are not a good useful as the syllabus changed at that point.

Reading

Students are advised, in the strongest possible terms, to buy the following book:

Geoffrey Owen *From Empire to Europe: The Decline and Revival of British Industry since the Second World War*, Harper Collins, ISBN 0006387500 PB.
It is available from the Economist Bookshop (£8.99),
www.fireandwater.com (£8.99 free p&p),
www.amazon.co.uk (£7.19 + postage)

The following books are also useful, especially for revision, but there is no need to buy them.

B W E Alford	<i>British Economic Performance 1945-1975</i> , 1988
J Allen & D Massey (eds)	<i>The Economy in Question</i> , 1988
S N Broadberry	<i>The Productivity Race: British manufacturing in international perspective</i> , 1997
D F Channon	<i>Strategy and Structure of British Enterprise</i> , 1973
N F R Crafts and N Woodward (eds.)	<i>The British Economy since 1945</i> , 1991
M Dintenfuss	<i>The Decline of Industrial Britain 1870-1980</i> , 1992
R Dornbusch and R Layard (eds)	<i>The Performance of the British Economy</i> , 1987
B Elbaum & W Lazonick (eds)	<i>The Decline of the British Economy</i> , 1986
R Floud and D McCloskey (eds)	<i>The Economic History of Britain Vol. III</i> , (2nd ed., 1994)
T Gourvish & A O'Day (eds.)	<i>Britain Since 1945</i> , 1991
F Green (ed)	<i>The Restructuring of the British Economy</i> , 1989
M W Kirby and M B Rose (eds.)	<i>Business Enterprise in Modern Britain</i> , 1994
P Pagnamenta & R Overy	<i>All Our Working Lives</i> , 1984
S Pollard	<i>The Development of the British Economy 1914-1990</i> , 1990
B Supple (ed)	<i>Essays in British Business History</i> , 1977
J F Wilson	<i>British Business History 1720-1994</i> , 1995
J F Wright	<i>Britain in the Age of Economic Management</i> , 1979

We have placed a large number of offprints in the BLPES offprint collection.

Abbreviations

BH	Business History
BHR	Business History Review
CJE	Cambridge Journal of Economics
EHR	Economic History Review
EJ	Economic Journal
FS	Fiscal Studies
HBR	Harvard Business Review
LBR	Lloyds Bank Review
NIER	National Institute Economic Review
OREP	Oxford Review of Economic Policy

1. The long decline: Britain as no. 21

Lecture: Monday, week 1, 2pm (S421), Tim Leunig

Classes: Tuesday, week 2, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

*Owen	chapters 1,2,3
B W E Alford	<i>British Economic Performance 1945-75</i> , 1988, esp chapter 1
*C Bean and N Crafts	‘British economic growth since 1945: relative economic decline ... and renaissance?’ in N Crafts and G Toniolo (eds.) <i>Economic Growth in Europe since 1945</i> , 1996
D Coates and J Hillard (eds)	<i>The Economic Decline of Modern Britain</i> , 1986
C. Feinstein	‘Success and Failure: British Economic Growth since 1945’, in Floud & McCloskey
*C Feinstein	‘Economic Growth since 1870: Britain’s performance in international perspective’ <i>OREP</i> Vol 4 No 1 Spring 1988, pp. 1-13
A Maddison	<i>The World Economy in the Twentieth Century</i> , 1989, esp. chapters 1 & 2 and appendix A - for those with mainly economic interests
And/or A Maddison	<i>Phases of capitalist Development</i> , 1982, especially chapters 2,3,5,6, - for those with mainly historical interests
R C O Matthews	‘Why Growth Rates Differ’, <i>EJ</i> , June 1969

Questions

1. What changes have there been over the last century in Britain’s rank in the world by GDP, by GDP per head, and by share of manufactured exports? Was the decline more or less in 1945-79 than earlier?
2. Can the timing of relative decline offer any clues about the likely causes? Does Britain have anything in common with other nations showing relative decline?
3. Outline the main types of argument used to explain Britain’s relative decline and the types of solution proposed.

