



Richard E. & Sandra J. Dauch

COLLEGE OF
BUSINESS & ECONOMICS

ASHLAND UNIVERSITY

ECONOMICS

The Economic History of Entrepreneurship (3 credit hours)

Economics 302

Spring 2011

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Office Hours: Wednesdays, 2:30-4:00 PM, Thursdays, 10:50-12:15 PM, or by appointment.

Prerequisites: None.

Catalog Description: This course examines the social, institutional, and economic environment from which some important American entrepreneurs have emerged and analyzes their impact on society. Emphasis is put on the institutional and economic environment in which an entrepreneur operates and the impact of the entrepreneur on this environment. Entrepreneurship is an important part of the modern social and business milieu, and an understanding of this phenomenon is important to a well-educated person. Meets Core credit for Social Sciences.

Course Materials: As a general text, I will often refer to McCraw, T. K., *American Business, 1920-2000: How it Worked*, Wheeling, IL: Harlan Davidson, 2000. This rendition of the course will cover the following: entrepreneurs, John D. Rockefeller, Henry Ford, Alfred Sloan, Thomas Watson Sr. and Jr., the development of Silicon Valley and HP, and Ken Iverson of Nucor. Thus, particular sources will be used for each of these people. For the below entrepreneurs, the following sources will be used:

General Reading:

Porter, M. E. *On Competition*, Boston, MA: Harvard Business School Publishing, 1998, Chapter 1.

Patrice Higonnet, David S. Landes, and Henry Rosovsky (1991) **Favorites of Fortune: Technology, Growth, and Economic Development since the Industrial Revolution**, Cambridge, MA: Harvard University Press, Ch. 12 (Called Temin below)

One Article to be handed out

John D. Rockefeller:

Base Reading:

Yergin, Daniel, *The Prize: the Epic Quest for Oil, Money, and Power*, New York: Simon & Schuster, 1991, Chapter 2

One Article to be handed out

References:

Nevins, A. *John D. Rockefeller; the Heroic Age of American Enterprise*, New York: C. Scribner's Sons, 1940

Chernow, R. *Titan: the Life of John D. Rockefeller, Sr*, New York: Random House, 1998

Tarbell, I. M. (1950) **The History of the Standard Oil Company**, New York, P. Smith, 1950.

Henry Ford and Alfred Sloan:

- Base Reading: McCraw, T. K. *American Business, 1920-2000: How it Worked*, Wheeling, IL: Harlan Davidson, 2000, Chapter 1. (Called McCraw (1) in this syllabus.)
- McCraw, T. K. **Creating Modern Capitalism: How Entrepreneurs, Companies, and Countries Triumphed in Three Industrial Revolutions**, Cambridge, MA: Harvard University Press, 1997, Chapter 8. (Called McCraw (2) in this syllabus.)
- References: Nevins, A. *Ford*, New York, Scribner, 1954
- Chandler, A. D., *Strategy and Structure: Chapters in the History of the Industrial Enterprise*, Cambridge, MA: M.I.T. Press, 1962

Watsons and IBM:

- Base Reading: McCraw, T. K. *Creating Modern Capitalism: How Entrepreneurs, Companies, and Countries Triumphed in Three Industrial Revolutions*, Cambridge, MA: Harvard University Press, 1997, Chapter 10. (Called McCraw (2) in this syllabus.)
- Slater, R. *Portraits in Silicon*, Cambridge, MA: MIT Press, 1989 c1987.
- Chandler, Alfred D. *Inventing the Electronic Century: the Epic Story of the Consumer Electronics and Computer Industries*, Cambridge, MA: Harvard University Press, 2005, Chapter 4.
- References: Rodgers, William, *Think; a Biography of the Watsons and IBM*, New York, Stein and Day, 1969.
- Watson. T. J. *Father, Son & Co.: My Life at IBM and Beyond*. 1990.

Silicon Valley and HP:

- Base Reading: McCraw, T. K. *American Business, 1920-2000: How it Worked*, Wheeling, IL: Harlan Davidson, 2000, Chapter 10. (Called McCraw (1) in this syllabus.)
- Chandler, Alfred D. *Inventing the Electronic Century: the Epic Story of the Consumer Electronics and Computer Industries*, Cambridge, MA: Harvard University Press, 2005, Chapter 5.
- Slater, R. *Portraits in Silicon*, Cambridge, MA: MIT Press, 1989 c1987.
- Lee, Chong-Moon et al. (2000) **The Silicon Valley Edge: A Habitat for Innovation and Entrepreneurship**, Stanford, CA: Stanford University Press.
- Packard, David (1995) **The HP Way: How Bill Hewlett and I Built Our Company**, New York: HarperBusiness, Appendix 1.
- Articles to be handed out
- References: Packard, David (1995) **The HP Way: How Bill Hewlett and I Built Our Company**, New York: HarperBusiness.

