



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

Course	Business and Economic History (BEH)
Subject	History
Type	Basic training (Mandatory)
Degree	Grado en Administración y Dirección de Empresas (GADE) Grado en Economía (GECO) Grado en Finanzas y Contabilidad (GFYC)
Year	First
Semester	Second
Department	Análisis Económico (http://www.uv.es/anaeco)
Module leader	Alfonso Díez Minguela Office: 3F.01 E-mail: alfonso.diez@uv.es
Lectures	Tuesday 8:30-10:30 (Start Feb. 5; End 21 May)
Seminars	Group P1: Thursday 10:30-12:30 (Start Feb. 7; End 23 May) Group P2: Thursday 12:30-14:30 (Start Feb. 7; End 23 May)
Office hours	Wednesday 12:30-14:00
Exam date	Round 1: May 29, 2013 Round 2: July 12, 2013

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

Topic 6. The Golden Age of capitalism, 1950-1973 (2 lectures)

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.

- (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.

Type	Date	Percentage
Coursework	February 5 – May 23	40%
Test 1	March 12	5%
Essay 1	March 14	10%
Test 2	May 7	5%
Essay 2	May 9	10%
Test 3	May 21	5%
Participation and attendance	February 5 – May 23	5%
Final exam	May 29	60%

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

Week	Date	Part	Lecture	Seminar
PART I				
1	5/02; 7/02	I	Introduction & Topic 0	Seminar 1
2	12/02; 14/02	I	Topic 1	Seminars 1 & 2.1
3	19/02; 21/02	I	Topic 2	Seminar 2.1
4	26/02; 28/02	I	Topic 2	Seminar 2.2
5	5/03; 7/03	I	Topic 3	Seminar 3
PART II				
6	12/03; 14/03	II	Topic 4 [Test 1]	Seminar 4.1 [Essay 1]
7	21/03	II	-	Seminar 4.2
8	26/03	II	Topic 4	-
Easter break: March 28 – April 8				
9	9/04; 11/04	II	Topic 5	Seminar 5.1
10	16/04; 18/04	II	Topic 5	Seminar 5.2
11	23/04; 25/04	II	Topic 6	Seminar 6.1
12	30/04; 2/05	II	Topic 6	Seminar 6.2
PART III				
13	7/05; 9/05	III	Topic 7 [Test 2]	Seminar 7 [Essay 2]
14	14/05; 16/05	III	Topic 8	Seminar 8
15	21/05; 23/05	III	Topic 8 and revision [Test 3]	
Final written exam: May 29, 2013				

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]

Boserup, E. (1981), *Population and technological change: a study of long-term trends*, Chicago: Chicago University Press [S i314 BOS]

Chandler, A. D. (1981), *The visible hand: the managerial revolution in American Business*, Cambridge: Belknap Press of Harvard University [S i658.012 CHA]

Kindleberger, C. P. (1984), *A financial history of Western Europe*, London: George Allen & Unwin [S i336(4-15) KIN]

Chandler, A. D. (1990), *Scale and scope: the dynamics of industrial capitalism*, Cambridge (MA): Belknap Press of Harvard University [S i330.34 CHA]

Kenwood, A. G., and Loughheed, A. L. (1992), *The growth of the international economy 1820-1990*, London: Routledge [S i339.9 KEN] [Electronic resource]

Diamond, J. (1997), *Guns, germs, and steel: a short history of everybody for the last 13,000 years*, London: Vintage [S i316.42 DIA]

Feinstein, C.H., Temin, P. and Toniolo, G. (1997), *The European economy between the wars*, Oxford: Oxford University Press [S i338(4) FEI]

Edited by Thomas K. McCraw (1997), *Creating modern capitalism: how entrepreneurs, companies, and countries triumphed in three industrial revolutions*, Cambridge: Harvard University Press [S i330.34 CRE]

Hatton, T. J., and Williamson, J. G. (1998), *The age of mass migration: causes and economic impact*, New York: Oxford University Press [S i331.55 HAT]

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]

O'Rourke, K.H. and J. G. Williamson (1999), *Globalization and history: the evolution of a nineteenth-century Atlantic economy*, Cambridge (MA): MIT Press [S i339.5 ORO] [Electronic resource]

Pomeranz, K. (2000), *The great divergence: China, Europe and the making world economy*, Princeton: Princeton University Press [S i338(4) POM] [Electronic resource]

Cameron, R., and L. Neal (2003), *A concise Economic History of the World: from the Paleolithic times to the present*, New York: Oxford University Press [S 338(091) CAM]

Wrigley, E. A. (2004), *Poverty, progress, and population*, Cambridge: Cambridge University Press [S i338(410) WRI] [Electronic resource]

Clark, G. (2007), *A farewell to alms: a brief economic history of the world*, Princeton: Princeton University Press **[S i338 (091) CLA] [Electronic resource]**

Eichengreen, B. (2007), *The European economy since 1945: coordinated capitalism and beyond*, Princeton: Princeton University Press **[S i338 (4) EIC]**

Findlay, R. and O'Rourke, K. H. (2007), *Power and plenty: trade, war, and the world economy in the second millennium*, Princeton: Princeton University Press **[S i339.5 FIN]**

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]**

Allen, R.C. (2009), *The British Industrial Revolution in global perspective*, Cambridge: Cambridge University Press **[S i338.45 ALL]**

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

Mokyr, J. (2009), *The Enlightened Economy: An Economic History of Britain, 1700-1859*, Yale University Press **[S i338 (410) MOK]**

van Zanden, J. L. (2009), *The Long Road to the Industrial Revolution: the European economy in a global perspective, 1000-1800*, 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]**

Wrigley, E. A. (2010), *Energy and the English Industrial Revolution*, Cambridge: Cambridge University Press **[S i338.45 WRI]**