
International Economic History (21317)

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Pompeu Fabra University

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Introduction

Economic history, or cliometrics, is a branch of economics that employs economic theory to understand history, and vice versa. It combines economic theory, history, and econometric methods.

In this course we'll examine the central questions in economic history: why did the world become very rich, very quickly and why did it only happen in certain countries.

Readings

The readings of each class will be uploaded to the course website prior to meeting. Students are required to download and do the required readings **before** class, unless specified. Each student is required to submit a one-page report on any of the readings in class in hard copy. The report should be both a summary and critique. I will drop your 8 lowest grades on these. NO REPORT IS REQUIRED FOR FIRST LECTURE or for the final week.

Grading Policy

The course grade will be based on:

1. Reports (20%) See Reading above.
2. Class presentation (20%): Two students will **jointly** present one of the supplemental readings to be assigned later in seminar. The presentation should include both a summary and a critique of the paper. The presentation will be 15 minutes (7.5 minutes for each student) plus 10 minutes for questions and discussion.
3. Research Review/Paper or Book Review (20%) (Due March 10): You can choose to write a literature review of a subject, or review economic history book, or conduct your own research into a topic. I will provide more details in the second week.
4. Final exam (40%): Exam material will be based on the required readings and the lecture slides.

General Course Plan[†]

Lecture 1 (January 7): Let's Economic History
Lecture 2 (January 13): Overview of 5 big explanations
Lecture 3 (January 14): The Malthusian World
Lecture 4 (January 20): Early Agriculture
Lecture 5 (January 21): Trade and Growth
Lecture 6 (January 27): Religion
Lecture 7 (January 28): Industrial Revolution
Lecture 8 (February 3): Industrial Revolution
Lecture 9 (February 4): Late Industrialization (Failure of Latin America)

[†] This plan is tentative. It is subject to change during the quarter.

Lecture 10 (February 10): Late Industrialization (Success of East Asia)
Lecture 11 (February 11): Great Depression
Lecture 12 (February 17): Can exploitation explain the "Rise of the West"?
Lecture 13 (February 18): Can geography explain the "Rise of the West"?
Lecture 14 (February 24): Can values explain the "Rise of the West"?
Lecture 15 (February 25): 20th Century: Growth, Inequality and Women
Lecture 16 (March 3): Persistence (part 1)
Lecture 17 (March 4): Persistence (part 2)
Lecture 18 (March 10): Unfinished Lectures and Student Presentations/ Review
Lecture 19 (March 11): Review

Detailed Course Plan and Reading List

January 7: Let's Economic History

Required Readings:

Easterlin, Richard (2000), "The Worldwide Standard of Living since 1800,"
***Journal of Economic Perspectives*, 14 (1), pp. 7-26.**

Background:

Baumol, William (1986), "Productivity Growth, Convergence, and Welfare: What the Long-Run Data Show," *American Economic Review*, pp. 1072-85.

Clark, Gregory. *A farewell to alms: a brief economic history of the world*. Princeton University Press, 2008. Chapter 1.

<http://www.econ.ucdavis.edu/faculty/gclark/Farewell%20to%20Alms/FTA-chapter1.pdf>

Angus Deaton on EconTalk. health improvements over time

http://www.econtalk.org/archives/featuring/angus_deaton/

January 13: The big Question and 5 Explanations

Required Readings

On technology: **Mokyr, Joel. "The intellectual origins of modern economic growth." 1-11, 38-52**

Background :

On geography: Summary of Jared Diamond's geographic determinism argument:

<http://www.economist.com/node/151364>

On markets/values: Landes, David S. "Why are we so rich and they so poor?." *The American Economic Review* 80.2 (1990): 1-13.

Bekar and Lipsey on Science and the Industrial Revolution

<http://www.sfu.ca/econ-research/discussion/dp02-4.pdf>

Alex Tabarokk and Tyler Cowen on Jared Diamond :

<http://www.youtube.com/watch?v=-OobkQyTN9k#t=23>

Joel Mokyr on EconTalk :

http://www.econtalk.org/archives/2013/11/joel_mokyr_on_g.html

McCloskey's review of Mokyr

http://www.deirdremccloskey.com/docs/pdf/Article_64.pdf

Eric Jones' European Miracle interactive presentation:

http://prezi.com/xascr9zsbj_1/eric-jones-the-european-miracle/

Kuznets, Simon. "Modern economic growth: findings and reflections." *The American Economic Review* 63.3 (1973): 247-258.

