

**Economics 315: Topics in Economic History
COMPARATIVE HISTORY OF MODERN CAPITALISM**

Instructor: Prof. Chiaki Moriguchi
Email: chiaki@northwestern.edu
Office Address: 3222 Andersen Hall, Dept. of Economics
Phone: (847) 491-8237
Lecture Time: Tuesday & Thursday 9:30-10:50
Class Room: Tech Institute L150
Office Hours: Appointment by Email
Blackboard Course Website: <https://courses.northwestern.edu/>
Teaching Assistant: TBA

COURSE DESCRIPTION:

This course studies the origins of modern capitalism from a comparative institutional perspective. We examine the formation of economic institutions (e.g., property rights, modern corporations, labor markets, supplier relations, industry organization, collective bargaining, antitrust regulations) in Britain, Germany, the United States, and Japan from 1800 to 2000. While identifying institutional foundations commonly observed among the four countries, our analysis also highlights an institutional variation *within* modern capitalism. How can we explain the variation? Is one country's system more efficient than the others? Will the distinct institutions persist as multiple equilibria, or converge eventually to a unique equilibrium? The course combines microeconomic analysis, economic history, and business history to offer a comprehensive view of historical experiences and explore their future implications.

PREREQUISITES: ECONOMICS 201, 202, 310-1 and 311.

READING:

Required Textbook: McCraw et al., *Creating Modern Capitalism* (Harvard University Press; 1997).

PREPARING FOR DISCUSSIONS:

In-class discussions are very important part of this course. For this format to work, I need your cooperation and preparation. The textbook, *Creating Modern Capitalism*, consists of four "country" chapters and eight "company" chapters, and I will assign study questions for each chapter. For every class, you must read a chapter in advance and give a careful thought to the study questions. Everyone in the class is expected to contribute to the discussions so that we benefit from positive externality. Those students who expect to miss four or more classes during the quarter are strongly recommended *not* to take this course.

WRITING ASSIGNMENTS:

You must complete three writing assignments. Please choose three company chapters from three different countries, and write up answers to the study questions for the respective chapters. Please submit one hardcopy of your writing at the beginning of the class in which the chapter you chose will be discussed. Each assignment has to be typed and must not exceed 1,300 words. Please provide a word count, and anything longer than the word limit will not be read. Late submission and electronic submission will not be accepted. For further information, please see the guidelines for writing assignments at our course website.

GROUP PROJECT:

In the latter half of the course, you will be asked to form a group and undertake a research project. Each group will select a country that is not covered by the textbook and write a research paper applying the concepts and methods developed in the course. A project proposal is due on October 18 (Tue), 5PM, and a final version of the paper is due on November 22 (Tue), 5PM. Please see the guidelines for a group project at our course website for more information.

FINAL EXAM:

A final exam is scheduled on December 6 (Tue), 12-2PM. It will be based on all the materials covered in the course.

EVALUATION:

Grades will be based on class participation (20%), three writing assignments (20%), a group project (30%), and a final exam (30%).

CLASS SCHEDULE & READING ASSIGNMENTS

1. September 20 (Tue): Introduction – Creating Modern Capitalism, Chapter 1.
 2. September 22 (Thu): Wedgwood – Creating Modern Capitalism, Chapter 2.
 3. September 27 (Tue): British Capitalism – Creating Modern Capitalism, Chapter 3.
 4. September 29 (Thu): Rolls-Royce – Creating Modern Capitalism, Chapter 4.
 5. October 4 (Tue): Summary I & Group Project Preparation.
 6. October 6 (Thu): German Capitalism – Creating Modern Capitalism, Chapter 5.
 7. October 11 (Tue): Thyssen and German Steel – Creating Modern Capitalism, Chapter 6.
 8. October 13 (Thu): Deutsche Bank – Creating Modern Capitalism, Chapter 7.
 9. October 18 (Tue): Summary II. *Group Project Proposal due October 18 (Tue), 5PM.*
 10. October 20 (Thu): Ford vs. GM – Creating Modern Capitalism, Chapter 8.
 11. October 25 (Tue): American Capitalism – Creating Modern Capitalism, Chapter 9.
 12. October 27 (Thu): IBM – Creating Modern Capitalism, Chapter 10.
 13. November 1 (Tue): Toyota – Creating Modern Capitalism, Chapter 11.
 14. November 3 (Thu): Japanese Capitalism – Creating Modern Capitalism, Chapter 12.
 15. November 8 (Tue): Seven-Eleven Japan – Creating Modern Capitalism, Chapter 13.
 16. November 10 (Thu): Summary III – Creating Modern Capitalism, Chapter 14.
 17. November 15 (Tue): Group Presentation I.
 18. November 17 (Thu): Group Presentation II.
- November 22 (Tue): No class. *Group Project due at 5PM.*
- November 28–December 2: WCAS Reading Period.
- December 6 (Tue) 12:00-2:00PM: Final Exam.