Course Description and Requirements

This course of reading, writing, lecture and discussion considers the enterprise systems of Great Britain, Germany, Japan and the United States. We will examine the political and economic dynamics these four, successful, wealth-creating societies, paying special attention to impacts of government, entrepreneurship, management, and financial institutions.

The intellectual objectives of the course are to hone students’ abilities to think comparatively, over time and across cultural contexts. We will take time to consider the lessons we can learn from history and their application to nations and institutions in our own time.

Classes will be a mix of lecture and discussion of the assigned readings. Attendance is important. Short paragraphs on the assigned readings will be required for each class as a preparation for discussion. There will be a final take-home essay, distributed in the penultimate class session, which will be due one week from the end of the course.

Since there is a large volume of reading and the classes occur in a narrow time frame, it is important to do the reading in advance of the course start. Please read for comprehension. Think about what the important themes are. Don’t get lost in the mass of detail. There is absolutely nothing to memorize.

Course grades will rest mainly on the quality of the final essay, adjusted for quality of class participation and homework. Stern default policies apply.

Curiosity is a virtue. Do not hesitate to ask questions and to challenge the professor and one another during class.
B30.2190.U3
Global Perspectives

Required texts


Class Schedule and homework assignments

August 17  Patterns of modernization: government and society


Homework assignment due at the beginning of class: Write up to 2 pages about: What surprises you about the comparative economic development of the UK, the US, Germany and Japan?

August 19  Dynamics of capitalism: financial systems


Homework: Write no more than one page on: Though there is some “convergence” among different financial systems in the contemporary world, they were significantly different in Germany and the US before the 1990s. How do you account for these differences? Which system, historically, was more effective?
August 22 Morning Dynamics of capitalism: entrepreneurship and management

Read: "Josiah Wedgwood" and “Henry Ford and Alfred Sloan,” from Creating Modern Capitalism.

Homework: Make a short list of what is particularly remarkable about Josiah Wedgwood’s business achievement.

August 22 Afternoon Comparative advantage lost and won

Read: “Toyoda Automatic Looms...” and “Rolls Royce” in Creating Modern Capitalism.

Homework: Write up to one page on one of the following subjects: (1) Toyoda/Toyota managed to capture markets from superior players in the textile machinery and auto industries. In each case, what factors contributed to the company’s success? Or: (2) Rolls Royce found its niche in two industries. In each case, what factors contributed to the company’s success?

August 24 Exploiting market (and political) constraints

Read: “IBM” and “7-Eleven in America and Japan” in Creating Modern Capitalism.

Homework: Write one paragraph on each of the following: (1) Did Thomas Watson, Jr. behave responsibly in his push to develop the IBM 360?; and (2) How do you explain the divergence of 7-Eleven strategies and operations in the U.S. and Japan?

August 26 Lessons for (and from) emerging markets

Read: Reinhart and Rogoff, “This Time It’s Different: Eight Hundred Years of Financial Folly” (Blackboard).

Homework: Identify in one column of a table the factors that allow countries to “graduate” from serial default. In the second column, explain how each factor matters (you may include examples from history). Do not exceed one page.
Kim Schoenholtz joined the Economics Department of NYU Stern School of Business as an adjunct professor in 2009. Previously, he was Managing Director and Senior Advisor in Citigroup's Economic and Market Analysis (EMA) department. Schoenholtz served as Citigroup's global chief economist from 1997 until 2005. After taking a year's leave, he was a Senior Advisor in EMA from 2006 until coming to Stern.

Mr. Schoenholtz joined Salomon Brothers in 1986. He worked in Bond Market Research in New York before moving to Tokyo in 1988. As Director of EMA in Tokyo, he shared responsibility for Salomon's view on the Japanese economy and markets. In 1992, he transferred to London to serve as the head of EMA in Europe. He was named Salomon's chief economist in 1997, and subsequently became chief economist at Salomon Smith Barney and at Citigroup. Schoenholtz returned to New York in this role in 1999.

Schoenholtz was a Visiting Scholar at the Bank of Japan's Institute for Monetary and Economic Studies from 1983 to 1985. He received an M.Phil. in economics from Yale University in 1982 and an A.B. from Brown University in 1977. He also studied for one year in Marburg, Germany. He has served as a member of the Executive Committee of the Centre for Economic Policy Research in London and is currently a panel member of the U.S. Monetary Policy Forum.

Schoenholtz is an avid amateur astronomer and volunteers at two observatories (www.asterism.org and www.njaa.org) to operate their large telescopes for public viewing.