January 14: The Malthusian World

Required Readings

Clark, Gregory, and Gillian Hamilton. "Survival of the richest: The Malthusian mechanism in pre-industrial England." *Journal of Economic history* 66.3 (2006): 707.

Background:

Kelly, Morgan, and Cormac O'Gráda. "Living standards and mortality since the middle ages." (2010).

Economist Fight!

http://econlog.econlib.org/archives/2007/09/a_farewell_to_a.html

http://econlog.econlib.org/archives/2007/09/malthus_on_stil.html#

http://econlog.econlib.org/archives/2007/09/clark_replies.html

http://econlog.econlib.org/archives/2007/09/reply_to_clark.html

Review of Farewell to Alms

<http://economistsview.typepad.com/economistsview/2007/08/gregory-clarks-.html>

January 20: Early Agriculture

Required Readings (pick 1)

Clark, Gregory. "The cost of capital and medieval agricultural technique." *Explorations in economic history* 25.3 (1988): 265-294.

Alesina, Alberto, Paola Giuliano, and Nathan Nunn. "On the origins of gender roles: Women and the plough." *The Quarterly Journal of Economics* 128.2 (2013): 469-530.

Background :

Thirsk, Joan. "The common fields." *Past & Present* 29 (1964): 3-25.

Kahan, Arcadius. "Notes on serfdom in Western and Eastern Europe." *The Journal of Economic History* 33.1 (1973): 86-99.

January 21: Trade and Growth

Required Readings:

Acemoglu, Daron, Simon Johnson, and James Robinson. "The rise of Europe: Atlantic trade, institutional change, and economic growth." *The American Economic Review* 95.3 (2005): 546-579.

Background :

De Long, J. Bradford, and Andrei Shleifer. *Princes and merchants: European city growth before the industrial revolution*. No. w4274. National Bureau of Economic Research, 1993.

Reed, Clyde G. "Transactions costs and differential growth in seventeenth century Western Europe." *The Journal of Economic History* 33.1 (1973): 177-190.

January 27: Religion

Required Readings (pick 1):

Saleh, Mohammed "On the Road to Heaven: Self-Selection, Religion, and Socioeconomic Status," *Working Paper*.

Kuran, Timur. "Why the Middle East is economically underdeveloped: historical mechanisms of institutional stagnation." *The Journal of Economic Perspectives* 18.3 (2004): 71-90.

Becker, Sascha O., and Ludger Woessmann. "Was Weber wrong? A human capital theory of Protestant economic history." *The Quarterly Journal of Economics* 124.2 (2009): 531-596.

Botticini, Maristella, and Zvi Eckstein. "Jewish Occupational Selection: Education, Restrictions, or Minorities?." *Journal of Economic History* 65.4 (2005).

Background :

Cantoni, Davide. "The economic effects of the Protestant Reformation: testing the Weber hypothesis in the German Lands." (2011).

Jan 28 & Feb 3: Industrial Revolution

Required Readings:

Crafts, N. F. R. (1977), "Industrial Revolution in England and France: Some Thoughts on the Question, "Why Was England First?"" *Economic History Review*, New Series, Vol. 30 (3), pp. 429-41.

Goldin, Claudia and Lawrence F. Katz (1998), "The Origins of Technology-Skill Complementarity," *Quarterly Journal of Economics*, Vol. 113 (3), pp. 693-732.

Background Readings:

Temin, Peter. "Two views of the British industrial revolution." *Journal of Economic History* 57 (1997): 63-82.

Goldin, Claudia and Kenneth Sokoloff (1982), "Women, Children, and Industrialization in the Early Republic: Evidence from the Manufacturing Census," *Journal of Economic History*, Vol. 42, pp. 741-74.

Devine, Warren D. (1983), "From Shafts to Wires: Historical Perspective on Electrification" *Journal of Economic History*, Vol. 43 (2).