Ken Iverson:

- Base Reading: Preston, Richard "Hot Metal.," *The New Yorker*, Feb. 25, 1991 and March 4, 1991.
American National Business Hall of Fame
Preston, R., *American Steel*, New York: Avon Books, 1991
Articles to be handed out
- References: Iverson, K. *Plain Talk: Lessons from a Business Maverick*, New York: Wiley, 1998
Rogers, R. P. (2009) *An Economic History of the American Steel Industry*, London ;
New York : Routledge, 2009

Additionally, I will assign a number of articles and excerpts most of which I will have on hand or put on reserve at the Library. (I reserve the right to assign some readings that are not presently on the list, but they will not be all that onerous.)

Course Competencies: This course is designed to address three of the College of Business and Economics Core competencies: (1) **Specialized Knowledge** of economics thought, (2) **Thinking Skills**, specifically the logical thinking, conceptual thinking, and application of theories and concepts to managerial problems and solutions, and (3) **Communications Skills**, specifically writing and speaking.

Course Objectives: In this course, the students write papers about and present oral reports on particular incidents on the history of various entrepreneurs. These activities develop their ability to think about the environment in which a new business operates, the problems facing new business owners, and the impact of entrepreneurs on the social and economic milieu. Furthermore, the course contributes to the objectives of the university core in that entrepreneurship which pervades modern social life is a major historical phenomenon. Additionally, the students learn to evaluate the sources of information available on these historical figures.

By the end of this course, students should be able to do the following: **(1)** understand the historical and economic environment in which entrepreneurs operate, **(2)** analyze and explain how the activities of entrepreneurs change this historical and social environment, **(3)** write an analysis of the activity and impact of a given entrepreneur.

Assessment of Competencies/Evaluative Criteria: This course will include a Mid-term test (18% of the grade), a Final examination (30% of the grade), a Term Paper (30% of the grade), an oral book report (12% of the grade), and an oral report based on the paper (5%), and class participation will account for 5 per cent of the total grade. The Mid-Term and Final are essay tests that focus on the subject materials in the syllabus.

The Final Examination is **cumulative** in that it covers the whole course. In separate handouts, the nature of the paper and homework assignments will be described.

Scale of Grades: (A - F including plus/minus except for no A+)

Class attendance: Class attendance is mandatory. The student is allowed **four (for night courses one)** unexcused class absences without penalty. Each unexcused absence in excess of **four (for night courses one)** can result in a final grade reduction of 4%. Remember also that when you are not there credit cannot be given for class participation. The student is responsible for the materials discussed during an absent day. **DO NOT** make appointments with advisors, other professors or anyone else during class hours.

Teaching Methodology: Discussions supplemented by lectures.

Cheating: Academic integrity must be maintained at all times. No form of cheating or plagiarism will be tolerated. Such actions will be dealt with in accordance with the procedures documented in the Ashland University Student Handbook.

Special Problems: - Students with documented disabilities who require academic adjustments for this class are requested to contact me to discuss reasonable accommodations. While not required, it is in the best interest of the student to have this conversation early in the semester. In order to receive academic adjustments paperwork from Disability Services must be provided to document this need. Disability Services is located in 105 Amstutz, extension 5953.

Tentative Course Schedule:

<u>WEEK OF</u>	<u>SUBJECTS AND/OR EVENT</u>	<u>ASSIGNMENT *</u>
JAN. 10	Introduction	Porter, Temin, and Useem
JAN. 17	Rockefeller and Standard Oil	Yergin and Vavra
JAN. 24	Rockefeller and Standard Oil	Yergin and Vavra
JAN. 31	Automobile: Ford and Sloan	McCraw (1), ch 1 and McCraw (2), ch 8
FEB. 7	Automobile: Ford and Sloan	McCraw (1), ch 1 and McCraw (2), ch 8
FEB. 14	Automobile: Ford and Sloan	McCraw (1), ch 1 and McCraw (2), ch 8
FEB. 21	Watsons and IBM <u>Mid Term Test</u>	McCraw (2), ch 10 Chandler, ch 4 and Slater
FEB. 28	Watsons and IBM	McCraw (2), ch 10 Chandler, ch 4 and Slater
MAR. 7	<u>SPRING BREAK</u>	
MAR. 14	Watsons and IBM	McCraw (2), ch 10. Chandler, ch 4 and Slater
MAR. 21	Noyce and Silicon Valley	McCraw (1), ch 10, Chandler, ch 5 and Lee, ch1 & 8 and Slater
MAR. 28	Silicon Valley and HP	McCraw (1), ch 10, Chandler, ch 5, Lee, ch1 & 8 and Packard
APR. 4	HP	McCraw (1), ch 10, Chandler, ch 5 and Packard
APR. 11	Nucor and Minimills	Preston and Others
APR. 18	Iverson and Nucor	Preston and Others
APR. 25	Review and Reports	
MAY 2	<u>FINALS</u>	

* This schedule is tentative, and I reserve the right to deviate from it. By keeping up with the class, the student will have a good idea of what to read each week. The hour tests are scheduled for the designated weeks, and I will give ample notice as to the exact days. While I reserve the right to move the tests back in time, I will not move them forward.