GRADO EN ADMINISTRACIÓN Y DIRECCIÓN DE EMPRESAS

(GADE)

GRADO EN ECONOMÍA

(GECO)

GRADO EN FINANZAS Y CONTABILIDAD

(GFYC)

BUSINESS AND ECONOMIC HISTORY (BEH)

ACADEMIC YEAR: 2012/13
1.- BASIC INFORMATION

<table>
<thead>
<tr>
<th>Course</th>
<th>Business and Economic History (BEH)</th>
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<tbody>
<tr>
<td>Subject</td>
<td>History</td>
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<tr>
<td>Type</td>
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<td>Degree</td>
<td>Grado en Administración y Dirección de Empresas (GADE)</td>
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<tr>
<td>Year</td>
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<tr>
<td>Semester</td>
<td>Second</td>
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<tr>
<td>Department</td>
<td>Análisis Económico (<a href="http://www.uv.es/anaeco">http://www.uv.es/anaeco</a>)</td>
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<tr>
<td>Module leader</td>
<td>Alfonso Díez Minguela</td>
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<td></td>
<td>Office: 3F.01</td>
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<td></td>
<td>E-mail: <a href="mailto:alfonso.diez@uv.es">alfonso.diez@uv.es</a></td>
</tr>
<tr>
<td>Lectures</td>
<td>Tuesday 8:30-10:30 (Start Feb. 5; End 21 May)</td>
</tr>
<tr>
<td>Seminars</td>
<td>Group P1: Thursday 10:30-12:30 (Start Feb. 7; End 23 May)</td>
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<tr>
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<td>Group P2: Thursday 12:30-14:30 (Start Feb. 7; End 23 May)</td>
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<td>Office hours</td>
<td>Wednesday 12:30-14:00</td>
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<td>Round 1: May 29, 2013</td>
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<td>Round 2: July 12, 2013</td>
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2.- INTRODUCTION

Business and Economic History (BEH) is a module of the Grado de Administración y Dirección de Empresas (GADE), Grado de Economía (GECO) and Grado de Finanzas y Contabilidad (GFYC). This course is taught in the second semester of the first year. It is aimed at examining the evolution and transformation of the world economy. To the prospective students of the Grado de Administración y Dirección de Empresas (GADE), Grado de Economía (GECO), and Grado de Finanzas y Contabilidad (GFYC) the Business and Economic History (BEH) course offers the possibility of exploring how the current world economy has been shaped and learning how the
changing economic circumstances (i.e. technological progress, institutional change, financial crises) have affected the lives of individuals, families and firms around the world.

The course combines lectures and seminars aimed at developing the students’ ability to analyse, discuss and provide critical thinking of the main economic concepts. The programme is structured around the following topics:

- Preindustrial economic growth and the Malthusian economy;
- The Industrial Revolution and the factory system;
- Industrialisation and the transformation of the firm;
- Technological change and the second Industrial Revolution;
- The firm during the first era of Globalisation;
- The interwar years and the Great Depression;
- The Golden Age of economic growth, 1950-73;
- The large corporation and the emergence of managerial capitalism;
- The third Industrial Revolution, productivity growth, economic and financial crises.

Basic skills acquired with the course:

- Understanding of the role of economic agents (i.e. individuals, firms, and government) and institutions within the social and economic activity.
- Knowledge of the historical context and its implications on the world economy.
- Capacity to analyse the basic forms of economic integration.
- Awareness of the main forces of economic growth and how economic and non-economic factors have interacted over time.

3.- METHODOLOGY

The teaching methodology adopted is a balance between theoretical lectures and practical classes or seminars in which students are expected to actively participate and interact, solve exercises, prepare oral presentations and engage in the learning experience provided with this course. To supplement the theoretical lectures, students are expected to make use of the reading list given. Lecture notes will be uploaded to the aula virtual each week. Note that lecture notes are the starting point, not the end point of the learning process. Students who
centre their study exclusively on the lecture notes will find difficult to excel in this course. The lectures will aim at examining the main theoretical concepts in each topic. For this purpose, discussion and critical thinking will be encouraged. Also, participation in lectures and seminars will be encouraged and assessed as an integral part of the coursework.

