

HIST0212: THE GLOBAL ECONOMY SINCE 1700

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Support and feedback hours:

Mondays, 12:00-13:00 pm (in person)

Tuesdays, 9:30-10:30 am (online via Teams)

Course description

This module introduces the history of global economic change from a long-term perspective drawing on the new economic history literature. It is divided into two broadly defined historical periods. The first term, covering the period of 1700-1914, starts with a series of lectures on concepts and debates in global economic history. Topics follow a chronological order as they introduce major turning points in the history of economic change prior to 1914, including the rise of fiscal states, commercial expansion of the West, and financial and monetary transformations. The second half of the term mainly focuses on history of industrialisation, economic growth and divergence from a global and comparative standpoint. The second term opens with an introductory lecture on history of economic globalisation since 1870. In chronological order, weekly lectures explore the globalisation backlash between the two world wars, the post-war Bretton Woods consensus, and the new economic order since 1970. The first five weeks of the second term primarily feature the economic performance of the developed world; whereas the second half sheds light on the economic history of key developing regions and political economy of late development. The module concludes with two global lectures on demography and living standards from a long-term perspective.

Weekly topics

First Term:

1. Concepts (no seminar)
2. Debates (first face-to-face seminar)
3. States and political regimes
4. Trade and empires
5. Finance and money
6. Agriculture and demography
7. Industrial Revolution
8. European industrialisation
9. US and Japan
10. Asia, the Middle East, Latin America

Second Term:

1. Globalisation before 1914
2. Interwar era
3. The Golden Age
4. International institutions
5. Central planning
6. Asian miracles
7. Failures of economic growth
8. Globalisation: 1970-2008
9. Migration since 1700
10. Living standards since 1700

Aims and learning outcomes

The course aims to

- To critically evaluate theoretical and conceptual frameworks used by economic historians
- To introduce major debates, events, episodes and trends in economic history from a global and long-term perspective
- To highlight different development trajectories across the global economy
- To analyse the long-term patterns in economic globalisation and integration

- To examine the political economy of development, late development and underdevelopment from a historical and comparative perspective
- To introduce and analyse long term patterns in global living standards and demography

Upon completion of this course, you should be able to

- identify major historical episodes and events which changed the direction of the global economy from c. 1700 to the present
- assess the strengths and limitations of different conceptual frameworks used by economic historians
- compare diverse development trajectories across the world from a historical perspective
- interpret the long-term economic growth and development from a political economy perspective
- critically discuss the long-term patterns in economic globalisation and integration

Course structure and student tasks

This course does not require any previous knowledge of economics or economic history. The reading list, the lectures and the seminars are designed to introduce you to major historical topics together with a framework to help you discuss some of the key subjects in the literature.

- Lectures: Lectures introduce the specific historiography, the key concepts and the topical questions. They will be pre-recorded and will be released on Moodle every Wednesday at noon. Before listening to the lecture, you should read at least two items from the weekly reading list. For each lecture, there will also be an online discussion forum, where you can post comments and questions about the lecture material, and I will respond to them directly.
- Seminars: Seminars involve student presentations, discussions on lecture material, readings and weekly questions, and review of Moodle discussion forums. Every student is expected to contribute to the general class discussion. Therefore, being prepared for each session by reading at least two items from the reading list is essential. If you are going to give a presentation on the topic, you are expected to read more items. While preparing for the seminars, you should pay particular attention to the keywords and class discussion questions, which will form the basis of group discussions. Please note that seminars follow the lecture with one week delay. For example, the seminar on Week 2 will be on Week 1 material, the seminar on Week 3 will be on Week 2 material, and so on. There will be no seminar on Week 1, and our first face-to-face seminar will be during the week of 11 October.
- Moodle discussion forums: Every week a discussion material (such as an interview, a graph, a newspaper article, a blog post etc.) related to the relevant topic is released in the Moodle. You will be expected to contribute to the online discussion forum by writing a brief paragraph (120-150 words) - either commenting directly on the material or engaging in debate with your classmates. These discussions will be revisited during the seminars. You can also create your own discussion topic based on the lecture or readings.
- You are expected to make at least one class presentation each term. Presentations are based on one or more of the weekly topics and readings. After our first meeting, you will receive a link to sign up your name electronically to one of the topics. Depending on the size of classroom you may also have a co-presenter or you may present more than once in each term. Each presentation is limited to 8-10 minutes. It is important to work with your co-presenter and produce one coherent presentation in order to avoid lack of harmony. You should upload your presentation to Moodle before the seminar starts to save time in the class.

General reading list

There is no single textbook that covers the content of this course. However, we will often rely on some of the below readings. As this is not an exhaustive list, students must check the detailed weekly readings before attending each session.

Global

Allen R. C. (2010) *Global Economic History – a very short introduction*, Oxford University Press.

Bordo, M. D., Taylor, A. M. and Williamson, J. (2003) *Globalization in Historical Perspective*, University of Chicago Press.

Clark, G. (2012) *A Farewell to Alms- A Brief Economic History of the World*, Princeton University Press

Eichengreen, B. (1996), *Globalizing Capital: A History of the International Monetary System*, Princeton University Press.

Jones, E. L. (1988). *Growth Recurring: Economic Change in World History*, Clarendon Press.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge.

Maddison, A. (2007) *Contours of the World Economy, 1-2030 AD: Essays in Macro-Economic History*, Oxford University Press.

Neal, L. (2015) *The Cambridge History of Capitalism*, Cambridge University Press.

O'Brien, P. K. (2012) *The Rise of Fiscal States: A Global History, 1500-1914*, Cambridge University Press.

O'Rourke, K. and Williamson, J. (1999) *Globalization and History- The Evolution of a 19th century Atlantic Economy*.