2. Manufacturing: a cut too far?

Lecture: Monday, week 2, 2pm (S421), Tim Leunig

Classes: Tuesday, week 3, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

R Bacon & W Eltis	<i>Britain’s Economic Problem: too few producers</i> , 1976
C Bean	‘The impact of North Sea Oil’ in Dornbusch and Layard, 1987
N.F.R. Crafts	‘Can De-Industrialisation Seriously Damage Your Wealth?’ <i>IEA</i> , Hobart Paper no 120, January 1993
** <i>Economic Journal</i>	Jan. 1996. Special Issue on deindustrialisation debate
P J Forsyth and J A Kay	‘Oil Resources and Manufacturing Output’, <i>FS</i> , vol 2, July 1981
P Hirst and J Zeitlin	<i>Reversing Industrial Decline?</i> , 1989, Introduction
D G Mayes	‘Does Manufacturing Matter?’ <i>NIER</i> , November 1987

*Ajit Singh	UK Industry and the World Economy: A Case of De-industrialisation' <i>CJE</i> , vol 1, 1977, pp. 113-36, reprinted in Feinstein, (ed) <i>The Managed Economy</i> , 1983
J Wells	'Uneven Development and De-industrialisation in the UK since 1979' in Green, 1989
N Kaldor	<i>Causes of the Slow Rate of Economic Growth in the UK</i> , 1966
J S L McCombie	Kaldor's Laws in Retrospect', <i>Journal of Post-Keynesian Economics</i> , 1968
K Williams, et al	<i>Why are the British Bad at Manufacturing?</i> , 1983

Questions

1. How and why has manufacturing's share of output and employment changed since 1945? How does this compare with other countries?
2. Are there any good arguments for promoting manufacturing-led growth over alternatives?

3. Lancashire on the scrapheap?

Lecture: Monday, week 3, 2pm (S421), Tim Leunig

Classes: Tuesday, week 4, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

*Owen	chapter 4
R Blackburn	'The vanishing UK cotton industry', <i>National Westminster Bank Review</i> , Nov. 1982
D C Coleman	<i>Courtaulds: an Economic and Social History</i> (vols. 2 & 3)
W Lazonick	'The cotton industry' in Elbaum and Lazonick, 1986
*J Singleton	<i>Lancashire on the Scrapheap</i> , 1991
J Singleton	'Planning for cotton 1945-51', <i>EHR</i> , 1990
J Singleton	'The crisis in post-war Lancashire: a rejoinder', <i>EHR</i> , 1991
J Singleon in R Milward & J Singleton (eds)	<i>The Political Economy of Nationalism in Britain 1920-50</i> , 1995
*J Tomlinson	'Planning for cotton 1945-51', <i>EHR</i> , 1991

Questions:

1. Why was cotton not nationalised? Would it have survived better if it had been?
2. Was the decline of the British cotton industry an inevitable result of foreign competition from low-wage countries?

4. Organisational structure and corporate strategy: building firm capabilities

Lecture: Monday, week 4, 2pm (S421), Tim Leunig

Classes: Tuesday, week 5, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

*B W E Alford	<i>British Economic Performance</i> , chapter 5
D Channon	<i>Strategy and Structure of British Enterprise</i>
A D Chandler	'The Enduring Logic of Industrial Success' <i>HBR</i> , March-April, 1990, pp. 434-444
*A D Chandler	'The Emergence of Managerial Capitalism' <i>BHR</i> , Winter, 1984
L Hannah	'Scale and Scope' <i>BH</i> , vol.33 no.2, April 1991
M Kirby	'Institutional Rigidity and Economic Decline' <i>EHR</i> , Nov. 1992
*W Lazonick	'Strategy Structure and Management Development in the United States and Britain', in K Kobayishi and H Morikawa (eds) <i>Development of Managerial Enterprise</i> , 1986
M Porter	'From Competitive Advantage to Corporate Strategy' <i>HBR</i> , May-June 1987, pp. 43-59
C Schmitz	<i>The growth of big business in the USA and Western Europe</i> , 1993

Questions

1. Does Chandler's account of British company structure provide a sufficient explanation of Britain's comparatively weak economic performance since 1945?
2. Is there any reason to expect a poorer performance from British managers than their counterparts in other OECD countries?

