

ST. JOHN'S UNIVERSITY
NEW YORK

THE PETER J. TOBIN COLLEGE OF BUSINESS

Department of Finance and Economics
Undergraduate Division

SYLLABUS

Economic History of the Western Community

ECO 1326-10006, Spring 2018

Monday and Thursday, 10:40am – 12:05pm, MAR 326

Instructor: Cameron M. Weber, Ph.D.

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website: cameroneconomics.com (syllabus and other related course material found on the “teaching” page)

Office Hours: M, Th; 12:30 – 2 pm, SJH B17, and by appointment

DEPARTMENT

Finance and Economics

COURSE NAME

Economic History of the Western Community

COURSE NUMBER

ECO 1326

COURSE DESCRIPTION

A survey of socio-economic formations and changes in the organization of economies over time. Special focus on the Industrial Revolution and the diffusion of technological knowledge in newly-industrializing countries; the role of trade in economic growth; and the two-way relationship between population changes and economic change.

CREDIT

3 Credits

OBJECTIVES OF THE COURSE

1. To understand and appreciate the process of historical change, and the emergence and development of different economic organizations, in order to become aware of their implications for social and economic organization in different parts of the world. Although the major focus of the course is the "western" economic system, comparisons with Eastern European and Asian developments are also made. (This objective meets the need for a global perspective.)
2. In particular, to describe the development of a capitalist economic system in order to provide the real life background for the application of modern economic theory and analysis. (This objective meets the needs for critical thinking and analysis.)
3. To develop the comprehension and communication skills associated with logical reasoning, by analyzing the causes and effects of historical developments, and reporting on them. (This objective meets the needs for analytical thinking and communications skills.)
4. To appreciate the interactions and complexity of different socio-economic formations, and to become aware of the continuing evolution of present economic arrangements by

understanding past developments. (This objective meets the needs for developing the ability to recognize change, and to apply a values orientation.)

Assigned Readings	30 Hours
Examination Preparation	25 Hours
Group Project	20 Hours
Review & Preparation for Class	25 Hours

Main required text

Rondo Cameron and Larry Neal, *A Concise Economic History of the World*, Oxford University Press (any edition). Students are expected to read the entire text, one chapter per week during the semester.

Addition required reading

Instructor lecture notes, available through “teaching” page on website.

Lawrence Reed, *Great Myths of the Great Depression*, 2010, available, <http://www.mackinac.org/article.aspx?ID=4013>

Edmund Phelps, "What is Wrong with the West's Economies?", *New York Review of Books*, 2015, available, <http://www.nybooks.com/articles/2015/08/13/what-wrong-wests-economies/>

COURSE SCHEDULE

TOPICS

READINGS (main text chapters shown)

I. Theories of Economic History, and, Pre-Modern Economies

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|---|-----------------------------------|
| 1. Introduction to Economic History, Definitions and Concepts | Ch. 1
Instructor Lecture Notes |
| 2. Ancient Times, social relations of production, technologies at beginning of recorded history, rise and fall of Rome | Ch. 2 |
| 3. Feudalism and the Manorial System
Economic organization in the Roman Empire, emergence of feudalism; trade and towns in the late feudal period, Italian banking | Ch. 3, 4 |
| 4. Non-Western Economies on Eve of Western Expansionism, post-Roman empires, Africa, Latin America, Asia | Ch. 5 |

II. The Transition (Early Modern) Period

5. Agriculture and the Agricultural Revolution Ch. 5
Enclosure and land redistribution in England, technological changes; impact on rural societies

Film: *Robin Hood* (2010), if time

6. Mercantilism: state and economy building Ch. 6
Early policy-making, mercantilist philosophy, expansion of trade, colonization and slavery

III. The Industrial Revolution

7. Industrialization in Britain Ch. 7, 8, 11
Importance of transportation, textile industry, rail building, free trade and laissez-faire

8. Industrialization in France, Germany, Rest of Europe Ch. 9, 10, 11
Contrasting patterns of industrialization, political implications and German unification

9. Industrialization in the United States Ch. 9, 11
Importance of resource endowment; impact on slavery in the South, mass production; importance of immigration

Film: *There Will Be Blood* (2007), if time

IV. Development of a Global Economy

10. Characteristics of capitalism Ch. 12,13
Factory system, urbanization; resistance to Industrialization, development of the corporate structure, unionization, financial markets

11. Trade rivalry, imperialist colonization, gold standard Ch. 12, 13

12. Disintegration of the International Economy Ch. 14
World War I, retreat to isolationism; rise of German militarism, Russian revolution, Great Depression Reed 2010

Film: *Reds* (1981), if time

13. Integration of the International Economy Ch. 15
World War II, post war reconstruction, European integration, macroeconomic policymaking; Bretton Woods System, Vietnam, collapse of 'dollarization' of gold, stagflation

Film: *U.N. Me* (2009) or *The Formula* (1980), if time

14. Twenty-First Century Economy
 Collapse of USSR, evolution of EU, India and China,
 Financial crisis of 2007 and Great Recession,
 The modern welfare-state