Parthasarathi, P. (2011) *Why Europe grew rich and Asia did not: global economic divergence, 1600–1850*, Cambridge University Press.

Pomeranz, K. (2000) *The Great Divergence, Europe, China and the Making of the Modern World Economy*. Princeton University Press.

Regional

Austen, R. A. (1987) *African Economic History: International Development and External Dependency*, Heinemann.

Berend I. T. and G. Ranki (1982) *The European Periphery and Industrialisation, 1780-1914*, Cambridge University Press.

Broadberry, S. and O'Rourke, K. H. (2010) *The Cambridge Economic History of Modern Europe*, Cambridge University Press.

Bulmer-Thomas, V. (2006) *The Cambridge Economic History of Latin America*, Cambridge University Press

Chandler, A.D. (1990) *Scale and Scope: The Dynamics of Industrial Capitalism*, Harvard University Press.

Chang, H. (2003) *Kicking Away the Ladder: Development Strategy in Historical Perspective*.

Deng, K. (2011) *China's Political Economy in Modern Times: changes and economic consequences, 1800-2000*, Routledge.

Floud, R. and Johnson, P. (2003) *The Cambridge Economic History of Modern Britain*, Cambridge University Press.

Hayami A., O. Saito, and R. P. Toby (2004) *Economic History of Japan, 1600-1990*. Oxford University Press.

Owen, R. and S. Pamuk (1999) *A History of Middle East Economies in the Twentieth Century*. Harvard University Press.

Rosenthal, J. L. R. Bin Wong (2011) *Before and Beyond Divergence: the Politics of Economic Change in China and Europe*. Harvard University Press.

Roy, T. (2005) *India in the World Economy, From Antiquity to the Present*, Cambridge University Press.

Reference sources

You may want to consult some reference sources for terminology and basic concepts. Encyclopedia of the Economic History Association is a useful online starting point for any queries: <http://eh.net/encyclopedia-2/>. UCL Library holds hardcopies of The Oxford Encyclopedia of Economic History edited by J. Mokyr and The Palgrave Encyclopedia of World Economic History since 1750 by G. Bannock and R.E. Baxter. For an introduction to economics for historians, students may consider an edited collection of essays by T. Rawski *Economics and the Historian*, University of California Press, 1996. Finally, CORE project's freely accessible e-book is an excellent introductory textbook which you can consult to study basic concepts in economics: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Weekly readings: Weekly reading lists are provided for each topic and they are usually available to download at Moodle. If you cannot find a specific reading on Moodle, it means it was not possible to upload it due to copyright restrictions. In this case, you should use the standard channels to get hold of the reading, i.e. libraries. You are required to read at least two items from the weekly reading list before attending each session. Readings with "*" are entry level texts and they aim to provide general historical background on the topic. Hence, they may be prioritised.

TOPIC 1: CONCEPTS

This week gives you an overview of economic history discipline, as well as two key concepts, economic growth and economic development, which we will discuss in depth and historicise. We also aim reflect on the links between economic history, economic development, economic growth and economic theory.

Readings:

*Aerts, E. and H. Van Der Wee (2001) "Economic History" and G. Wright "Economic History, Quantitative: United States" in *International Encyclopedia of the Social & Behavioral Sciences*, ed by N. J Smelser and P. B. Baltes pp.4102-4114.

Cameron, R. (1993) *A Concise Economic History of the World*, Oxford University Press. Chapter 1.

Chang, H. (2003) *Kicking Away the Ladder: Development Strategy in Historical Perspective*. Anthem Press. Chapter 1.

Habakkuk, J., "Economic History and Economic Theory", *Daedalus*, 100:2 (1971), 305-22

Lyons, J., P. Cain and S. Williamson (2008) *Reflections on the Cliometrics Revolution - Conversations with Economic Historians*, Routledge. Introduction and Afterword.

*Pomeranz, K. (2012) "Contemporary Development and Economic History: How do we know what matters?", *Economic History of Developing Regions*, 27:sup1, 136-148.

Woolcock, M., Szreter, S. and Rao, V. (2011) "How and Why Does History Matter for Development Policy?", *Journal of Development Studies* 47, no. 1 (2011), pp. 70-96.

Optional Economics: CORE Economics Textbook, Chapters 1-2: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Keywords: economic history, economic growth, economic development.

Seminar: There is no seminar this week. Please make sure to sign up for a class presentation after the lecture. The deadline is 8 October.

This week's lecture is going to introduce you to the module structure, readings, assessments etc. Please read at least two readings before listening to the lecture on Wednesday. Please also make sure to check the discussion forum material and contribute with your comments.

Next week at the seminar we will discuss the lecture material and the readings. More specifically:

- the links between i. economic history and economic theory; ii. economic development and economic growth.
- the limitations of different measures of living standards

TOPIC 2: DEBATES

This session will give you fast forward economic history of the world from a very long-term perspective to contextualise our time period which is starting from 1700. This overview will also lay the ground for us to engage with two major debates in economic history: *The Industrial Revolution and the Great Divergence*.

Readings:

*Abramovitz, M. (1986), "Catching-up, Forging Ahead and Falling Behind", *Journal of Economic History*, 46, 385-406.

Allen R. C. (2010) *Global Economic History – a very short introduction*, Oxford University Press. Chapters 1-2.

Chang, H. (2003) *Kicking Away the Ladder: Development Strategy in Historical Perspective*. Anthem Press. Chapter 3.

Clark, G. (2012) *A Farewell to Alms- A Brief Economic History of the World*, Princeton University Press. Introduction.

Diamond, J. (1997) *Guns, germs, and steel: the fates of human societies*, W.W. Norton & Company. pp.35-52

Maddison, A. (2007) *Contours of the World Economy, 1-2030 AD: Essays in Macro-Economic History*. Oxford University Press. Chapter 2.