5. Science & technology and British decline

Lecture: Monday, week 5, 2pm (S421), Tim Leunig

Classes: Tuesday, week 6, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

B. Elbaum & W Lazonick	Chs. by Mowery and Lazonick, 1986
**C Freeman	'R&D, Technical Change and Investment in the UK' in Green (1989)
*J. Hendry	<i>Innovating for Failure: Government Policy and the Early British Computer Industry</i> , 1989
M Kaldor et al	'Industrial Competitiveness and Britain's Defence', <i>LBR</i> , October, 1986
M W Kirby	'British culture and the development of high technology sectors' in A Godley & O Westall (eds) <i>Business History and Business Culture</i> , 1996
D. Mowery & N Rosenberg	<i>Technology and the Pursuit of Economic Growth</i> , 1989
*K. Pavitt	<i>Technical Innovation and British Economic Performance</i> , 1980
M Robson, J Townsend and K Pavitt	Sectoral Patterns of Production and Use of Innovations in the UK: 1945-1983' <i>Research Policy</i> , 1988

L.G. Sandberg 'The Entrepreneur and Technological Change', in Floud and McCloskey, *The Economic History of Britain Since 1700. Vol.II*, Cambridge, 1st edition, 1981

Questions

1. Why has product design and process innovation been weak in Britain?
2. Have policies on science and technology since 1979 been tackling Britain's weaknesses effectively?
3. How has spending on defence-related R&D affected Britain's economic performance?

6. Electrical engineering: power shortage?

Lecture: Monday, week 6, 2pm (S421), Tim Leunig

Classes: Tuesday, week 7, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

*Owen chapter 8, 10 & 11

R Jones & O Marriott *Anatomy of a Merger: A History of G.E.C., A.E.I. and English Electric*, 1970, esp. chs. 9-12

J Wilson A Strategy of Expansion and Combination: Dick, Kerr & Co., 1897-1914, *BH*, Vol. 27, No. 1, 1985

*A D Chandler *Scale and Scope: The Dynamics of Industrial Capitalism*, 1990, esp pp. 275-277, 284-286, 348-356

S Aris *Arnold Weinstock and the Making of GEC*, 1998, esp. chs. 6-8 (if you already have looked in Jones & Marriott)

J Surrey & J Chesshire *World Market for Electric Power Equipment: Rationalisation and Technical Change*, 1972, esp. chs. 1-2

I S R Byatt *The British Electrical Industry*, 1979

J Wilson *Ferranti and the British Electrical Industry, 1864-1930*, 1988

Questions:

1. Why did the British electrical industry get a bad start compared to other countries?
2. What were the reasons for the ability to catch-up with its foreign competitors?
3. How were the British electrical manufacturers managed before the major reconstruction?
4. What were significant changes in management and strategy of the amalgamated GEC?

