

Eco. 5709 -- The World Economy -- Dr. Mira Wilkins -- Fall 2009

The goal of this course is to provide a broad overview of the history of the world economy. There are two examinations: a mid-term (that will cover the period to 1914), and a final examination. There is a paper required. Students will be graded based on their performance on the examinations, class participation, and the paper. Class attendance is required. Dr. Wilkins has office hours Thursday 2-3 pm and by appointment. Her office is DM 319C, phone number, 305-348-3352; e-mail, wilkinsm@fiu.edu.

Required

Hammond Historical Atlas of the World, latest edition

Douglass C. North, *Understanding the Process of Economic Change*

Peter N. Stearns, *Interpreting the Industrial Revolution*

A.G. Kenwood and A.L. Lougheed, *The Growth of the International Economy* (4th ed. 2000)

Jeffrey D. Sachs, *Common Wealth: Economics for a Crowded Planet* (2008)

Course Outline

I. The Setting, Background, and Industrial Revolution. Why Did the West Become Rich?

We are going to begin our course billions of years ago, move quickly through millions, and then thousands, and finally hundreds of years. Read Edward O. Wilson's Forward to Sachs, *Common Wealth*, who wants to start the story about 10,000 years ago.

Look at the maps and chronology in the Hammond Atlas, pp. I to H-3 (and beyond), also H-64 to H-71. Read North, *Understanding the Process of Economic Change*, Preface and pp. 1-145, for an approach to the early history of the West. Read Stearns, *Interpreting the Industrial Revolution*, Chaps. 1-4, for the importance of the industrial revolution. Then read Kenwood and Lougheed, *The Growth*, Introduction.

Optional reading: You may want to supplement these readings with a look at Carlos M. Cipolla, *Economic History of World Population* (on reserve), which is out of date, but gives a "traditional view." See also, and once again traditional, the influential work of Fernand Braudel, *Afterthoughts on Material Civilization* (on reserve). Once world economic history was centered on the West. For a broader and richer interpretation that poses new questions, see Ronald Findlay and Kevin H. O'Rourke, *Power and Plenty: Trade, War, and the World Economy in the Second Millennium*, pp. 1-364 (on reserve); Janet L. Abu-Lughod, *Before European Hegemony: The World Economic System AD 1250-1350* (on reserve); and/or Kenneth Pomeranz, *The Great Divergence* (on reserve and in e-book form).

II. The Years between 1820 and 1914: The Emergence of a Global Economy

Kenwood and Lougheed, *The Growth*, Chaps. 1-10

Stearns, *Interpreting the Industrial Revolution*, Chaps. 5-8

Midterm Examination

III. World War I, the Interwar Years, World War II and its Immediate Aftermath (1914-1950)

Kenwood and Lougheed, *The Growth*, Chaps. 11-16

North, *Understanding the Process of Economic Change*, 146-149

IV. The World Economy since 1950; Will the BRICs Catch up? Which BRICs?

Kenwood and Lougheed, *The Growth*, Chap. 17-22

North, *Understanding the Process of Economic Change*, 149-170

Sachs, *Common Wealth* (entire book).

Optional reading: For different perspectives, Thomas Friedman, *The World is Flat* (2007);

Thomas L. Friedman, *The Lexus and the Olive Tree*; Joseph Stiglitz, *Globalization and its Discontents*.

Final Examination will be in assigned time slot.

Paper assignment: Each paper is to be on the “internationalization” of a particular economic sector. Each student will select an industry (I define “industry” broadly to include the range of economic sectors including services). A student can choose any industry he/she wishes, subject to Professor Wilkins’s approval, but no two students can make the same selection, so the sooner a decision is made, the more likely a student is to get his/her first choice. The paper is to be on the extent to which the industry selected is international in the year 2009, that is, how the industry has been influenced by multinational enterprise, cross-border technology and knowledge transfers, specifically information and communication technologies, global markets, supply chains, migration, and the so-called democratization of technology, finance, and information. All of these aspects will be discussed during the course -- as we try to define what a world economy is all about. Each paper is to be an original piece of work. It should go without saying that when another individual’s work is cited, the passage must be between quotation marks. The student must cite all his/her sources in a conventional manner, including internet ones (with the date of access); the citations should be such that your professor can go to the source and find it. Wikipedia is not an acceptable source. The paper should be roughly 15-20 pages long, with footnotes and bibliography. It is due on Fri. Dec. 4.

(MD: EC5709-F9)