

Economics 766
Economic History
Fall 1997

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Office Hours: T, TR 2-3, F 9-10

Description

This course examines aspects of the development of the western capitalist economies from the Middle Ages to the Twentieth Century. The approach taken is topical, focussing on the causes of economic development, and the interactions between social institutions, political structure, technology, and the economy. Much of the course will be devoted to characterizing and explaining the onset of modern economic growth associated with the Industrial Revolution. The consequences of this transformation will also be examined in some depth.

Class Meetings

I hope that we will be able to devote most scheduled class meetings to discussion of the assigned readings. Consequently it is important that you read the required readings for each topic prior to class. The attached course outline and reading list shows the approximate dates on which specific readings will be discussed. I will provide additional guidance during the course of the semester on which readings will be discussed and what questions to focus on. Your participation in class discussion will be an important determinant of your final grade.

Reading

Copies of all required and recommended books have been placed on reserve at *Watson Library*. Copies of required articles and unpublished papers will be available in the Economics Department Office. In addition, the following books are available for purchase at the Book Store in the Kansas Union:

- Angus Maddison, Monitoring the World Economy, 1820-1992
- Douglass North, Institutions, Institutional Change, and Economic Performance
- Joel Mokyr, The Lever of Riches
- David Landes, The Unbound Prometheus
- Roderick Floud and Donald McCloskey, The Economic History of Britain Since 1700, 2nd ed., vols. 1 & 2
- Barry Eichengreen, Golden Fetters

Course Requirements and Grading

Your grade in this course will be based on the quality and quantity of your class participation during the semester, four short essays, and either a final research paper or a take-home final exam. Students may elect either the research paper or final exam option. If you wish to write a research paper, however, you must choose a topic in consultation with me no later than October 1. I will assume that students who have not selected a topic by this date are planning to pursue the final exam option. The weight of each component in your final grade will be as follows:

Class participation	20%	
Essays	40%	
Exam or paper		40%

Essay Assignments

The objective of the essays is for you to explore the literature on a controversial topic in economic history in some detail and reach a reasoned judgement regarding the evidence presented by the contending sides. I do not expect you to write a great deal (each essay should be only about 4 to 6 typed, double-spaced pages in length), but I expect that you will give the issues raised your careful attention, and will think carefully about your argument. Your essays should demonstrate that: (1) you clearly understand the various positions that are represented in the literature, (2) have identified the areas of agreement and disagreement between them, and (3) have reached a well-reasoned opinion of your own on the issue.

Topics for the essays will be closely linked to the reading assignments for the class, but will require you to go beyond the required reading for a particular subject. I will distribute a list of possible topics and additional information about the details of the assignments early in the semester.

Your grade on the essay assignments will be the average of the three best grades that you receive. (In other words, I will drop the lowest essay grade that you receive, and use the remaining three grades to calculate your grade on the essay assignments.)

Course Outline and Reading List

I. Introduction to the Course (8/21)

II. Modern Economic Growth (8/26, 8/28)

Required

Angus Maddison, Monitoring the World Economy, 1820–1920, chs. 1–3

Robert E. Lucas, "On the Mechanics of Economic Development," Journal of Monetary Economics 22 (1988), 3–42

III. Modes of Explanation (9/2, 9/4)

Required

Joel Mokyr, The Lever of Riches, Introduction

Douglass C. North, Institutions, Institutional Change, and Economic Performance (1990)

Paul A. David, Technological Choice, Innovation and Economic Growth, Introduction

Recommended

Brian W. Arthur, "Competing Technologies, Increasing Returns, and Lock-in by Historical Events," Economic Journal 99 (March 1989), pp. 116–31

S. J. Liebowitz and Stephen E. Margolis, "The Fable of the Keys," Journal of Law and Economics 33 (April 1990), 1–23

IV. The Industrial Revolution in Britain (9/9, 9/11)

Required

N. Crafts, "The Industrial Revolution," Chapter 3 of Floud and McCloskey, The Economic History of Britain Since 1700, Volume 1

Joel Mokyr, "Editor's Introduction: The New Economic History and the Industrial Revolution," in Joel Mokyr (ed.), The British Industrial Revolution: An Economic Perspective, ch. 1

C. Knick Harley, "Reassessing the Industrial Revolution: A Macro View," in Joel Mokyr (ed.), The British Industrial Revolution: An Economic Perspective, ch. 3