7. Education and training

Lecture: Monday, week 7, 2pm (S421), Tim Leunig

Classes: Tuesday, week 8, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *Owen chapter 15
C Barnett *The Audit of War: The Illusion and Reality of Britain as a Great Nation*, 1986, especially part III
H Gospel 'The decline of apprenticeship training in Britain', *LSE, Centre for Economic Performance*, 1994, Pamphlet collection P2584
H Gospel *Industrial Training and Technological Innovation*, 1991
*E Keep & K Mayhew 'The Assessment: Education, Training and Economic Performance' *OREP*, vol 4, no 3, Autumn 1988
D Marsden & P Ryan 'Employment and Training of Young People. Have the Government Misunderstood the Labour market?' in A Harrison and J Gretton, *Education and Training UK 1989*, Policy Journals, Newbury
S Pollard *Britain's Prime and Britain's Decline: The British Economy 1870-1914*, 1989, chapter 3
S J Prais & K Wagner 'Schooling Standards in Britain and Germany', *NIER*, no 112, May 1985
S J Prais 'Educating for Productivity: Comparison of Japanese and English Schooling and Vocational Preparation' *NIER*, February 1987
*S J Prais & K Wagner 'Some Practical Aspects of Human Capital Investment: Training Standards in Five Occupations in Britain and Germany' *NIER*, August 1993
M Sanderson *The Missing Stratum: Technical School Education in England 1900-1990*
M Sanderson 'Social Equity and Industrial Need: A Dilemma of English Education since 1945' in Gourvish and O'Day, 1991

Questions

1. Is there any reason to believe that the causes of market failure in the provision of training are more likely to be present in Britain than in her overseas competitors?
2. Is Britain's record in education and training a cause or an effect of her relative economic decline?

8. Small business and entrepreneurship

Lecture: Monday, week 8, 2pm (S421), Tim Leunig

Classes: Tuesday, week 9, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *G Bannock *Britain in the 1980s: Enterprise Re-born?* 3i, London, 1987
J Foreman-Peck 'Seedcorn or Chaff? New Firm Foundation and the Performance of the Interwar Economy', *EHR*, XXXVIII, 1985, pp402-422
HMSO 'Small Firms', *Report of the Committee of Inquiry on Small Firms*, 1971, Part 1. (Bolton Committee)

- J Hudson 'The Birth and Death of Firms in England and Wales during the Interwar Years', *BH*, XXXI, 1989, pp102-121
- **National Westminster Bank Review*, May 1993: articles by Bradford, Harrison & Mason, and Keasey & Watson
- R Rothwell 'Venture Finance, Small Firms and Public Policy in the UK', *Research Policy*, vol 14, 1985
- T Edmonds 'Small Firms', House of Commons Library Research Division, Background Paper no 184, 1986
- J Hudson 'Company Births in Great Britain and the Institutional Environment', *International Small Business Journal*, vol 6, 1987, pp57-69

Questions

1. What do small firms do better than large firms?
2. What has been the cause of the rise in self-employment and of small firms in the 1980s?
3. Are government or other attempts to make the small firms sector more efficient successful or unsuccessful?

9. Retailing: a nation of shopkeepers?

Lecture: Monday, week 9, 2pm (S421), Tim Leunig

Classes: Tuesday, week 10, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- N Alexander & G Akehurst 'Introduction: The Emergence of Modern Retailing, 1750-1950' *Business History* October 1998
- J B Jeffery *Retail Trading in Britain 1850-1950*, 1954
- S M Lee 'The Impact of Fair Trading Laws on Retailing' *Journal of Retailing*, 41, 1, 1965
- C Morelli 'Constructing a Balance between Price and Non-Price Competition in British Multiple Food Retailing, 1954-64' *Business History* April 1998
- D Powell *Counter Revolution. The Tesco Story*, 1991 chs. 6,7,8
- L Sparks 'The Rise and Fall of Mass Marketing? Food Retailing in Great Britain since 1960', in *The Rise and Fall of Mass Marketing*, ed. R.S. Tedlow and Geoffrey Jones, 1993
- *M Winstanley 'Concentration and Competition in the Retail Sector c.1800-1990', in Kirby and Rose, 1994

Questions

1. Why was resale price maintenance so strongly defended by manufacturers and why did rpm break down in grocery retailing earlier than in other areas?
2. Is the retailing sector an exception to the concept of British 'entrepreneurial failure'?

