

The Economic History of Britain since 1870
Readings for 2013-2014 (Preliminary Draft)

All readings except Broadberry and Harrison are available online. The most recent lecture slides are an essential part of the course material.

Lecture 1: Introduction.

1. Crafts (2003) "Long-run growth," Chapter 1 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*

Lecture 2: Late nineteenth century globalization.

Trade

1. Harley (2004) "Trade 1870-1939: from globalization to fragmentation," Chapter 7 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
2. Williamson (1996) "Globalization, Convergence, and History," *Journal of Economic History*
3. O'Rourke and Lehmann (2011) "The Structure of Protection and Growth in the Late Nineteenth Century" *The review of economics and statistics*
4. Schularick and Solomou (2011) Tariffs and growth in the first era of globalization *Journal of economic growth*

Capital

1. Edelstein (2004) "Foreign investment, accumulation and Empire, 1860-1914," Chapter 8 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
2. Chabot and Kurz (2010) "That's Where The Money Was: Foreign Bias and English Investment Abroad, 1866-1907" *The Economic Journal*
3. Clemens and Williamson (2004) "Wealth Bias in the First Global Capital Market Boom, 1870-1913" *The Economic Journal*

Migration

1. Baines (2004) "Population and regional development," in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
2. Williamson (1995) "The evolution of global labor markets since 1830: background evidence and hypotheses" *Explorations in Economic History*

Lecture 3: The rise of Germany and the United States, 1870-1914.

Overview

1. Broadberry (1998) "How did the United States and Germany Overtake Britain? A Sectoral Analysis of Comparative Productivity Levels, 1870-1990" *Journal of Economic History*

The United States

1. Hannah (1995) "The American Miracle, 1875-1950, and After: A view in the European Mirror" (and discussion following) *Business and Economic History*
2. Irwin (2003) "Explaining America's Surge in Manufactured Exports, 1880-1913" *The Review of Economics and Statistics*
3. Irwin (2000) "Could the U.S. Iron Industry Have Survived Free Trade After the Civil War?" *Explorations in Economic History*
4. Irwin (2000) "Did Late Nineteenth Century U.S. Tariffs Promote Infant Industries? Evidence from the Tinplate Industry," *Journal of Economic History*

Germany

1. Guinnane (2002) "Delegated monitors, large and small: Germany's banking system, 1800-1914" *Journal of Economic Literature*
2. Burhop (2009) "Cartels, Managerial Incentives, and Productive Efficiency in German Coal Mining, 1881-1913" *Journal of Economic History*
3. Acemoglu, Cantoni, Johnson, and Robinson (2011) "The Consequences of Radical Reform: The French Revolution" *American Economic Review*
4. Becker and Woessmann (2011) "Was Weber Wrong? A Human capital theory of protestant economic history" *Quarterly Journal of Economics*

Lecture 4: Britain, 1870-1914: Relative decline?

Overview and explanations

1. Magee (2004) "Manufacturing and technological change" *The Cambridge Economic History of Modern Britain Vol. 2: Economic Maturity, 1860-1939*
2. Nicholas (2004) "Enterprise and management" Chapter 9 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
3. Broadberry (2004) "Human capital and skills," in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
4. Thomas (2004) "The service sector," in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
5. Cottrell (2004); "Domestic Finance, 1860-1914" in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*

Textiles as a case study

1. Leunig (2001) 'New Answers to Old Questions: Explaining the Slow Adoption of Ring Spinning in Lancashire, 1880-1913', *Journal of Economic History*
2. Saxonhouse and Wright (2010) "National Leadership and Competing Technological Paradigms: The Globalization of Cotton Spinning, 1878-1933" *Journal of Economic History*
3. Ciliberto (2010) "Were British cotton entrepreneurs technologically backward? Firm-level evidence on the adoption of ring spinning" *Explorations in Economic History*
4. Broadberry and Marrison (2002) "External Economies of Scale in the Lancashire Cotton Industry, 1900-1950" *Economic History Review*

Lecture 5: The classical Gold Standard and the First World War.