Recommended

N. F. R. Crafts, British Economic Growth During the Industrial Revolution (1985), ch. 2

P. Dean and W. A. Cole, British Economic Growth 1688–1959, 2nd ed. (1967), ch. 2

Joel Mokyr, The Lever of Riches, ch. 5

David Landes, "The Fable of the Dead Horse; or, The Industrial Revolution Revisited," in Joel Mokyr (ed.), The British Industrial Revolution: An Economic Perspective, ch. 2

Peter Temin, "Two Views of the British Industrial Revolution," Journal of Economic History 57 (March 1997), 63–82

V. **Explaining British Priority** (9/16, 9/18)

Required

David S. Landes, The Unbound Prometheus (1969), chs. 1–2

Joel Mokyr, The Lever of Riches, ch. 10

N. F. R. Crafts, "Industrial Revolution in Britain and France: Some Thoughts on the Question 'Why Was Britain First?'" in Joel Mokyr (ed.), The Economics of the Industrial Revolution

Recommended

Joel Mokyr, "Demand Versus Supply in the Industrial Revolution," in Joel Mokyr (ed.), The Economics of the Industrial Revolution

David Landes, "What Room for Accident in History? Explaining Big Changes by Small Events," Economic History Review 47 (Nov. 1994), 637–56

Douglass C. North and Barry R. Weingast, "Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England," Journal of Economic History 49 (Dec. 1989), 803–33

VI. **The Antecedents of European Growth** (9/23, 9/25)

Required

Joel Mokyr, The Lever of Riches, chs. 3–4

Nathan Rosenberg and L. E. Birdzell, How the West Grew Rich: The Economic Transformation of the Industrial World (1986), chs. 3–4

William H. McNeill, The Pursuit of Power (1982), ch. 3

Avner Greif, "On the Political Foundations of the Late Medieval Commercial Revolution: Genoa in the Twelfth and Thirteenth Centuries," Journal of Economic History 54 (June 1994), 271–87

Recommended

George Grantham, "Contra Ricardo: The Macroeconomics of Pre-Industrial Agrarian Economies," photocopy (August 1996)

Frances and Joseph Gies, Cathedral, Forge, and Waterwheel: A History of Medieval Technology

Robert S. Lopez, The Commercial Revolution of the Middle Ages, 950–1350 (1976), ch. 4

R. De Roover, "The Organization of Trade," in M. M. Postan and H. J. Habakkuk, Cambridge Economic History of Europe, vol. 3 (1965)

Avner Greif, Paul Milgrom, and Barry Weingast, "Coordination, Commitment and Enforcement: The Case of the Merchant Guild," Journal of Political Economy 102 (Aug. 1992)

VII. Comparative Perspectives on European Growth (9/30, 10/2)

Required

E. L. Jones, Growth Recurring

Joel Mokyr, The Lever of Riches, chs. 7, 9

Recommended

John P. Powelson, Centuries of Economic Endeavor (1994), chs. 1–6

VIII. The Diffusion of Economic Growth After the Industrial Revolution (10/7, 10/9)

Required

Stanley L. Engerman, "Mercantilism and Overseas Trade, 1700–1800," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol. 1

Michael Edelstein, "Foreign Investment and Accumulation, 1860–1914," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol. 2

Patrick O'Brien, "European Economic Development: The Contribution of the Periphery," Economic History Review 35 (Feb. 1982), 1–18

N. F. R. Crafts, British Economic Growth During the Industrial Revolution (1985), ch. 3

Recommended

Kevin H. O'Rourke and Jeffrey G. Williamson, "Around the European Periphery, 1870–1913: Globalization, Schooling, and Growth," NBER working paper #5392 (December 1995)

Eric Wolf, Europe and the Peoples Without History, chs. 5–9, 11

IX. Industrialization in Europe and the United States (10/14, 10/16)Required

David Landes, The Unbound Prometheus, ch. 3

David Hounshell, The American System of Mass Production, 1800–1932 (1984), Introduction and ch. 1

Recommended

Carlo M. Cipolla (ed.), The Emergence of Industrial Societies, part 1, Volume 4 of the Fontana Economic History of Europe (1973)

Paul A. David, Technological Choice, Innovation and Economic Growth, ch. 1

X. The Late Nineteenth Century (10/21, 10/23)Required

Alfred D. Chandler, Jr. Scale and Scope (1990), chs. 1–4

Joel Mokyr, The Lever of Riches, ch. 6

Recommended

Nathan Rosenberg and L. E. Birdzell, Jr., How the West Grew Rich, chs 6–7

XI. Changes in Productivity Leadership (10/28, 10/30)Required

William Lazonick, "Employment Relations in Manufacturing and International Competition," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol. 2