February 4: Late-Industrialisation (I): Latin America's Failure

Required Readings:

Taylor, A. "On the Costs of Inward-Looking Development: Price Distortions, Growth and Divergence in Latin America" in *JOEH* (1998) 58 (1) pp. 1-28

February 10: Late-Industrialisation (II): East Asia's Success

Required Readings:

Rodrik, Dani. *Getting interventions right: how South Korea and Taiwan grew rich*. No. w4964. National Bureau of Economic Research, 1994.

Background

Krugman, Paul. "The myth of Asia's miracle." *Foreign affairs* (1994): 62-78.

Chang, Ha-Joon. "The political economy of industrial policy in Korea." *Cambridge Journal of Economics* 17.2 (1993): 131-57.

February 11: Great Depression

Required Readings:

**B. Eichengreen and K. O'Rourke, "A Tale of Two Depressions: What Do the New Data Tell Us?" *Voxeu.org*, 8 March 2010.
(Start at "Start of Original Column" at middle of page; then work back)**

B. Eichengreen, K. O'Rourke, M. Almunia, A. Benetrix and G. Rua, "The Effectiveness of Fiscal and Monetary Stimulus in Depressions," *Voxeu.org*, 18 November 2009.

Background:

Crafts, N. and Fearon, P. "Lessons from the 1930s Great Depression" (2010) CEPR 8057

February 17: Can exploitation explain the "Rise of the West"?

Required:

Acemoglu, Daron, Simon Johnson, and James A. Robinson. *The colonial origins of comparative development: an empirical investigation*. No. w7771. National Bureau of Economic Research, 2000.

Background:

Solow, Barbara L. "Caribbean slavery and British growth: the Eric Williams hypothesis." *Journal of Development Economics* 17.1 (1985): 99-115.

William Easterly [The European Origins of Economic Development](#), (with Ross Levine), June 2012

Giuliano, Paola, and Nathan Nunn. *The transmission of democracy: from the village to the nation-state*. No. w18722. National Bureau of Economic Research, 2013.

February 18: Can geography explain the “Rise of the West”?

Required

Engerman, Stanley L., and Kenneth L. Sokoloff. "Factor endowments: institutions, and differential paths of growth among new world economies: a view from economic historians of the United States." (1994).

Background

Sachs, Jeffrey D. *Tropical underdevelopment*. No. w8119. National Bureau of Economic Research, 2001.

February 24: Can values explain the “Rise of the West”?

Required

Clark, Gregory. "Why isn't the whole world developed? Lessons from the cotton mills." *Journal of economic history* 47.1 (1987): 141-173.

Background

Landes, David S. "Why Europe and the West? Why Not China?." *The Journal of Economic Perspectives* 20.2 (2006): 3-22.

Goldstone, Jack A. "Gender, work, and culture: Why the industrial revolution came early to England but late to China." *Sociological Perspectives* (1996): 1-21.

February 25: 20th Century: Growth, Inequality and Women

Required

J. Stiglitz, “The Book of Jobs,” *Vanity Fair*, January 2012.

Background

C. Goldin and L. Katz. *The Race Between Education and Technology*. (Harvard, 2008), p. 1-30, 194-210.

Bailey, Martha J. "More power to the pill: the impact of contraceptive freedom on women's life cycle labor supply." *The Quarterly Journal of Economics* 121.1 (2006): 289-320.

March 3&4: Persistence

Required:

**Nathan Nunn, 2009. "The Importance of History for Economic Development,"
Annual Review of Economics, Annual Reviews, vol. 1(1), pages 65-92, 05.**

Required (Pick 1):

History Matters: Nunn, Nathan. "The long-term effects of Africa's slave trades." *The Quarterly Journal of Economics* 123.1 (2008): 139-176.

Events Matter: Voigtländer, Nico, and Hans-Joachim Voth. "Persecution Perpetuated: The Medieval Origins of Anti-Semitic Violence in Nazi Germany*." *The Quarterly Journal of Economics* 127.3 (2012): 1339-1392.

Culture Matters: Grosjean, Pauline. "A history of violence: the culture of honor as a determinant of homicide in the US South." *Available at SSRN 1917113* (2011).

Geography Matters: Alesina, Alberto F., Stelios Michalopoulos, and Elias Papaioannou. "Ethnic inequality." (2012).

Cities Matter: Ananat, Elizabeth Oltmans. *The wrong side (s) of the tracks estimating the causal effects of racial segregation on city outcomes*. No. w13343. National Bureau of Economic Research, 2007.