



THE HISTORY OF BUSINESS—HISTORY 1807

The financial crisis of 2008 has sparked considerable popular interest in the often complex workings of the market. In the first few weeks of this course we will explore the details of this crisis. We will then use this crisis as a gateway to study the larger history of finance, credit, stock markets, corporations, and business. In short, this course is both a practical introduction to how the market functions today as well as a consideration of the history of capitalism.

Tuesday and Thursday

9:30-10:30

TC 141

Plus 1 tutorial hour

Prof. Jeffery Vacante

University of Western Ontario
Department of History
2017-2018

The History of Business
History 1807

DRAFT

Prof. Jeffery Vacante
Email: jvacant2@uwo.ca
Office hours: Thurs. 12:30-2:00 PM
in Lawson Hall 2218

Lectures: Tues. & Thurs. 9:30-10:30 AM
in tba
and one tutorial hour

The financial crisis of 2008 has sparked considerable popular interest in the often complex workings of the market. In the first few weeks of this course we will explore the details of this crisis. We will then use this crisis as a gateway to study the larger history of finance, credit, stock markets, corporations, and business. In short, this course is both a practical introduction to how the market functions today as well as a consideration of the history of capitalism.

In this course students will, in addition to learning the broad outline of the history of business, sharpen their ability to read and think critically and develop their analytical skills. They will also learn to organize and present their thoughts in tutorials in ways that demonstrate their respect for the opinions of others as well as their own critical engagement with the course readings and the world around them.

Texts:

- Bethany McLean and Joe Nocera. *All the Devils are Here: The Hidden History of the Financial Crisis* (New York: Portfolio/Penguin, 2011).
- Niall Ferguson. *The Ascent of Money: A Financial History of the World* (New York: Penguin 2008).
- John Micklethwait and Adrian Wooldridge. *The Company: A Short History of a Revolutionary Idea* (New York: Modern Library, 2003).

These books, which are available at the university bookstore, will be supplemented by articles and other readings to be made available on the course website.

Grade Breakdown

First in-class test (Oct. 19)	15%
Midterm Exam (Dec.)	25%
Second in-class test (Feb. 15)	15%
Tutorials	15%
Final Exam (Apr.)	30%

Requirements:

Success in the course very much depends upon students' willingness to immerse themselves in the readings, to attend lectures, and to participate in weekly tutorials. During the year students will read a number of books and articles that were chosen to introduce them to some of the key ideas and thinkers in the history of business and capitalism. It is expected that students will read the weekly chapters and articles closely, strive to situate these selections within the larger themes of the course (which we will cover in lectures), think about these works and themes in ways that permit them to discuss them in the context of a weekly tutorial, and organize their thoughts in a manner that prepares them to sit for the tests and exams in the course. These tests and exams must demonstrate a student's familiarity with the readings and provide evidence of a full understanding of the larger themes of the course.

Participation: Students will be assessed on their **participation** during weekly tutorials. During these tutorials, students will discuss in some detail the assigned readings and will be encouraged to grapple with the larger themes of the course. Students will be assessed on their attendance throughout the year as well as on the basis of their familiarity with the readings and their ability to discuss the broader themes of the course. It should be noted that the quality of one's remarks are very often more valuable than the quantity of one's interventions in a discussion. A student's ability to consider and respect the ideas and opinions of others will also be recognized. *Please note: tutorials begin the week of September 18.*

Tests & Exams: There will be **two in-class tests** in the course, one on **October 19** and the other on **February 15**. There will also be two formal **exams**: a **midterm** in December and a **final** in April.

Lectures:

Sept. 7 • Introduction

Deconstructing the Financial Crisis

Sept. 12-14 • The Age of Inequality

Sept. 19-21 • The Meltdown

• McLean and Nocera, *All the Devils are Here*, 1-81.

Sept. 26-28 • The Causes

• McLean and Nocera, *All the Devils are Here*, 82-231.

Oct. 3-5 • The Fallout

• McLean and Nocera, *All the Devils are Here*, 232-371.