*O'Brien, P. "Ten Years of Debate on the Origins of the Great Divergence" *review* no. 1008, 2010. <http://www.history.ac.uk/reviews/review/1008>

Pomeranz, K. (2000) *The Great Divergence, Europe, China and the Making of the Modern World Economy*. Princeton University Press. Introduction

Keywords: Divergence/convergence, living standards, long-term economic growth.

Seminar: No class presentations this week. The final presentation lists will be announced this week. If you have not signed up on time, you will be allocated randomly to any outstanding slots.

The seminar next week will focus on the following questions:

- What were the long-term patterns in living standards?
- How do different schools' approach to global economic divergence/convergence?

TOPIC 3: STATES AND POLITICAL REGIMES

The formation of states and political institutions played a key role in economic performance. This week elaborates on the rise of fiscal states, limited and representative democratic governments and other political institutions. We will particularly explore the connections between taxation and representation, fiscal capacity and legal capacity, and state capacity and economic growth.

Readings:

Besley, T. and T. Persson (2009) "The origins of state capacity: property rights, taxation and politics" *American Economic Review*, 99 (4). pp. 1218-1244.

Bogart, D. et al (2010) "State and private institutions" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press. Vol 1.

Grossman, H. I. "The State in Economic History" in Bordo M. and R. Cortés-Conde (2002) *Transferring Wealth and Power from the Old to the New World: Monetary and Financial Institutions in the 17th Through the 19th Centuries*. Cambridge University Press.

Hoppit, J. (2011) "Compulsion, Compensation and Property Rights in Britain, 1688–1833" *Past and Present*, 210 (1): 93-128

*Karaman, K. and Pamuk. S. "Different Paths to the Modern State in Europe: The Interaction Between Warfare, Economic Structure, and Political Regime", *American Political Science Review*, Volume 107, Issue 03, August 2013, pp 603-626

North, D., and Weingast, B. (1989), "Constitutions and Commitment: The Evolution of Institutional Governing Public Choice in Seventeenth Century England", *Journal of Economic History*, vol. 49, Issue 4.

*O'Brien, P. K. (2015) "The formation of states and transitions to modern economies: England, Europe, and Asia compared" in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Yun-Casalilla, B. (2012) "The rise of the fiscal state in Eurasia from a global, comparative and transnational perspective" in *The Rise of Fiscal States: A Global History, 1500-1914*, ed by P. K. O'Brien, Cambridge University Press.

Keywords: State capacity, fiscal state, institutions, limited government, property rights.

Seminar next week:

- Discuss the links and differences between the concepts of state capacity, fiscal capacity, legal capacity.
- Is 'credible commitment' good for economic growth?
- What were the historical patterns in fiscal capacity of European states?
- What are the drivers of the fiscal capacity?
- Discuss the links between political systems and fiscal capacity.

WEEK4: TRADE AND EMPIRES

The rise of long-distance trade had many positive and negative externalities and shaped the economic structure of many countries. We explore long-term patterns in trade, commercial policy, and global market integration. This session will also help you reflect on the links between empire, commerce and peripheralisation.

Readings:

Chilosi, D. et al. (2013) "Europe's many integrations: Geography and grain markets, 1620-1913". *Explorations in Economic History*, Volume 50, Issue 1, pp.46-68.

*Harley, K. (2003) "Trade: discovery, mercantilism and technology" in *The Cambridge Economic History of Modern Britain*, eds R. Floud and P. Johnson. Cambridge University Press.

Gallagher, J. and R. Robinson (1953) "The Imperialism of Free Trade". *Economic History Review*, vol. 6, no. 1, pp. 1–15.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapters 4-6.

O'Brien, P. (1998) "Inseparable connexions: trade economy, fiscal state and the expansion of empire, 1688-1815" In: Marshall, P.J., (ed.) *The Oxford History of the British Empire*. Volume II, the Eighteenth Century. Oxford University Press.

*O'Rourke, K. et al (2010) "Trade and empire" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry, S. and K. O'Rourke. Cambridge University Press.

Williamson, J. (2006) *Globalisation and the Poor Periphery*. MIT Press. Chapters 2-3.

Keywords: commodity market integration, informal empire, terms of trade, core-periphery.

Seminar next week:

- What were the long-term patterns in global trade? Discuss changes in volume, source and destination countries, product composition.
- How do you explain the changes in these patterns?
- How integrated were global commodity markets before 1914?
- To what extent did the rise in global trade contribute to peripheralisation?

TOPIC 5: FINANCE AND MONEY

Was financial revolution key to achieving economic growth? What was the media of exchange before the rise of fiat money? This week we explore the evolution of monetary standards and global capital flows since the early modern period. We zoom into the City of London and its emergence as the key financial centre of the world before 1914.

Readings:

Aceña, P. M. and J. Reis (2000) *Monetary Standards in The Periphery: Paper, Silver and Gold, 1854-1933*, Macmillan. Introduction.

Cassis, Y. (2006) *Capitals of Capital: A History of International Financial Centres, 1780-2005*, Cambridge University Press. Chapters 1-2.

*Eichengreen, B. (1996), *Globalizing Capital: A History of the International Monetary System*, Princeton University Press. Chapter 2.

Quinn, S (2003) "Money, finance and capital markets" in *The Cambridge Economic History of Modern Britain*, eds R. Floud and P. Johnson. Cambridge University Press.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 2.

Kindleberger, C. P. (1984) *A Financial History of Western Europe*, Taylor & Francis. Chapters 2-4.

Michie, R. (2015) "Financial Capitalism" in *The Cambridge History of Capitalism* ed by L. Neal Cambridge University Press.

*Neal, L. (2015) *A Concise History of International Finance – From Babylon to Bernanke*, Cambridge University Press. Chapters 5-8.

