Course Description and Requirements

This course will examine the historical development of the American enterprise system since the beginning of the industrial revolution. Readings will cover topics in entrepreneurial strategy, technological development, managerial reform, financial markets, and labor organization. We will place the unique development of the American corporation in its larger economic contexts and will consider how specific fiscal, monetary and regulatory policies have affected the entrepreneurial process, corporate organization and management structure.

The intellectual goals of the course are to impart a long-term perspective on the U.S. enterprise system, and to cultivate thinking in time and context.

Requirements and evaluation: Readings will be required for each class. Attendance is expected; no one will be permitted to “mail in” the course. There will be short, one-paragraph, writing exercises in preparation for class discussion. Each student will participate in one assigned group presentation. The final examination will present a proposition to which students will be asked to respond in a thoughtful essay. Class attendance and participation will be factored in on the upside—also homework, if exceptional.
9/08 Class 1

Concepts and Background

09/13 Class 2

The Hamiltonian Settlement

Background reading: Larry Schweikart, The Entrepreneurial Adventure, pp. 59-63..

Homework questions for this and subsequent classes to be posted on Blackboard under “Assignments.”

09/15 Class 3

Central Banking in the New Republic

Background: George David Smith and Richard Sylla, “Capital Markets,” pp.1209-14

09/20 Class 4

The First Industrial Revolution

Case reading: “Samuel Slater, Francis Cabot Lowell and the Beginnings of the Factory System....”
Background: Entrepreneurial Adventure, pp. 67-89.

09/22 Class 5

Infrastructure and State Entrepreneurship

Case reading: “Rise of the Port of New York"
Background: Entrepreneurial Adventure, pp.95-108; 126-130..

09/27 Class 6

King Cotton and Civil War Finance


Background: Entrepreneurial Adventure, pp.165-69; 179-92.
09/29 Class 7

Transportation Revolution: R.R. Consolidation and Control

Case reading: “Jay Gould and the Coming of Railroad Consolidation.”

10/04 Class 8

The Telecommunications Revolution, I

Reading: Tom Standage, *The Victorian Internet*, selected chapters.

10/06 Class 9

The Telecommunications Revolution, II

Background: *Entrepreneurial Adventure*, pp. 119-25.

10/11 Class 10

The Expansion of Big Business

Case reading: “The Standard Oil Company: Combination, Consolidation and Integration.”
Background: *Entrepreneurial Adventure*, pp. 193-208.

10/13 Class 11

Financial Capitalism

Case reading: “J.P. Morgan”.

10/18 Class 12

Railroad Economics and the Rise of Modern Regulation

Case reading: “The Railroad Problem and its Solution.”
Background: *Entrepreneurial Adventure*, p. 223-49.
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10/20 Class 13

Busting the Trusts
Case reading: “Antitrust: Perceptions and Reality in Coping with Big Business.”
Background: Entrepreneurial Adventure, pp. 256-61.

10/25 Class 14

Managing Multinational Enterprise

10/27 Class 15

Rise of the M-Form Corporation
Case reading: Smith and Dyer, “Rise and Transformation…of the Corporation.” (Posted on blackboard.)

11/01 Class 16

The Age of Consumption
Reading: Entrepreneurial Adventure, pp. 269-340.

11/03 Class 17

Crash and Depression
Case reading: TBA
Background: Entrepreneurial Adventure, pp.341-52.

11/08 Class 18

The New Deal and the “Mixed Economy”
Background: Entrepreneurial Adventure, pp. 354-63.

11/10 Class 19

Financial system Regulation
11/15 Class 20
The Rise of Big Labor
Case reading: “The Labor Movement between the Wars.”

11/17 Class 21
Wartime Mobilization and Demobilization
Reading: Entrepreneurial Adventure, pp. 371-84.

11/29 Class 22
America’s “Golden Age”
Reading: Entrepreneurial Adventure, pp. 385-405.

12/01 Class 23
Relative Decline
Reading: Entrepreneurial Adventure, ch. 11.

12/06 Class 24
Renewing Corporate America, I
Reading: George P. Baker and George David Smith, The New Financial Capitalists, at least chapters 1, 2, 4, and 6.
Background: Smith and Sylla, “Capital Markets”, finish.

12/08 Class 25
New Economy
Reading: Entrepreneurial Adventure, chs. 12-13 and TBA

12/13 Class 26
Contemporary Issues in Historical Context
Discussion
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Classroom Comportment

Attendance is expected. Classes should start on time, so please be on time. It’s the right thing to do. Everyone is expected to turn off all cell phones and put away all laptop computers, cell phones and other distracting paraphernalia during class sessions. Please at least pretend to be interested in what the instructor and your classmates have to say. Be not afraid to ask questions, to challenge the professor and one another, and to hold forth with your own ideas about the subject matter, so long as you are polite and don’t suck the air out of the room (that privilege is reserved for the instructor). At the end of class, take out everything you brought in, save for rubbish, which you may deposit in the receptacle provided. Dress as you would at home, so long as you dress at home.

NYU Stern Code of Conduct

Psted under “Assignments” on Blackboard

Please review!

Books to Be Purchased:

Tom Standage, The Victorian Internet (1999).

Course Packet, including:

Harvard Business School Cases:
“Strategic Vision of Alexander Hamilton”
“Second Bank of the United States”
“Samuel Slater, Francis Cabot Lowell…..”
“Rise of the Port of New York”
“Railroads…and Modern Management”
“Jay Gould…..”
“The Railroad Problem and the Solution”
“Antitrust…..”
“J.P. Morgan”
“Standard Oil Company….“
“Singer Sewing Machine”
“The Labor Movement between the Wars”
Gene Dattel, “Cotton and Confederate Finance”

Posted on Blackboard:
George David Smith and Richard Sylla, “Capital Markets”
George David Smith and Davis Dyer, “The Rise and Transformation of the American Corporation”
George David Smith, “Forfeiting the Future”
Timothy C. Jacobson and George David Smith, “The Snow of Southern Summers.”
Instructor’s Biographical Information

George David Smith is Clinical Professor of Economics and International Business at the Stern School of Business, New York University where he serves as Academic director of the Executive EMBA Programs. He began teaching at the Stern School in 1984 and joined its economics faculty in 1988, and is now one of the school’s three full-time historians. He offers courses in U.S. Business History, Global Perspectives on the History of Enterprise, Markets, Ethics and Law, and Entrepreneurial Leadership. He is also a faculty member of the Berkley Center for Entrepreneurial Studies and is a research associate of the Center for Japan-U.S. Business and Economic Studies. He has been twice named a Glucksman Faculty Fellow.

Professor Smith holds a Ph.D. in history from Harvard University, where he taught from 1972-78. He worked as project manager for telecommunications industry antitrust studies at the Cambridge Research Institute from 1979 1981. In 1982 he was founding partner of The Winthrop Group, Inc. in Cambridge, MA and New York, where he has consulted to such companies as ALCOA, AT&T, Comcast Corp., Cotton Incorporated, Dillon, Read, Inc., Dover Corporation, General Electric Company, Guardian Life Insurance Company, Kohlberg Kravis Roberts & Co., McKinsey & Company, Procter & Gamble, and Shell Oil Company.

Some of his publications include:


