

# Public Economics and Economic History (A78606) – Year 2017-18

## Module III: The development of modern market economy, a historical perspective

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The module will present a long-run perspective on the development of modern capitalism and the role of State in it. Through the presentation of historical cases, the module will offer to the students a perspective which highlights complexity in the economic phenomena, and which stresses the need for an analysis encompassing multiple variables (culture, society, politics).

03/05 Thu	10.00-12.00	<b>Introduction: adding an historical perspective</b> Module goals and guidelines
		<b>Modern economic development in historical perspective</b> Starting from XVIII Century, industrialization dug a gap in human history. What exactly was its meaning? What the causes and the consequences? Why do we refer to it as a complex phenomenon?
08/05 Tue	10.00-13.00	<b>The ascent of market economy</b> Market economy is a quite recent way for organizing production and exchange of goods. How did economies run before capitalism? What are the reasons which explain the success of market economy? How did the relationship between State and economy changed during the history?  <ul style="list-style-type: none"> <li>R. Heilbroner, <i>Twenty-First Century Capitalism</i>, London: UCL Press 1992, pp. 6-21</li> </ul>
10/05 Thu	10.00-13.00	<b>The Industrial Revolution</b> XVIII Century's England was the first case of industrial development. Why was England the first? Which were the drivers of the Revolution? Is it correct to define such as event as a 'revolution'?
15/05 Tue	10.00-13.00	<b>Market and natural environment</b> Modern economic development is based on environment control and new forms of natural resources exploitation. The case of industrialization in the United States (ca. 1860-1950) underscores the relationship between resources and models of growth. Does resources endorsement determine development possibilities? Which elements do define different models of exploitation?  <ul style="list-style-type: none"> <li>D.S. Landes, <i>The Wealth and Poverty of Nations</i>, London: Abacus 1998, 3-16</li> <li>R. Cameron, <i>A concise economic history of the world</i>, New York: Oxford University Press 1989, pp. 226-229</li> </ul>
17/05 Thu	10.00-13.00	<b>Market and political freedom</b> Free market not always meant also political freedom. Does

		<p>democracy enhance or hamper modern economic development? Does politics interfere with or complete market mechanism? The lesson will consider the case of Germany (ca. 1840-1940) and China (1950-2000).</p> <ul style="list-style-type: none"> <li>T. Kemp, <i>Industrialization in Nineteenth-century Europe</i>, London: Longman 1970, pp. 85-90 ('In the eighteen century... payment to the lord.') and 94-104 (A society... the tariff of 1879.)</li> </ul>
24/05 Thu	10.00-12.00	<p><b>Intermediate written test</b></p> <p>Remember to sign up online for the exam trough My.LIUC</p>

**Students attending classes** Final exam is based on the readings indicated in this syllabus and on the notes taken by the students during the module. The instructor could indicate suggested readings for the students who would require it. The books from where the readings come from are made available at the Library.

**All other students** not-attending students or students failing the test could take a written exam on the book: K.G. Persson, *An Economic History of Europe*, Cambridge: CUP 2010. Chapters 1, 2, 8, 9 and 11 are not required for the exam.

### **Assessment**

Module III accounts for 30% on the final grade (even for grades under 18/30 in the module).