Optional Economics: CORE Economics Textbook, Chapter 10: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Keywords: commodity/fiat money, financial centres, capital flows, capital market integration.

Seminar next week:

- How did international capital flows evolve before 1914? Discuss changes in volume, source and destination countries, types of capital.
- What were the determinants of capital flows?
- What were the major episodes in international monetary standards before 1914?
- Why did monetary standards function differently in the core and peripheries?
- Why did the City of London rise as an international financial centre before 1914?

TOPIC 6: AGRICULTURE AND DEMOGRAPHY

For many economic historians the agricultural revolution was key to the industrial revolution. And the development of agriculture was historically linked to the demographic trends. This week explore these connections with particular focus on the theories of population and demographic transition.

Readings:

Alfani, G., & Murphy, T. (2017). "Plague and Lethal Epidemics in the Pre-Industrial World". *The Journal of Economic History*, 77(1), 314-343.

*Allen, R. C. (2003) "Agriculture during the industrial revolution, 1700–1850" in *The Cambridge Economic History of Modern Britain*, eds R. Floud and P. Johnson. Cambridge University Press.

*Alter, G. and G. Clark (2010) "The demographic transition and human capital" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Boserup, E. (1965) *The Conditions of Agricultural Growth: the economies of agrarian change under population pressure*, London: Allen and Unwin. Chapters 1-2.

Clark, G. (2012) *A Farewell to Alms- A Brief Economic History of the World*, Princeton University Press. Part 1.

Clark, G. and N. Cummins (2009) "Urbanization, Mortality, and Fertility in Malthusian England", *American Economic Review*, 99:2, 242–247

Dennison, T. and J. Simpson (2010) "Agriculture" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Mokyr, J. (1980) "Malthusian Models and Irish History", *Journal of Economic History*, Vol. 40, No. 1, The Tasks of Economic History, pp. 159-166

Pomeranz, K. (2000) *The Great Divergence, Europe, China and the Making of the Modern World Economy*. Princeton University Press. Chapters 1-2.

Keywords: Malthusian trap, demographic transition, land tenure, agricultural productivity.

Seminar next week:

- What is agricultural productivity? Why does it matter?
- Discuss the links between population growth and agricultural production?
- Do Malthusian models offer a good framework to explain the period before the Industrial Revolution?

TOPIC 7: INDUSTRIAL REVOLUTION

The industrial revolution was a unique event which changed the course of global economic history. This week investigates some of the most popular explanations of the industrial revolution in the literature focusing on the role of markets, institutions and geography.

Readings:

*Allen, R. C. (2010) *The British industrial revolution in global perspective*. Cambridge University Press, Part 2.

Bruland, K. (2003) "Industrialisation and technological change" in *The Cambridge Economic History of Modern Britain*, eds R. Floud and P. Johnson. Cambridge University Press.

Clark, G. (2012) *A Farewell to Alms- A Brief Economic History of the World*, Princeton University Press. Part 2.

De Vries, J. (1994) "The industrial revolution and the industrious revolution", *Journal of Economic History*, 54, 249-70

*Engerman, S. and P. O'Brien (2003) "The industrial revolution in global perspective" in *The Cambridge Economic History of Modern Britain*, eds R. Floud and P. Johnson. Cambridge University Press.

Hoppit, J. (1990) "Counting the Industrial Revolution", *Economic History Review*, Vol. 43, Issue 2, pp. 173-193.

Hudson, P. (2003) "Industrial organisation and structure" in *The Cambridge Economic History of Modern Britain*, eds R. Floud and P. Johnson. Cambridge University Press.

Mokyr, J. (2011) *The Gifts of Athena – Historical Origins of the Knowledge Economy*. Princeton University Press. Chapters 1-3

Keywords: intensive growth, technological change, industrious revolution, knowledge.

Seminar next week:

- Discuss the links between extensive growth, intensive growth and total factor productivity growth.
- What are the limitations of "relative factor prices" thesis in explaining industrial revolution?
- What are the limitations of the "industrious revolution" argument in explaining the industrial revolution?
- Why was the Industrial Revolution British? How do you explain its timing?

TOPIC 8: EUROPEAN INDUSTRIALISATION

The spread of the industrialization to the rest of the world was not unconditional and Europe was one of the regions in the world which achieved this diffusion of technology in the nineteenth century. We discuss the role of state in this process and reflect on the emerging international division of labour.

Readings:

Allen, R. (2015) "The spread of manufacturing" in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Berend I. T. and G. Ranki (1982) *The European Periphery and Industrialisation, 1780-1914*, Cambridge University Press. Chapters 1 and 7.

*Broadberry, S. et al (2010) "Industry" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Broadberry, S. et al (2010) "Sectoral developments, 1870–1914" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Carreras, A. and C. Josephson (2010) "Aggregate growth, 1870–1914: growing at the production frontier" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

*Harley, K. (2015) "British and European Industrialization" in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 8.

Mokyr, J. and H. J. Voth (2010) "Understanding growth in Europe, 1700–1870: theory and evidence" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Keywords: spill-overs, conditional/unconditional convergence, productivity, economic modernization, market size.

Seminar next week:

- Where and when did industrialisation spread from Britain?
- Why did the industrialisation spread from Britain to Europe? Why did it not diffuse to entire Europe?
- What is the standard model of late development?
- Did similar factors contribute to the British Industrial Revolution and European industrialisation?

TOPIC 9: US AND JAPAN

In the nineteenth century, two regional powers, US and Japan, started to achieve industrialization. In this session, we explore these countries managed to catch up with Europe. We discuss the relationship between state and industry, prices of factors of production, and innovation.

Readings:

Atack, KJ (2015) "America: capitalism's promised land" in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Field, A. (1983) "Land Abundance, Interest-Profit Rates and Nineteenth Century American and British Technology," *Journal of Economic History* 43, pp. 405-31.

