

## COURSE SPECIFICATION DOCUMENT

<b>Academic School / Department:</b>	Business and Economics
<b>Programme:</b>	BA (Hons) Economics BA (Hons) Finance and Investment
<b>FHEQ Level:</b>	6
<b>Course Title:</b>	International Financial History
<b>Course Code:</b>	FNN 6420
<b>Course Leader:</b>	Sabine Spangenberg
<b>Student Engagement Hours:</b>	120 (standard 3- credit BA course)
Lectures:	45
Seminar / Tutorials:	
Independent / Guided Learning:	75
<b>Semester:</b>	Spring
<b>Credits:</b>	12 UK CATS credits 6 ECTS credits 3 US credits

### **Course Description:**

The course provides students with an in-depth knowledge of the evolution of the international financial system since the 19<sup>th</sup> century. It covers the development of international monetary systems, the rise and fall of international financial centres and the relationship between finance, industry and economics. The course pays particular attention to financial crises, a phenomenon that represents an endemic feature of capitalist history. The course makes use of students' analytical and data interpretation skills and allows an evidence based reflection with a direct relevance to the latest financial crisis and the current financial and economic developments.

### **Prerequisites:**

FNN 6200 or PLT 5200 or HST 5210

### **Aims and Objectives:**

The course aims to generate a deep understanding of the changing role of financial systems and finance at different stages of social, political and economic development.

It approaches financial history from the perspective of both complementary and conflicting perspectives of economics, history, political economy and economic sociology. The course aims to provide students with a broad overview of the diverse analytical tools used by scholars coming from different disciplines to explore the financial phenomenon. Students will learn that severe financial crises entail tangible economic, social and political consequences that have the potential to provoke large-scale transformations. At the same time, financial systems encompass a cultural dimension in that a financial crisis could invalidate the existing institutional and functional framework. Within this framework, particular emphasis is placed on the economic and cultural dimensions/consequences of financial crises.

**Programme Outcomes:**

BA Economics:

A3, A4, A5

B4

C3, C5, C8

BA Finance and Investment:

A1, A5

B1, B2, B5

C2

D1, D5

A detailed list of the programme outcomes is found in the Programme Specification. This is maintained by Registry and located at: <https://www.richmond.ac.uk/programme-and-course-specifications/>

**Learning Outcomes:**

By the end of this course, successful students should be able to:

- Reflect on various banking systems of the 19<sup>th</sup> century
- Demonstrate historical understanding of financial markets, models and systems
- Display understanding of international financial centres
- Debate financial imperialism
- Link knowledge of economic history, such as that of the Great Depression, with financial market functioning
- Evaluate various forms of financial instruments and financial innovation
- Demonstrate an understanding of financial globalisation and financialisation
- Evaluate forms of monetary integration
- Contribute to the current debate in finance and economics
- Interpret sources of information on financial issues

- Place current financial developments into a wider frame of knowledge
- Interpret data and evaluate evidence

**Indicative Content:**

- 1 British versus German banking system in the nineteenth century: myth and reality
- 2 The emergence of London as an international financial centre in the nineteenth century and its competition with Paris
- 3 The triumph of the gold standard in the second part of the nineteenth century
- 4 The debate on financial imperialism and the conflicting narratives over the City of London
- 5 The war and the illusory attempt to restore the gold standard
- 6 The emergence of New York as an international financial centre in the 1920s
- 7 The Great Depression – an economic analysis
- 8 The Great Depression – a cultural analysis
- 9 Bretton Woods and the model of economic development of the ‘golden age’
- 10 At the origin of financial innovation: the Eurodollar and Eurobond markets
- 11 The revival of the City of London and the competition with New York
- 12 The 1970s and the disruption of the Bretton Woods model
- 13 From “financial repression” to financial deregulation (1970s-1990s)
- 14 The return to financial instability (1970s-1990s)
- 15 The debate on the ‘financialisation’ of the Anglo-Saxon capitalism
- 16 From the first steps in the process of European monetary integration to the introduction of the Euro (1970s-2000s)
- 17 Financial Innovations: From Derivatives to Microfinance
- 18 Behavioural Finance and Incalculable Risk
- 19 The 2007-8 financial crisis – an economic and cultural analysis

**Assessment:**

This course conforms to the University Assessment Norms approved at Academic Board.

**Teaching Methodology:**

The course will be delivered in a semi-formal form combining lectures and in-class discussions with student presentations and (a) visit(s) to London banking institutions.

**Indicative Text(s):**

- Akerlof, G., Schiller, R. (2009) *Animal Spirits. How Human Psychology Drives the Economy*, Princeton: Princeton University Press.
- Bell, B., Hindmoor, A. (2015) *Masters of the Universe, Slaves of the Markets*, Cambridge Mass.: Harvard University Press.
- Brunnermeier, M. K., James, H, Landau, J.P. (2016) *The Euro and the Battle of ideas*, Princeton: Princeton University Press.
- Cassis, Y. (2006) *Capitals of Capital. The Rise and Fall of International Financial Centres 1780-2009*, Cambridge: Cambridge University Press.
- Cassis, Y. (2011) *Crises and Opportunities. The Shaping of Modern Finance*, Oxford : Oxford University Press.
- Eichengreen, B. (2008) *Globalising Capital. A History of the International Monetary System* Princeton: Princeton University Press.
- Eichengreen, B. (2015) *Hall of Mirrors: the Great Depression, the Great Recession, and the Uses and Misuses of History*, Oxford: Oxford University Press.
- Fraser, S. (2005) *Wall Street. A Cultural History*, London: Faber and Faber.
- Hansen, P. (2014) 'From financial capitalism to financialization: a cultural and narrative perspective on 150 years of financial history', *Enterprise and Society* 15(4), pp. 605-642.
- Kindleberger, C. (1984) *A Financial History of Western Europe*, London: Routledge.
- Kindleberger, C., Aliber, A. (2005) *Manias, Panics and Crashes. A History of Financial Crises*, London: Wiley.
- Mayntz, R. (2012) *Crisis and Control. Institutional Change in Financial Market Regulation*, Cologne: Max Plank Institute.
- Polanyi, K. (1944) *The Great Transformation*, New York: Farrar & Reinhart.
- Reinhart, C., Rogoff, K. (2009) *This Time is Different. Eight Centuries of Financial Folly* (London: Princeton University Press.

**Primary Sources:**

- US Senate Committee on Banking and Currency, *Pecora Report* (1932)
- US Financial Crisis Inquiry Commission, *Financial Crisis Inquiry Report* (2011).

**Novels:**

- Anthony Trollope, *The Way we Live Now* (1875)
- Emile Zola, *Money* (1891)
- Tom Wolfe, *The Bonfire of the Vanities* (1987)
- John Lanchester, *Capital* (2012)

**Movies:**

- Oliver Stone, *Wall Street* (1987)
- Ben Younger, *Boiler Room* (2000)
- Charles Ferguson, *Inside Job* (2010)
- Oliver Stone, *Wall Street. Money Never Sleeps* (2010).

See syllabus for complete reading list

**Change Log for this CSD:**

Nature of Change	Date Approved & Approval Body (School or AB)	Change Actioned by Academic Registry