Robert Allen, "International Competition in Iron and Steel, 1850–1913," Journal of Economic History 39 (1979)

Richard Nelson and Gavin Wright, "The Rise and Fall of American Technological Leadership: The Postwar Era in Historical Perspective," Journal of Economic Literature 30 (Dec. 1992), 1931–1964

Moses Abramovitz, "Catching Up, Forging Ahead, and Falling Behind," Journal of Economic History 46 (1986), 385–406

Recommended

Sidney Pollard, "Entrepreneurship, 1870–1914," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol. 2

William Lazonick, "Industrial Organization and Technological Change: The Decline of the British Cotton Industry," Business History Review 57 (1983), 195–236

Gregory Clark, "Why Isn't the Whole World Developed? Lessons from the Cotton Mills," Journal of Economic History 47 (March 1987)

XII. The Place of Agriculture in the Onset of Modern Economic Growth (11/4, 11/6)Required

Robert Allen, "Agriculture During the Industrial Revolution," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol. 1

Gregory Clark, "The Economics of Exhaustion, The Postan Thesis, and the Agricultural Revolution," Journal of Economic History 52 (March 1992), 61–84

George Grantham, "Agricultural Supply During the Industrial Revolution: French Evidence and European Implications," Journal of Economic History 49 (March 1989), 43–72

Donald McCloskey, "English Open Fields as Behavior Towards Risk," Research in Economic History (1975)

Recommended

Gregory Clark, "Agriculture and the Industrial Revolution, 1700–1850," in Joel Mokyr (ed.), The British Industrial Revolution

Gregory Clark, "The Cost of Capital and Medieval Agricultural Technique," Explorations in Economic History 25 (1988), 265–94

Stefano Fenoaltea, "Risk, Transactions Costs, and the Organization of Medieval Agriculture," Explorations in Economic History 13 (1976), 129–151

Robert Allen, "The Efficiency and Distributional Consequences of 18th Century Enclosures," Economic Journal (Dec. 1982)

XIII. Some Consequences of Industrialization (11/11, 11/13)

Required

Peter H. Lindert, "Unequal Living Standards," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol. 1

Peter H. Lindert and Jeffrey G. Williamson, "English Workers' Living Standards During the Industrial Revolution: A New Look," Economic History Review 36 (Feb. 1983), 1–25

Gregory Clark, "Factory Discipline," Journal of Economic History 54 (March 1994)

Recommended

Stephen Marglin, "What do Bosses do?" Review of Radical Political Economy (1974) 64–104

David Landes, "What do Bosses Really do?" Journal of Economic History 46 (Sept. 1986), 585–74

E. P. Thompson, "Time, Work–Discipline, and Industrial Capitalism," Past and Present 56–97

XIV. Population and Economic Development (11/18, 11/20)

Required

David Weir, "Malthus's Theory of Population," in The New Palgrave: A Dictionary of Economics

Roger Schofield, "British Population Change, 1700–1871," in R. Floud and D. McCloskey (eds.), The Economic History of Britain Since 1700, 2nd ed., vol.

Cormac O Grada, Ireland: A New Economic History, chs. 4, 7, 8

Recommended

Timothy Guinane, "Economics, History, and the Path of Demographic Adjustment: Ireland after the Famine," Research in Economic History

Kevin O'Rourke, "Did the Great Irish Famine Matter?" Journal of Economic History 51 (Mar. 1991)

XV. Macroeconomic History: The Great Depression (11/25, 12/2, 12/4)Required

Barry Eichengreen, Golden Fetters

Recommended

Richard Cooper, "The Gold Standard: Historical Facts and Future Prospects," Brookings Papers (1982)

Charles Kindleberger, The World in Depression, revised ed. (1986)

Peter Temin, Lessons from the Great Depression (1990)

Milton Friedman and Anna Schwartz, A Monetary History of the United States, ch. 7

Peter Temin, Did Monetary Forces Cause the Great Depression?

Daniel Benjamin and Levis Kochin, "Searching for an Explanation of Unemployment in Interwar Britain," Journal of Political Economy 79 (1979), 441–78; and subsequent discussion in Journal of Political Economy 92 (1982), 369–436

XVI. Wrap-Up (12/9)Required

Robert M. Solow, "Economic History and Economics," American Economic Review 75 (May 1985), 328–31

Paul A. David, "Clio and the Economics of QWERTY," American Economic Review 75 (May 1985), 332–37