*Gallman, R. E. (1996) "Economic Growth and Structural Change in the Long Nineteenth Century" in *Cambridge Economic History of the United States* eds S. Engerman and R. E. Gallman. Cambridge University Press.

*Hayami Y. and V. Ruttan "Factor Prices and Technical Changes in Agricultural Development: the United States and Japan, 1880-1960," *Journal of Political Economy*, Vol. 78, No. 5, Sept/Oct 1970: 1115-141.

Ma, D. (2004) "Why Japan, not China, Was the First to Develop in East Asia, Lessons from Sericulture 1850-1937", volume 52, No. 2, pp.369-394, *Economic Development and Cultural Change*.

Mosk, C. (2008) *Japanese Economic Development Markets, norms, structures*. Routledge. Part 2.

Nakabayashi, M. (2012) "The rise of a Japanese fiscal state" in *The Rise of Fiscal States: A Global History, 1500-1914*, ed by P. K. O'Brien, Cambridge University Press.

Saito, O. (2010) "An Industrious Revolution in an East Asian Market Economy? Tokugawa Japan and Implications for the Great Divergence", *Australian Economic History Review*, Vol. 50, No. 3.

Keywords: relative factor prices, land abundance, mass production, entrepreneurship.

Seminar next week:

- How did the US catch up with Europe?
- How did Japan catch up with Europe?
- What are the limitations of relative factor prices thesis in explain Japanese and American economic growth performance?
- Did the standard model of late development apply to the US and Japan?

TOPIC 10: ASIA, THE MIDDLE EAST, LATIN AMERICA

By 1914, not all parts of the global economy were developed at the same rate, and many countries in three big regions of the global economy were clearly lagging behind Europe. We explore a range of explanations on the “obstacles to growth” including resource endowments, weak states and institutions, imperialism, and colonialism.

Readings:

*Bertola, L. and J. Williamson (2008) “Globalization in Latin America before 1940” in *The Cambridge Economic History of Latin America* ed by V. Bulmer-Thomas. Cambridge University Press.

Deng, K. (2012) “The continuation and efficiency of the Chinese fiscal state, 700 BC- AD 1911” in *The Rise of Fiscal States: A Global History, 1500-1914*, ed by P. K. O'Brien, Cambridge University Press.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 9.

*Pamuk, S. (2012) “Political Power and Institutional Change: Lessons from the Middle East”, *Economic History of Developing Regions*, 27:sup1, S41-S56

*Parthasarathi, P. (2011) *Why Europe grew rich and Asia did not: global economic divergence, 1600–1850*, Cambridge University Press. Chapters 1-3.

Rosenthal, J. L. and R. Bin Wong (2011) *Before and Beyond Divergence: the Politics of Economic Change in China and Europe*. Harvard University Press. Introduction, Chapter 7 and Conclusion

Salvucci, R. (2015) “Capitalism and dependency in Latin America” in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Wong, R. B. (2015) “China before capitalism” in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Keywords: export-oriented growth, dependency, great divergence, European exceptionalism

Seminar next week:

- Why did economic growth fail to reach to the non-European world?
- To what extent was religion a contributing factor to lack of economic growth in the Middle East?
- Did colonialism contribute to the lack of economic growth in Latin America?
- Why was there no Chinese Industrial Revolution?

TOPIC 11: GLOBALISATION BEFORE 1914

We take stock of the first term with a discussion around the globalisation before 1914. We explore global division of labour, capital flows and migration patterns. We also discuss consequences of pre-1914 globalisation in terms of economic inequality, price convergence, and economic policy response.

Readings:

*Bordo, M. (2002) "Globalization in Historical Perspective", *Business Economics*, January.

Cassis, Y. (2006) *Capitals of Capital: A History of International Financial Centres, 1780-2005*, Cambridge University Press. Chapter 3.

Crafts, N. (2004) "Globalisation and Economic Growth: A Historical Perspective", *The World Economy*, v. 27, No. 1.

Daudin, G. et al. (2010) "Globalization, 1870-1914" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Findlay R. and K. O'Rourke (2007) *Power and plenty: trade, war, and the world economy in the second millennium* (2007), Princeton University Press. Chapter 7.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 2 and 6.

*Neal, L. (2015) *A Concise History of International Finance – From Babylon to Bernanke*, Cambridge University Press. Chapters 9-10.

O'Rourke, K. and J. G. Williamson (2000) *Globalization and History – The Evolution of a Nineteenth-Century Atlantic Economy*, MIT Press. Chapters 11-12.

Optional Economics: CORE Economics Textbook, Chapters 13-15: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Keywords: macroeconomic policy trilemma, economic globalisation, global imbalances.

Seminar next week: No class presentations this week. Please note that this week is the deadline for signing up class presentations. If you have not signed yet, any outstanding slots will be allocated randomly.

- Discuss different measures of globalisation. Why do they matter?
- What were the major drivers of pre-1914 globalisation?
- Did globalisation before 1914 reduce or deepen global inequalities?
- What is macroeconomic policy trilemma? Why is it useful?
- Discuss the consequences of pre-1914 globalisation.

TOPIC 12: INTERWAR ERA

The interwar period was a structural break in the global economy which led to significant changes in global, capital flows and the international monetary system. The Great Depression of 1929 and following political and economic changes prepared the world for the War War 2. This session explores these themes in turn and discusses their importance for global economic performance.

Readings:

Cassis, Y. (2006) *Capitals of Capital: A History of International Financial Centres, 1780-2005*, Cambridge University Press. Chapter 4.

Eichengreen, B. (1996), *Globalizing Capital: A History of the International Monetary System*, Princeton University Press. Chapter 3.