Ch. 16
 Phelps 2015

Economist cronyism index

GROUP PRESENTATIONS

FINAL EXAM

CALENDAR

First day of class: January 18, 2018
 Homework One due: Jan. 29
 Last day to drop/add without transcription notification: February 6
 In-class Quiz: Feb. 15
 Spring break (no class): Feb. 19 and 22
 Midterm Exam: March 5
 Spring break: Feb. 28 and March 3
 Last day for voluntary group project sign-up: March 11
 Final group assignments: March 19
 Easter (no class): March 29
 Homework Two due: April 5
 Group presentations: April 23, 26 and 30
 Last day of class: April 30
 Study/Snow day: May 1
 Final Exam: Scheduled later in the semester by the university, May 3 - 9

GRADING SCHEDULE

Evaluation of student performance is based on a combination of multiple choice exams; a written in-class quiz, written homework essays, group research project and presentation, and class discussion in order to provide students with as comprehensive a base for assessment as possible.

Midterm Exam	20%
In-Class Quiz	10%
Homework	10%
Class Participation	15%
Group Project and Presentation	20%
Final Exam	<u>25%</u>
	100%

Class Participation (15% of grade): In order to get an “A” for this you need to participate in class discussion and have consistent class attendance. Discussion can be by raising points of clarification on the lectures or by contributing to the lectures based on your reading of the main text or other references. There may also be extra-credit opportunities by attending outside of class economics lectures on campus and reporting to the class the content of these lectures, depending on how the semester unfolds.

Exams (45% of grade): Both the Midterm and Final examinations will be 25 multiple choice and true/false questions. The final exam is cumulative, as is economic history, but with greater weight on material covered after the midterm.

Quiz (10% of the class grade): The quiz will be a short answer essay and may include the use of Supply and Demand and/or other graphs and diagrams.

Homework (10% of the class grade): There are two written essays homework assignments, the requirements for which are found on the instructor’s website “teaching” page.

Group Presentations (20% of the class grade): See the instructor’s website “teaching” page for detailed information on the class group project and some suggested topics for presentation. Students are encouraged to sign-up for groups and topics by the due-date, though there is no penalty for not signing-up prior to the self-select due-date.

CLASS RULES

There will be no cellphone or txt use during class, computers (and tablets etc.) are acceptable if they are used to do research in order to participate in class discussion and/or to take notes in class. There will be no prolonged “side discussions” during class as this distracts from the learning of others. Anyone who persists in disrupting the class should leave the classroom.

There will be no make-up exams, homework due dates or quizzes. If a student misses a deadline, they should provide a documented medical, religious or emergency reasons as soon as possible before or after the fact. If a student has a legitimate absence we will reweight the grading schedule items to account for the missing grade. It is not permitted to record or video the class, however photographs of lecture material are acceptable if permission from the instructor is granted prior to doing so.

BIBLIOGRAPHY

Economic History

Jeremy Attach and Larry Neal, editors, *The Origins and Development of Financial Markets and Institutions: From the Seventeenth Century to the Present*, Cambridge University Press, 2009.

Fernand Braudel, *Civilization and Capitalism, 15th to 18th Centuries*, (3 vols.), Harper & Row, 1979.

Jurgen Brauer and Hubert Van Tuyll, *Castles, Battles & Bombs: How Economics Explains Military History*, University of Chicago, 2008.

Ron Charnow, *House of Morgan*, Atlantic Monthly Press, 1990.

Jared Diamond, *Guns, Germs and Steel: A Short History of Everybody for the Last 13,000 Years*, Vintage, 2005 [1997].

Robert B. Ekelund Jr., Robert F. Hebert and Robert D. Tollison, *The Marketplace of Christianity*, MIT Press, 2006.

Barry Eichengreen, *Hall of Mirrors: The Great Depression, the Great Recession and the Uses – and Abuses – of History*, Oxford University Press, 2015.

Niall Ferguson, *The Ascent of Money: A Financial History of the World*, Penguin Press, 2008.

David Galenson, *Markets in History*, Cambridge University Press, 1989.

Alexander Gershenkron, *Economic Backwardness in Historical Perspective*, Praeger, 1965.

David Graeber, *Debt: The First 5,000 Years*, Melville House, 2011.

F.A. Hayek, *Capitalism and the Historians*, University of Chicago [1954], any edition.

Robert L. Heilbroner and William Milberg, *The Making of Economic Society*, (any edition), Prentice Hall.

E.K. Hunt, *Property and Prophets*, (any edition, [1975]), Halper & Row.

Charles Kindleberger, *A Financial History of Western Europe*, (any edition), Oxford University Press.

J.M Keynes, *Consequences of the Peace*, (any edition), 1921, available <http://www.gutenberg.org/etext/15776>.

David S. Landes, Joel Mokyr and William Baumol, editors, *The Invention of Enterprise: Entrepreneurship from Ancient Mesopotamia to Modern Times*, Princeton University Press, 2010.

Larry Neal and Jeffrey Williamson, editors, *The Cambridge History of Capitalism*, Cambridge University Press, 2014.

Guinevere Liberty Nell, *Rediscovering Fire: Basic Lessons from the Soviet Experiment*, Algora Press, 2010.