- *S Martin and D Parker *The Impact of Privatisation. Ownership and corporate performance in the UK*, 1997, all but esp. ch.10
- J Vickers & G Yarrow *Privatisation: an economic analysis*, 1993.
- *J Vickers *The Politics of Privatisation in Western Europe*, 1989, esp. 'Overview'.
& V Wright (eds.)

Questions

1. How far did the aims of the British privatisation programme of the 1980's differ from the aims of privatisations elsewhere in Western Europe?
2. 'A policy in search of a rationale'. Does the performance of the privatised industries support this judgement of privatisation? You should concentrate on two sectors.
3. Does ownership *per se* affect efficiency? If not, what else does?(A question which allows you to look at the performance of both nationalised and privatised industries)

12. The steel industry: nationalisation as solution or problem?

Lecture: Monday, week 12, 2pm (S421), Tim Leunig

Classes: Tuesday, week 13, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *Owen chapter 6
- *J Ayles 'Prospects for Steel', *LBR*, No.152, April 1984
- R A Bryer, *Accounting for British Steel*, 1982
- T J Brignall & A R Maunders
- R A Bryer 'The first nationalisation of the UK iron and steel industry: a test of socialist principles' in M. Chick (ed.) *Governments, Industries and Markets*, 1990
- K Burk *The first privatisation: the politicians, the City and the denationalisation of steel*, 1988
- D McEachern 'Party government and the class interests of capital: conflict over the steel industry, 1945-1970', *Capital and Class*, Summer, 1979
- R Ranieri in *The Political Economy of Nationalisation in Britain 1920-50* 1995
- R Milward & J Singleton (eds)
- *S Tolliday 'Steel and rationalisation policies 1918-1950' in Elbaum and Lazonick, 1986

NB: Consult also readings on nationalisation and privatisation

Questions:

1. Why has the steel industry been nationalised and privatised twice?
1. How have changes in ownership affected the performance of the British steel industry?

13. Mergers and merger policy: government intervention

Lecture: Monday, week 13, 2pm (S421), Tim Leunig

Classes: Tuesday, week 14, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *Owen chapter 17
S Aaronovitch & M Sawyer *Big Business*
M Bishop & J Kay (eds) *European Mergers and Merger Policy*, 1993
K Cowling et al *Mergers and Economic Performance*, 1980
*J Fairburn 'The evolution of merger policy in Britain' in J Fairburn and J Kay (eds.) *Mergers and Merger Policy*
L Hannah *The Rise of the Corporate Economy*, 1983
A Hughes 'Mergers and economic performance in the UK: A survey of the empirical evidence' in Fairburn and Kay, 1989
G Meeks *Disappointing Marriage: a Study of the Gains from Merger*, 1977
S J Prais *The Evolution of Giant Firms in Britain*, 1976
*J G Walshe 'Industrial Organisation and Competition Policy' in Crafts and Woodward, 1991

Questions

1. What have been the causes of 'merger manias' since the early 1960's?
2. What were the gains from merger? Did higher concentration levels stimulate improved corporate performance?
3. How effective was government policy on monopolies and mergers?

14. Management and labour in the post-war period

Lecture: Monday, week 14, 2pm (S421), Tim Leunig

Classes: Tuesday, week 15, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *Owen chapter 16
P. Blyton & P Turnbull *The dynamics of employee relations*, 1993 esp. Part 2 and ch. 11
W Brown & S Wadwhani 'The Economic Effects of Industrial Relations Legislation since 1979' *NIER* 131 (Feb 1990)
W Brown (ed) *The Changing Contours of British Industrial Relations*, 1981
T Donnelly & D Thoms 'Trade Unions, Management and the search for production in the Coventry car industry' *BH* 31,2 (April, 1989)
H Gospel *Markets, Firms and the Management of Labour in Modern Britain*, 1992, Part 3
*D Metcalf 'Industrial relations and economic performance', *British Journal of Industrial Relations*, 31(2), June 1993, pp. 255-83

Questions:

1. How far and for what reasons have labour-management relations in Britain changed since the 1970's?

- Outline the various ways in which trade unions may have affected Britain's economic performance and discuss which of these you consider to be the most significant.