Practical classes or seminars will be organised as follows. Materials consisting of readings, documentary films, problem-solving exercises, questionnaires, and data sets will be provided prior to each class via aula virtual. Students are expected to prepare for the seminar accordingly. The seminars are aimed at acquiring a solid understanding of theoretical concepts, promoting participation and enhancing specific skills e.g. reading, writing, oral presentation. Students are encouraged to form study groups. Cooperation and teamwork with other students provides you with the opportunity to exchange ideas or views that will improve your understanding of the subject.

Lastly, creating a respectful atmosphere in lectures and seminars is crucial to enjoy the learning experience provided with this course. For this purpose, mobiles phones should be switched off during lectures and seminars. Consumption of food is not permitted in lectures or seminars. Smoking is prohibited in lectures or seminars. Students are expected to be punctual. Please, do respect the class and your classmates.

4.- TABLE OF CONTENTS

PART I. The Industrial Revolution & modern economic growth (MEG) [4 lectures]

Topic 1. The World Economy in the long run (1 lecture)
   1.1 The World Economy: definitions and concepts
   1.2 Preindustrial economic growth and the Malthusian economy
   1.3 The Great Divergence: Geography Vs. Institutions

Topic 2. The Industrial Revolution and industrialisation (2 lectures)
   2.1 The Industrial Revolution, why England?
   2.2 Adam Smith, the division of labor, the factory system and the steam engine
   2.3 Markets, state intervention and institutional change
2.4 Industrialisation: early industrialisation and latecomers

**Topic 3. The origin of the industrial firm (1 lecture)**

3.1 The firm as an organisational model
3.2 Preindustrial enterprises: entrepreneurs, commenda, companies
3.3 The firm during the Industrial Revolution

**Seminars (Part I. The Industrial Revolution & modern economic growth)**

SEMINAR 1. Introduction to economic history
SEMINAR 2.1. Fundamentals of economic growth
SEMINAR 2.2. Modern economic growth (MEG)
SEMINAR 3. Pioneers, inventors and businessmen during the Industrial Revolution

**PART II. The second Industrial Revolution, 1870-1973 [6 lectures]**

**Topic 4. The first Globalisation, 1870-1914 (2 lectures)**

4.1 Characteristics of the first Globalisation
4.2 Technological change during the second Industrial Revolution
4.3 The rise of the United States of America
4.4 The large corporation: managerial capitalism
4.5 Case studies: J.D. Rockefeller, Henry Ford, and J.P. Morgan.

**Topic 5. The interwar years, 1918-1939 (2 lectures)**

5.1 The “Roaring 1920s” and the *consequences of the Peace*
5.2 The Great Depression and the disintegration of the global economy
5.3 Lessons of the Great Depression: economic reforms and recovery


6.1 Lessons of the Great Depression: IMF, World Bank, United Nations
6.2 The productivity gap and the diffusion of technology
6.3 Economic growth and mass consumption
6.4 The emergence of Multinational Corporations (MNCs)

**Seminars (Part II. The second Industrial Revolution, 1870-1973)**

SEMINAR 4.1. The first Globalisation, 1870s-1914
SEMINAR 4.2. The firm during the second Industrial Revolution: Henry Ford
SEMINAR 5.1. The Wall Street Crash of 1929
SEMINAR 5.2. The Great Depression and other crises
SEMINAR 6.1. Fundamentals of economic growth: Convergence Vs. Divergence
SEMINAR 6.2. The Welfare State

PART III. The third Industrial Revolution [3 lectures]

Topic 7. From the 1970s crisis to the third Industrial Revolution (1 lecture)
  7.1 The limits to economic growth
  7.2 The crisis of the 1970s: stagflation and unemployment

Topic 8. Globalisation and the global corporation (2 lectures)
  8.1. Characteristics of the present-day Globalisation
  8.2 Deindustrialisation, offshoring and outsourcing
  8.3 The global corporation: strategies and organisation.