Fall Break: Oct. 9-13

Oct. 17-19 • Class Test

The Origins of Modern Capitalism

Oct. 24-26 • The Beginnings of the Market Economy

- Ferguson, *The Ascent of Money*, 1-41.

Oct. 31-Nov. 2 • The Market Economy I

- Ferguson, *The Ascent of Money*, 42-176.

Nov. 7-9 • The Market Economy II

- Ferguson, *The Ascent of Money*, 177-363.

Nov. 14-16 • The Idea of Capitalism

- Robert Heilbroner, "The Wonderful World of Adam Smith," in *The Worldly Philosophers* (New York, 1999), 42-74.

The Modern Corporation

Nov. 21-23 • The Rise of the Corporation

- Micklethwait, *The Company*, 1-99.

Nov. 28-30 • The Capitalist Mind

- Andrew Carnegie, "Wealth," *North American Review* (June 1889): 653-664.
- Richard Hofstadter, "William Graham Sumner: Social Darwinist," *New England Quarterly* 14, no. 3 (September 1941): 457-77.

Dec. 5-7 • Conclusion to Fall Term

December Break

Capitalism and its Discontents

Jan. 9-11 • Capitalism and its Critics

- Robert Heilbroner, "The Inexorable System of Karl Marx," in *The Worldly Philosophers* (New York, 1999), 136-70.

Jan. 16-18 • Corporate Liberalism

- Kim McQuaid, "Corporate Liberalism in the American Business Community, 1920-1940," *Business History Review* 52, no. 3 (Autumn 1978): 342-68.

Jan. 23-25 • The Managerial Revolution

- Alfred D. Chandler, Jr., *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, MA: Belknap Press, 1977), 1-14, 484-497.

Jan. 30-Feb. 1 • The Culture of the Corporation

- Micklethwait, *The Company*, 103-191.
- Roland Marchand, "The Corporation Nobody Knew: Bruce Barton, Alfred Sloan, and the Founding of the General Motors Family," *Business History Review* 65, no. 4 (Winter 1991): 825-75.

Feb. 6-8 • The Corporate Man

- William H. Whyte, *The Organization Man*, (1956), 3-24, 36-66, 143-52.
- David Riesman, *The Lonely Crowd* (1950), 3-25.
- Herbert Marcuse, *One Dimensional Man* (1964) selections

Feb. 13-15 • Class Test

Reading Week: Feb. 19-23

The Postwar Economy

Feb. 27-Mar. 1 • The Great Depression

- John Kenneth Galbraith, *The Great Crash* (selections)

Mar. 6-8 • The Postwar Economic System

- Joseph Stiglitz, *Globalization and its Discontents* (New York: Norton, 2002), 3- 52.

Mar. 13-15 • The Collapse of the Postwar System

- Milton Friedman, “The Social Responsibility of Business is to Increase its Profits,” *New York Times Magazine*, September 13, 1970.

Mar. 20-22 • The Globalization of Business

- Francis Fukuyama, “The End of History?” *The National Interest* (Summer 1989)
- Samuel P. Huntington, “The Clash of Civilizations?” *Foreign Affairs* 72, no. 3 (Summer 1993): 22-49

Mar. 27-29 • Work

- Bruce Western and Jake Rosenfeld, “Workers of the World Divide,” *Foreign Affairs* 91, no. 3 (May/June 2012): 88-99.

Apr. 3-5 • The Future of Capitalism

- John Micklethwait and Adrian Wooldridge, “The State of the State: The Global Contest for the Future of Government,” *Foreign Affairs* 93, no. 4 (July/August 2014): 118-32.
- Naomi Klein, “Disaster Capitalism: The New Economy of Catastrophe,” *Harper’s* (October 2007): 47-58.

Apr. 10 • Conclusion

ADDITIONAL STATEMENTS

Prerequisites and Antirequisites:

Unless you have either the requisites for this course, as described in the Academic Calendar description of the course, or written special permission from your Dean to enroll in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites. The Academic Calendar description of each course also indicates which classes are considered antirequisites, i.e., to cover such similar material that students are not permitted to receive academic credit for both courses.