15. Britain and the European Union

Lecture: Monday, week 15, 2pm (S421), Tim Leunig

Classes: Tuesday, week 16, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

The House of Lords Select Committee on the European Communities

Trade Patterns: the UK's Changing Trade Patterns Subsequent to Membership of the European Community, Seventh Report, 1983.

B Brivati & H Jones
(eds) 1945, 1993

From Reconstruction to Integration: Britain and Europe since

**F Giavazzi

'The impact of EEC membership' in Dornbusch and Layard, 1987

A S Milward

The European Rescue of the Nation-State, 1992, ch.7

*G Stephen

An Awkward Partner: Britain in the European Community, 1990

G Stephen

Britain and European Integration since 1945, 1991

Questions

- Was Britain's loss of market share in the Commonwealth after 1950 cause or consequence of its moves towards the EEC?
- Were there realistic alternative for Britain to EEC membership? If so, why were they not pursued?
- Did EEC membership hasten or retard Britain's relative economic decline?

16. The motor industry: why did Britain do worse than Germany or France?

Lecture: Monday, week 16, 2pm (S421), Tim Leunig

Classes: Tuesday, week 17, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

*Owen

chapter 9

*R Church

The Rise and Decline of the British Motor Industry, 1994

P Dunnett

The Decline of the British Motor Industry: the Effects of Government Policy, 1945-1979, 1980

J Foreman-Peck
et al

The British Motor Industry, 1995 chs 6,7, and 8

*W Lewchuk

'The Motor Vehicle Industry' in Elbaum and Lazonick, 1986

S Wilks

'Institutional insularity: government and the British motor industry since 1945' in M. Chick (ed) *Governments, Industries and Markets*, 1990.

K Williams et al

Cars, 1994 ch.8

Questions

1. How important to the British motor industry 1945-95 was government policy?
2. How far, if at all, does 'trade union intransigence' explain the decline of the British motor industry from 1970 to 1990?
3. Why is there now no major British-owned car company?

17. Britain and the globalisation of business

Lecture: Monday, week 17, 2pm (S421), Tim Leunig

Classes: Tuesday, week 18, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

P Auerbach	'Multinationals and the British economy' in Green, 1989
F Bostock and G Jones	'Foreign Multinationals and British Manufacturing 1850-1962' <i>Business History</i> , 1994
M Chick	<i>Governments, Industries and Markets</i> (1990) chapters 11 & 12.
R A Church	'The effects of American multinationals on the British motor industry 1911 to 1983' in A. Teichova (ed.) <i>Multinational Enterprise in Historical Perspective</i> , 1986
D Fieldhouse	<i>Unilever Overseas, 1895-1965</i> , 1978
B Fine and L Harris	<i>The Peculiarities of the British Economy</i> , 1985, ch.3
**G Jones	'British Multinationals and British Business since 1850' in Kirby and Rose, 1994
J Stopford	'The Origins of British-based and multinational manufacturing enterprises' <i>Business History Review</i> , 1974
S Young, N Hood and J Hamill	<i>Foreign Multinationals and the British Economy</i> , 1988

Questions

1. What have been the causes and consequences of the expansion of British business abroad?
2. Assess the impact of foreign-owned companies in Britain.
3. What light does the history of British multi-national enterprise shed on the management failure explanation of British economic decline?