*Eloranta, J. M. Harrison (2010) "War and disintegration, 1914–1950" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Findlay, R. and Kevin H. O'Rourke (2007) *Power And Plenty Trade, War, And The World Economy In The Second Millennium*, Princeton University Press. Chapter 8.

*Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 11-15.

Neal, L. (2015) *A Concise History of International Finance – From Babylon to Bernanke*, Cambridge University Press. Chapters 11

Ritschl, A. and T. Straumann (2010) "Business cycles and economic policy, 1914–1945" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Roses, J. R. and N. Wolf (2010) "European economic growth 1913–1950: a comparative perspective" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Optional Economics: CORE Economics Textbook, Chapters 17: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Keywords: de-globalisation, the great depression, war economy

Seminar next week:

- What were the economic consequences of World War 1?
- Why was there a globalization backlash in the interwar era?
- Why did the international gold standard collapse?
- What were the causes and consequences of the Great Depression?

TOPIC 13: THE GOLDEN AGE

We look into the origins and historical characteristics of the Bretton Woods system emerged following World War 2. This period, labelled as the golden age, was characterised by high rates of economic growth, economic stability, economic convergence across nations, and changes in the global monetary system.

Readings:

Abramovitz, M. and P. A. David (1996) "Growth in the Era of Knowledge-Based Progress: the Long-Run Perspective" in *Cambridge Economic History of the United States* eds S. Engerman and R. E. Gallman. Cambridge University Press.

Cassis, Y. (2006) *Capitals of Capital: A History of International Financial Centres, 1780-2005*, Cambridge University Press. Chapter 5.

*Crafts, N. and G. Toniolo (2010) "Aggregate growth, 1950–2005" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Eichengreen, B. (1996), *Globalizing Capital: A History of the International Monetary System*, Princeton University Press. Chapter 4.

Haupt et al (2010) "Sectoral developments, 1945–2000" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Ikenberry, G. (2003) "The Political Origins of Bretton Woods" in *A Retrospective on the Bretton Woods System: Lessons for International Monetary Reform*, ed by M. Bordo and B. Eichengreen, NBER.

Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 16 and 20.

*Neal, L. (2015) *A Concise History of International Finance – From Babylon to Bernanke*, Cambridge University Press. Chapters 12.

Keywords: European integration, Bretton Woods, the gold-exchange standard, post-war recovery

Seminar next week:

- What were the major differences between Keynes and White plans?
- Identify and discuss major economic episodes during the Bretton Woods era?
- What were the limitations of the Bretton Woods system?
- What is the Triffin dilemma? Why does it matter?
- Why did the Bretton Woods system come to an end?

TOPIC 14: INTERNATIONAL INSTITUTIONS

An important characteristic of the post-World War II economic order was the rise of multilateralism and international institutions like the International Monetary Fund and the World Bank. Besides their role in global governance of trade and capital, these institutions also raised issues about the nature of national sovereignty.

Readings:

Hoekman, B. and Kostecki, M. (2009), *The Political Economy of the World Trading System: WTO and Beyond*. Oxford University Press. Chapter 1.

James H. (2003) "Who owns 'ownership'? The IMF and policy advice" in M. Flandreau, *Money Doctors: The Experience of International Financial Advising 1850– 2000*, Routledge.

James, H. (2000) "Globalization and the Changing Character of the International Monetary Fund" in Tilly, R. & Welfens, P. J. (eds.) *Economic Globalization, International Organizations and Crisis Management*. Springer.

James, H. (2015) "International capital movements and the global order" in *The Cambridge History of Capitalism*, ed. L. Neal Cambridge University Press.

Kapur, D. et al. (1997), *The World Bank: Its First Half Century*. Brookings. Chapters 2-4.

*Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapters 18-19.

*Pauly, L. W. (2003) "New therapies from contemporary money doctors: The evolution of structural conditionality in the Bretton Woods institutions" in M. Flandreau, *Money Doctors: The Experience of International Financial Advising 1850– 2000*, Routledge.

Suter, C. and H. Stamm (1992) "Coping with Global Debt Crises Debt Settlements, 1820 to 1986" *Comparative Studies in Society and History*, Vol. 34, No. 4, pp. 645- 678.

Keywords: conditionality, trading system, financial supervision, structural adjustment, debt and default.

Seminar next week:

- What were the aims of i. IMF ii. World Bank iii. GATT/WTO?
- Did they contradict with or support the Bretton Woods system?
- Was IMF a successful international institution before 1970? Why?
- Did GATT contribute to the growth of global trade? How?

TOPIC 15: CENTRAL PLANNING

Not the entire world was part of the new economic order that emerged following the World War II, as a large block of countries had another economic system with more emphasis on Central Planning. We look at the economic performance of USSR, China and Eastern Europe, and explanations on their rise and decline.

Readings:

Allen, R. C. (2001) "The Rise and Decline of the Soviet Economy". *Canadian Journal of Economics*, Vol. 34, No. 4, pp. 859-881

Allen, R. C. (2003) *Farm to Factory*. Princeton University Press. Chapter 1.

Deng, K. (2011) *China's Political Economy in Modern Times: changes and economic consequences, 1800-2000*, Routledge. Part 2.

*Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 21.

Lin, J. Y. (2003) *The China Miracle: Development Strategy and Economic Reform*. Hong Kong: Chinese University Press.

McMillan, J. and B. Naughton (1992) "How to Reform a Planned Economy: Lessons from China", *Oxford Review of Economic Policy*, 8:1.

*Popov, V. (2014) *Mixed Fortunes: An Economic History of China, Russia, and the West*. Oxford University Press. Chapters 3-4.

Vu, T. (2010) *Paths to Development in Asia South Korea, Vietnam, China, and Indonesia*. Cambridge University Press. Chapters 4-5.

Keywords: Command economy, transition economies, reform.