Academic Offences:

Scholastic Offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitute a Scholastic Offence, at the following Web site: http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf

Plagiarism:

Students must write their essays and assignments in their own words. Whenever students take an idea, or a passage from another author, they must acknowledge their debt both by using quotation marks where appropriate and by proper referencing such as footnotes or citations. Plagiarism is a major academic offense (see Scholastic Offence Policy in the Western Academic Calendar).

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com (<http://www.turnitin.com>).

The following rules pertain to the acknowledgements necessary in academic papers.

A. In using another writer's words, you must both place the words in quotation marks and acknowledge that the words are those of another writer.

You are plagiarizing if you use a sequence of words, a sentence or a paragraph taken from other writers without acknowledging them to be theirs. Acknowledgement is indicated either by (1) mentioning the author and work from which the words are borrowed in the text of your paper; or by (2) placing a footnote number at the end of the quotation in your text, and including a correspondingly numbered footnote at the bottom of the page (or in a separate reference section at the end of your essay). This footnote should indicate author, title of the work, place and date of Publication and page number. Method (2) given above is usually preferable for academic essays because it provides the reader with more information about your sources and leaves your text uncluttered with parenthetical and tangential references. In either case words taken from another author must be enclosed in quotation marks or set off

from your text by single spacing and indentation in such a way that they cannot be mistaken for your own words. Note that you cannot avoid indicating quotation simply by changing a word or phrase in a sentence or paragraph which is not your own.

B. In adopting other writer's ideas, you must acknowledge that they are theirs.

You are plagiarizing if you adopt, summarize, or paraphrase other writers' trains of argument, ideas or sequences of ideas without acknowledging their authorship according to the method of acknowledgement given in 'A' above. Since the words are your own, they need not be enclosed in quotation marks. Be certain, however, that the words you use are entirely your own; where you must use words or phrases from your source; these should be enclosed in quotation marks, as in 'A' above.

Clearly, it is possible for you to formulate arguments or ideas independently of another writer who has expounded the same ideas, and whom you have not read. Where you got your ideas is the important consideration here. Do not be afraid to present an argument or idea without acknowledgement to another writer, if you have arrived at it entirely independently. Acknowledge it if you have derived it from a source outside your own thinking on the subject.

In short, use of acknowledgements and, when necessary, quotation marks is necessary to distinguish clearly between what is yours and what is not. Since the rules have been explained to you, if you fail to make this distinction, your instructor very likely will do so for you, and they will be forced to regard your omission as intentional literary theft. Plagiarism is a serious offence which may result in a student's receiving an 'F' in a course or, in extreme cases, in their suspension from the University.

Medical Issues:

The University recognizes that a student's ability to meet his/her academic responsibilities may, on occasion, be impaired by medical illness. Please go to https://studentservices.uwo.ca/secure/medical_accommodations_link_for_OOR.pdf to read about the University's policy on medical accommodation. This site provides links to the necessary forms. In the event of illness, you should contact Academic Counselling as soon as possible. The Academic Counsellors will determine, in consultation with the student, whether or not accommodation should be requested. They will subsequently contact the instructors in the relevant courses about the accommodation. Once the instructor has made a decision about whether to grant an accommodation, the student should contact his/her instructors to determine a new due date for tests, assignments, and exams.

SUPPORT SERVICES:

Students who are in emotional/mental distress should refer to Mental Health@Western, <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about how to obtain help.

Please contact the course instructor if you require material in an alternate format or if you require any other arrangements to make this course more accessible to you. You may also wish to contact Services for Students with Disabilities (SSD) at 661-2111 x 82147 for any specific question regarding an accommodation.

If you have any further questions or concerns please contact, Rebecca Dashford, Undergraduate Program Advisor, Department of History, 519-661-2111 x84962 or rdashfo@uwo.ca