18. Banks and industry: the role of finance

Lecture: Monday, week 18, 2pm (S421), Tim Leunig

Classes: Tuesday, week 19, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *Owen chapter 14
M H Best & J Humphries 'The City and Industrial Decline' in Elbaum and Lazonick, 1986
M Binks 'Finance for expansion in Small Firms', *Lloyds Bank Review*, 1979, no.134
- *F. Capie & M Collins *Have Banks failed British Industry: An Historical Survey*, 1992, ch.7
- M Collins *Money and Banking in the UK: a History*, 1988, ch.12
- *K Dyson 'The State, Banks and Industry: the West German case' in A Cox (ed.) *The State, Finance and Industry*, 1986
- J Edwards & K Fisher *Banks, Finance and Investment in Germany*, 1993, chs. 9 & 10
- *B Fine & L Harris *The Peculiarities of the British Economy*, 1985, ch.4
- J Fforde *The Bank of England and Public Policy*, 1992, pp. 359-396
- W Hutton *The State we're In*, Jonathan Cape, 1995, ch6
- F Longstreth 'The City, Industry and the State' in C Crouch (ed.) *State and Economy in Contemporary Capitalism* (1979)

Questions:

1. Has the British economy suffered from a divide between the banking system and industry?
2. Do you think Britain should emulate the German banking system?

19. National environment and international competitiveness: the British chemical industry

Lecture: Monday, week 19, 2pm (S421), Tim Leunig

Classes: Tuesday, week 20, 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *Owen chapter 12 & 13
F Aftalion *A History of the international chemical industry*, esp pp.179-184 and 269-280, but also dip into the final section generally.
- W Grant 'Government-industry relations in the British chemical industry' in M Chick (ed.) *Government, Industries and Markets*, 1990.
- W Grant, W Paterson & C Whitston *Government and the chemical industry: a comparative study of Britain and West Germany*, 1988
- J Kenly Smith 'National Goals, Industry Structure and Corporate Strategies: Chemical cartels between the wars' in A Kudo and T Hara (eds.) *International Cartels in Business History*, 1992.
- C. Kennedy *ICI: the Company that changed our lives*, 1993
- Overy and Pagnamenta ch.7
- W.J.Reader 'ICI and the State' in Supple (ed.) 1977

Questions:

1. How important was the role of government in the rise of ICI to become and remain one of Britain's largest and most successful companies?
2. What factors have most affected the international competitiveness of the British chemical industry?

20. The 1980s: a renaissance?

Lecture: Monday, week 20, 2pm (S421), Tim Leunig

Classes: Tuesday, week 21 (i.e. summer term, week 1), 10am (D106), 12noon (Y016), 4pm (D206), Peter von Staden

- *K Coutts & W Godley 'The British Economy under Mrs Thatcher,' *The Political Quarterly*, vol 60, no 2, April-June 1989
- *N.F.R. Crafts 'Reversing Industrial Decline? the 1980s in Historical Perspective', *OREP*, vol 7, no.3, Autumn 1991
- F Green (ed) *Restructuring*, 1989, chs.5,6,14
- P A Gregg & G.D.N. Worswick 'Recession and Recovery in Britain: the 1930's and the 1980's', *NIER*, Nov. 1988
- J Haskel and J A Kay 'Productivity in British Industry under Mrs Thatcher', in Graham Mather et al, *The State of the Economy*, IEA, 1990
- R Layard and S Nickell 'The Thatcher Miracle?' *LSE Centre for Labour Economics Discussion Paper no 343*, March 1989, (an abbreviated version appeared in *American Economic Review*, vol 79, no 2, May 1989)
- N Oulton 'Productivity Growth in Manufacturing, 1963-85: The Roles of New Investment and Scrapping,' *NIER*, February 1989

Questions

1. How does Britain's growth performance in the 1979-1989 period rate a) against its own recent past and b) against other OECD countries?
2. In which sectors has the change relative to other countries been greatest? Which sectors have performed least well a) in output growth and b) in productivity growth?
3. Does the sectoral breakdown or timing give us any clue as to the causes of the change or as to its sustainability?
4. How should we interpret the slump of 1989-1992?

21. Revision session

Lecture: Monday, week 21 (i.e. summer term, week 1), 2pm (S421), Tim Leunig