Seminar next week:

- Was USSR an economic failure? Why?
- To what extent can central planning explain the economic success of China?
- What were the sources of economic growth in centrally planned economies?
- Why did command economies collapse?

TOPIC 16: ASIAN MIRACLES

Some countries in the global economy joined to the industrialisation and technological innovation club only after the World War II. We investigate the so-called four Asian tigers and revisit Japan during the Golden Age. The debate on the role of state and government policy as opposed to free markets will be at the centre of our discussions.

Readings:

Jomo, K. J. (2001) "Rethinking the role of government policy in Southeast Asia" in *Rethinking the East Asian miracle* eds J. Stiglitz and S. Yusuf. Oxford University Press.

Lawrence, R. Z. and D. E. Weinstein (2001) "Trade and growth: import led or export led? Evidence from Japan and Korea" in *Rethinking the East Asian miracle* eds J. Stiglitz and S. Yusuf. Oxford University Press.

Lin J. Y. and Y. Yao (2001) "Chinese rural industrialization in the context of the East Asian miracle" in *Rethinking the East Asian miracle* eds J. Stiglitz and S. Yusuf. Oxford University Press.

Okazaki, T. (2001) "The government-firm relationship in postwar Japan: the success and failure of bureau pluralism" in *Rethinking the East Asian miracle* eds J. Stiglitz and S. Yusuf. Oxford University Press.

*Rodrik, D. (1995) "Getting Interventions Right: How South Korea and Taiwan Grew Rich." *Economic Policy*, vol. 10, no. 20, pp. 55–107.

*Stiglitz J. (2001) "From miracle to crisis to recovery: lessons from four decades of East Asian experience" in *Rethinking the East Asian miracle* eds J. Stiglitz and S. Yusuf. Oxford University Press.

Vu, T. (2010) *Paths to Development in Asia South Korea, Vietnam, China, and Indonesia*. Cambridge University Press. Chapters 2-3 and 10.

Wade, R. (1990) *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialisation*. Princeton: Princeton University Press. Chapters 10-11.

Keywords: late industrialisation, interventionism, developmental state

Seminar next week:

- Did Asian economies perform better compared to the rest of the world? Discuss different measures and episodes of economic performance.
- What were the sources of economic growth in late industrialising Asian economies?
- What is flying geese model? Is it a useful framework to explain the success of Asian economies?
- What are the limitations of state-intervention in facilitating economic growth? Discuss with reference to Asia.
- Did colonial legacy or religion contribute to Asian miracle?

TOPIC 17: FAILURES OF ECONOMIC GROWTH

Some regions of the global economy fell behind the rest of the world before 1914 but the gap became much more pronounced in the post-World War II period for most countries in the African continent. This session explores the historical roots of economic underdevelopment in Africa with a focus on colonial legacy, geography and resources, and slave trade.

Readings:

*Acemoglu D, Johnson S, Robinson JA (2001) "The colonial origins of comparative development: an empirical investigation". *American Economic Review* 91(5): 1369–1401.

*Austin, G. (2008) "The 'reversal of fortune' thesis and the compression of history: perspectives from African and comparative economic history" *Journal of International Development* 20, 996–1027.

Bayly C. (2008) "Indigenous and colonial origins of comparative economic development: the case of colonial India and Africa". Policy Research Working Paper 4474; The World Bank Development Research Group, Washington DC.

Bulmer-Thomas, V. (2008) "Globalization and the New Economic Model in Latin America" in *The Cambridge Economic History of Latin America* ed by V. Bulmer-Thomas. Cambridge University Press.

Collier, P. (2006) "Africa: Geography and Growth", *CSAE mimeo*.

Haber, S. (2008) "The Political Economy of Industrialization" in *The Cambridge Economic History of Latin America* ed by V. Bulmer-Thomas. Cambridge University Press.

Nunn N. (2007) "Historical legacies: a model linking Africa's past to its current underdevelopment", *Journal of Development Economics* 83: 157–175.

Nunn N. (2008) "The long-term effects of Africa's slave trades", *Quarterly Journal of Economics*, 123(1): 139–176.

*Sachs, J. and A. M. Warner (2001) "The curse of natural resources" *European Economic Review* Vol. 45.

Skezely, M. et al (2008) "Poverty and inequality" in *The Cambridge Economic History of Latin America* ed by V. Bulmer-Thomas. Cambridge University Press.

Keywords: poverty, resource curse, religion, reversal of fortune, colonial origins

Seminar next week:

- Did European colonialism contribute to the poverty of non-European world today?
- Discuss the role of geography in economic growth. Does it offer a useful answer to lack of economic growth in parts of the non-European world?
- What is the reversal of fortune thesis? Discuss its limitations.
- Why are Latin American economies characterised by inequality?
- Did slave trade contribute to African poverty today?

TOPIC 18: GLOBALISATION: 1970-2008

The end of Bretton Woods system in the 1970s was another structural break in the global economy. In this session we explore the nature and governance of new globalisation which emerged after 1970s. We also question the political and economic challenges the second globalisation faced since the global financial crisis of 2008.

Readings:

Cassis, Y. (2006) *Capitals of Capital: A History of International Financial Centres, 1780-2005*, Cambridge University Press. Chapter 6.

Eichengreen, B. (1996), *Globalizing Capital: A History of the International Monetary System*, Princeton University Press. Chapter 5-6.

*Esteves, R. (2012) "The Political Economy of Global Financial Liberalization in Historical Perspective" in *Handbook of Key Global Financial Markets, Institutions, and Infrastructure* eds C. Calomiris and L. Neal. Elsevier.

Findlay, R. and Kevin H. O'Rourke (2007) *Power And Plenty Trade, War, And The World Economy In The Second Millennium*, Princeton University Press. Chapter 9-10.