Seminars (Part III. The third Industrial Revolution)
  SEMINAR 7. The new economic orthodoxy of the 1980s and 1990s
  SEMINAR 8. Outsourcing and offshoring

5.- ASSESSMENT

The Business and Economic History (BEH) module will be assessed by,

- Written examination (60%) at the end of the semester;

- Coursework (40%) comprising,
  
  (a) Two essays (worth 10% each). Written essays should not exceed 1,500 words. Essay questions and basic instructions will be given in the first week. Students are expected to combine history and economic analysis. Economic history is neither pure narrative nor economic theory. The submission deadlines are shown in the table below.

6
(b) Three tests (worth 5% each). The tests are aimed at evaluating and the learning process. There will be a test for each part of the course. These tests will provide students with a multiple choice of answers.

(c) Participation and attendance (5%). The lectures and seminars will provide students with the opportunity of enhancing their analytical, problem solving, and communication skill. Students will be encouraged to actively participate in the discussion. Attendance and participation will thus be assessed.

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<td>Essay 1</td>
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<td>Test 2</td>
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<td>Essay 2</td>
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<tr>
<td>Test 3</td>
<td>May 21</td>
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<td>Participation and attendance</td>
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<td>5%</td>
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<tr>
<td>Final exam</td>
<td>May 29</td>
<td>60%</td>
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Plagiarism is defined as the act of “stealing ideas or passages from (another’s work) and present them as one’s own” (Collins Dictionary for the 21st century). It is important to develop the appropriate writing skills, hence copying and quoting from a textbook or an academic paper must be referenced. Plagiarism is UNACCEPTABLE. A mark of zero will be awarded if plagiarism is detected. Copying from another’s work or using cribs in the final exam is dishonest and thus UNACCEPTABLE. Copying or using cribs in the final exam will be penalised, and the penalties are severe within the Universitat de València. Students must obtain a MINIMUM GRADE OF 5 in the final written exam to pass the module. Then, the exam and coursework marks will be summed up to obtain the final grade. A final grade of 4 will be awarded to those students who did not pass the final exam.
6.- CHRONOLOGY OF EVENTS

<table>
<thead>
<tr>
<th>Week</th>
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<td>Topic 8</td>
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<td>15</td>
<td>21/05; 23/05</td>
<td>III</td>
<td>Topic 8 and revision [Test 3]</td>
<td>Final written exam: May 29, 2013</td>
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7.- READING LIST

For each topic students will be provided with an up-to-date reading list. This module will not follow any specific textbook. The Business and Economic History (BEH) module will make use of a broad range of resources (i.e. book chapters, academic papers, newspapers, magazines or documentary films) to provide the students with practical and up-to-date materials. Students are expected to administer these materials to supplement their lecture and seminar notes and enhance their learning experience. Below, you may find some general books available at the Universitat de València Social Sciences Library:
Smith, A. (1776), *An inquiry into the nature and causes of the wealth of nations* [S i330 SMI v.1] [S i330 SMI v.2] [Electronic resource]

Malthus, T. R. (1798), *An Essay on the principle of population* [S i314 MAL] [Electronic resource]


Landes, D. S. (1998), *The wealth and poverty of nations: why some are so rich and some so poor*, New York: W.W. Norton & Company [S i330.5 LAN]


de Vries, J. (2008), *The industrious revolution: consumer behavior and the household economy, 1650 to the present*, Cambridge: Cambridge University Press [HU 930.9E/098]


Malanima, P (2009), *Pre-modern European economy: one thousand years (10th.-19th centuries)*, Leiden: Brill [Electronic resource]


Persson, K.G. (2010), *An economic history of Europe: knowledge, institutions and growth, 600 to the present*, Cambridge: Cambridge University Press [S i338.1(4) PER]