Deirdre McCloskey, *Bourgeois Towns: How Capitalism Became Ethical, 1600-1848*, pre-publication draft available: <http://www.deirdremccloskey.com/articles/bv/towns.php>. 2010.

----- *The Bourgeois Virtues: Ethics for an Age of Commerce*. Vol. 1 of 3 of the trilogy "The Bourgeois Era," 2006, University of Chicago Press, 2006.

----- *Bourgeois Dignity: Why Economics Can't Explain the Modern World*. Vol. 2 of 3 of the trilogy "The Bourgeois Era," University of Chicago Press, 2010.

----- *Bourgeois Equality: How Ideas, Not Capital or Institutions, Enriched the World*. Vol. 3 of the trilogy "The Bourgeois Era," University of Chicago Press, 2016.

Douglass North and Robert Paul Thomas, *The Rise of the Western World: A New Economic History*, Cambridge University Press, 1973 (reprinted).

Randal Parker and Robert Whaples, editors, *Routledge Handbook of Major Events in Economic History*, Routledge, 2013.

Uriel Procaccia, *Russian Culture, Property Rights, and the Market Economy*, Cambridge University Press, 2007.

Keith Roberts, *Origins of Business, Money and Markets*, Columbia University Press, 2011.

Nathan Rosenberg and L.E. Birdzell, *How the West Grew Rich: The Economic Transformation of The Industrial World*, Basic Books, 1986.

Vera Smith, *The Rationale for Central Banking and the Free Banking Alternative*, 1934, reprinted by Liberty Fund, available <http://www.econlib.org/library/LFBooks/SmithV/smvRCB.html>.

History, Economics and Political Economy

Marcus Tullius Cicero, *De Officiis (On Duties)*, 1560.

Jeffrey Freidman, editor, *Critical Review*, Vol. 21/2-3, special edition on “Causes of the Crisis”, 2009.

Hugo Grotius, *Mare Liberum (the Free Sea)*, 1609.

Friedrich A. von Hayek, *The Road to Serfdom*, Routledge, 1944.

Eric J. Hobsbawm, *The Age of Revolution, 1789-1848*, New American Library, 1962 (reprinted).

Hans-Hermann Hoppe, *From Aristocracy to Monarchy to Democracy: A Tale of Moral and Economic Folly and Decay*, Mises Institute, 2014.

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<http://www.marxists.org/archive/marx/works/1848/communist-manifesto/>

John Locke, *Two Treatises of Government: In the Former, The False Principles, and Foundation of Sir Robert Filmer, and His Followers, Are Detected and Overthrown. The Latter Is an Essay Concerning The True Original, Extent, and End of Civil Government*, 1689.

Carl Menger, “On the Origin of Money”, 1892, available,
<http://www.monadnock.net/menger/money.html>

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<http://www.econlib.org/library/Ricardo/ricP.html>

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William H. Sewell, *Logics of History: Social Theory and Social Transformation*, University of Chicago Press, 2005.

Adam Smith, *Theory of Moral Sentiments*, 1759, any edition (available on-line).

---- *Wealth of Nations*, 1776, available (available on-line).

E.P. Thompson, *The Making of the English Working Class*, Vintage Books, 1963 (reprinted).

Works of Fiction, Film and Youtube.com

Charles Dickens, *Bleak House*, 1853 (any edition), available,
<http://www.worldwideschool.org/library/books/lit/charlesdickens/BleakHouse/Chap0.html>

Leo Tolstoy. "How Much Land Does a Man Need" (short story), 1886, any edition, available,
<http://www.katinkahesselink.net/other/tolstoy.html>

There Will Be Blood (film), 2007, directed, written and produced by Paul Thomas Anderson

Marie Antoinette (film), 2006, written and directed by Sofia Coppola

Spartacus (film), 1960, directed by Stanley Kubrick

Robin Hood (film), 2010, directed by Ridley Scott

U.N. Me (film), 2009, produced and directed by Ami Horowitz and Matthew Groff

Tale of Two Cities (film), 1935, directed by Jack Conway

Reds (film), 1981, produced and directed by Warren Beatty

The Formula (film), 1980, produced by Steve Shagan

Sicario (film), 2015, directed by Denis Villeneuve

American Gangster (film), 2007, directed by Ridley Scott

King of Kings (film), 1961, directed by Nicholas Ray

Milton Friedman "On Greed" http://www.youtube.com/watch?v=RWsx1X8PV_A

"Fear the Boom and Bust" <http://www.youtube.com/watch?v=d0nERTFo-Sk>

"Fight of the Century" <http://www.youtube.com/watch?v=GTQnarzmTOc>

"Hayek v. Keynes Part 3", <https://www.youtube.com/watch?v=ZYwHCWkOB08>

"Quantitative Easing Explained" <http://www.youtube.com/watch?v=PTUY16CkS-k>

George Selgin "100 Years: Has the Fed Been a Failure?"
<http://www.youtube.com/watch?v=yLynuQebyUM>

"Hayek on Keynes" <http://www.youtube.com/watch?v=VqU-AZh-wqU>