Griffin, K. (2003) "Economic Globalization and Institutions of Global Governance" *Development and Change* 34(5): 789–807

Lindert, P. and J. Williamson (2003) "Does Globalization Make the World More Unequal?" in *Globalization in Historical Perspective* ed by M. Bordo et al. University of Chicago Press.

*Neal, L. (2015) *A Concise History of International Finance – From Babylon to Bernanke*, Cambridge University Press. Chapters 13-14.

Rodrik, D. (2011) *The Globalization Paradox – Why Global Markets, States and Democracy Can't Co-exist*. Oxford University Press. Chapters 9-12.

Stiglitz, J. (2008) "The Future of Global Governance" in *The Washington Consensus Reconsidered: Towards a New Global Governance*, eds J. Stiglitz and G. Serra. Oxford University Press.

Optional Economics: CORE Economics Textbook, Chapter 18: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Keywords: Washington consensus, global economy trilemma, inequality, liberalisation.

Seminar next week:

- What are the differences and similarities between post-1870 globalisation and post-1970 globalisation?
- Does globalisation make the world more unequal?
- What is globalisation paradox? What are its limitations?
- Can global economic governance and nation-state co-exist?

TOPIC 19: MIGRATION SINCE 1700

International migration is a contested topic in policy narratives since it challenges economic and political sovereignty and raises questions about the welfare of host countries. This lecture aims to offer a long term and cross-country perspective on international migration and demographic transition and their role in economic growth.

Readings:

*Baines, D. et al. (2010) "Population and living standards, 1945–2005" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Castles, S. and M. Miller (1998) *The Age of Migration: International Population Movements in the Modern World*. Macmillan. Chapters 3-4.

Chiswick, B. and T. Hatton (2003) "International Migration and the Integration of Labor Markets" in *Globalization in Historical Perspective* ed by M. Bordo et al. University of Chicago Press.

Haan, A. (1999), "Livelihoods and Poverty: the Role of Migration. A Critical Review of the Migration Literature", *Journal of Development Studies* 36: 2.

Hatton, T. and J. Williamson (1994) "International Migration and World Development: A Historical Perspective" in *Economic Aspects of International Migration* ed H.Giersch. Springer.

Hatton, T. and J. Williamson (1998) *The Age of Mass Migration*. Oxford University Press. Chapters 1-2.

Hatton, T. and J. Williamson (2006) "International Migration in the Long Run: Positive Selection, Negative Selection, and Policy" in *Labor Mobility and the World Economy* eds F. Fodors and R. Langhammer. Springer.

*Kenwood, G. and Lougheed, A. (2002) *Growth of the International Economy 1820-2000: An Introductory Text*, Routledge. Chapter 3.

Solimano, A. (2010) *International Migration in the Age of Crisis and Globalization: Historical and Recent Experiences*. Cambridge University Press. Chapter 4.

Keywords: labour movements, patterns of migration, demographic transition.

Seminar next week:

- Identify major episodes of international migration since 1700 and its patterns (country composition, skill profile, volume and destination of migrants)
- What are the drivers of international migration? Explain its volume, composition and destination.
- What are the consequences of international migration?
- Does migration contribute to i. economic growth ii. economic inequality iii. both?

TOPIC 20: LIVING STANDARDS SINCE 1700

This final lecture offers a long-term perspective on living standards across the world since 1700. We explore different measures of living standards capturing material well-being of individuals and discuss their links with economic growth and economic inequality.

Readings:

*Allen, R. et al (2011) "Wages, prices, and living standards in China, 1738–1925: in comparison with Europe, Japan, and India" *Economic History Review*, 64, S1, pp. 8–38.

Baten, J. and M. Blum (2012) "An anthropometric history of the World, 1810-1980: did migration and globalization influence country trends?" *Journal of Anthropological Sciences* Vol. 90, pp. 1-4

Broadberry, S. et al (2017) "China, Europe and the great divergence: a study in historical national accounting, 980-1850" *CEPR Discussion Paper* No. DP11972.

Clark, G. (2012) *A Farewell to Alms- A Brief Economic History of the World*, Princeton University Press. Part 3.

Easterlin, R. A. (2000) "The Worldwide Standard of Living Since 1800" *Journal of Economic Perspectives*, Volume 14, Number 1, Pages 7–26.

*La Escosura, L. P. (2015) "Capitalism and Human Welfare" in *The Cambridge History of Capitalism*, ed. by L. Neal. Cambridge University Press.

Leonard, C. and J. Ljunberg et al. (2010) "Population and living standards, 1870–1914" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Millward, R. and J. Baten (2010) "Population and living standards, 1914-1945" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Pamuk, S. and L. Van Zanden (2010) "Standards of living" in *The Cambridge Economic History of Modern Europe*, eds S. Broadberry and K. O'Rourke. Cambridge University Press.

Piketty, T. (2014) *Capital in the 21st century*, Harvard University Press. Part 4.

Sen, A. (1987) *The Standard of Living*. Cambridge University Press.

Shaw-Taylor, L. (2020). An introduction to the history of infectious diseases, epidemics and the early phases of the long-run decline in mortality. *The Economic History Review*, 73(3), E1–E19.

Steckel, R. (2009) "Heights and human welfare: Recent developments and new directions" *Explorations in Economic History*, Volume 46, Issue 1, Pages 1–23

Optional Economics: CORE Economics Textbook, Chapters 16, 19 and 22: <https://core-econ.org/the-economy/book/text/0-3-contents.html>

Keywords: real wages, stature, welfare, national accounting.

Seminar:

- Discuss different measures of living standards. What are their advantages and limitations?
- How reliable is historical evidence on long-term living standards?
- Is healthier also wealthier in the global economy in the long-term?
- Is inequality good for economic growth in the long-term?