The "classical" gold standard

1. Bordo and Rockoff (1996) "The Gold Standard as a "Good Housekeeping Seal of Approval"" *The Journal of Economic History*
2. Flandreau (1996) "The French crime of 1873: An essay on the emergence of the international gold standard, 1870–1880" *The Journal of Economic History*
3. Meissner (2005) "A new world order: explaining the international diffusion of the gold standard, 1870–1913" *Journal of International Economics*
4. López-Córdova and Meissner (2003) "Exchange-Rate Regimes and International Trade: Evidence from the Classical Gold Standard Era" *American Economic Review*

The First World War

Broadberry and Harrison *The economics of World War I*

Lecture 6: Post-war adjustment.

Inflation

1. Bordo (2007) "Why didn't France follow the British stabilization after World War I?" *European Review of Economic History*
2. Hautcoeur and Sisic (1999) "Threat of a capital levy, expected devaluation and interest rates in France during the interwar period." *European Review of Economic History*
3. Ferguson and Granville (2000) "Weimar on the Volga": Causes and Consequences of Inflation in 1990s Russia Compared with 1920s Germany" *The Journal of Economic History*
4. Ferguson (1996) "Constraints and room for manoeuvre in the German inflation of the early 1920s" *The Economic History Review*
5. Bruno and Easterly (1998) "Inflation Crises and Long-Run Growth" *Journal of Monetary Economics*

Trade and reparations

1. Wolf, Schulze and Heinemeyer (2011) "On the Economic Consequences of the Peace: Trade and Borders After Versailles" *Journal of Economic History*
2. Wolf (2005) "Path dependent border effects: The case of Poland's reunification (1918-1939)" *Explorations in Economic History*
3. Wolf (2009) "Was Germany ever united? Evidence from Intra-and International Trade, 1885-1933" *Journal of Economic History*
4. Ritschl (1998) "Reparation Transfers, the Borchardt Hypothesis, and the Great Depression in Germany, 1929-1932: A Guided Tour for Hard-Headed Keynesians" *European Review of Economic History*

Lecture 7: The interwar British economy.

Interwar unemployment

1. Hatton (2004) "Unemployment and the labour market 1870-1939," Chapter 15 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
2. Broadberry and Ritschl (1995) "Real Wages, Productivity, and Unemployment in Britain and Germany during the 1920s" *Explorations in Economic History*

3. Dimsdale and Horsewood (1995) "Fiscal policy and employment in interwar Britain: some evidence from a new model." *Oxford Economic Papers*
4. Scott and Spadavecchia (2011) "Did the 48-hour week damage Britain's industrial competitiveness?" *Economic History Review*

The British economy between the wars

1. Eichengreen (2004) "The British economy between the wars" in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
2. Bowden and Higgins (2004); "British industry in the interwar years" Chapter 14 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
3. Ross (2004) "Industrial and commercial finance in the interwar years" in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*
4. Broadberry and Ghosal (2002) "From the Counting House to the Modern Office: Explaining Anglo-American Productivity Differences in Services, 1870–1990" *Journal of Economic History*
5. Scott and Walker (2011) "The British 'failure' that never was? Anglo-American productivity differences in large-scale retailing between the Wars - evidence from the department store sector." *Economic History Review*

Lecture 8: The interwar world economy.

The interwar gold standard

1. Obstfeld and Taylor (2003) "Sovereign Risk, Credibility And The Gold Standard: 1870-1913 Versus 1925-31," *Economic Journal*
2. Wandschneider (2008) "The Stability of the Interwar Gold Exchange Standard: Did Politics Matter?" *Journal of Economic History*
3. Chernyshoff, Jacks and Taylor (2009) "Stuck on gold: Real exchange rate volatility and the rise and fall of the gold standard, 1875-1939" *Journal of International Economics*
4. Mouré (1996) "Undervaluing the franc Poincaré" *The Economic History Review*
5. Grossman and Imai (2009) "Japan's return to gold: Turning points in the value of the yen during the 1920s" *Explorations in Economic History*

Other troubles

1. Voth (2003) "With a Bang, Not a Whimper: Pricking Germany's "Stockmarket Bubble" in 1927 and the Slide into Depression" *Journal of Economic History*
2. Dimsdale, Horsewood and van Riel (2006) "Unemployment in interwar Germany: An analysis of the labor market, 1927-36" *Journal of Economic History*
3. Hantke and Spoerer (2010) "The imposed gift of Versailles: the fiscal effects of restricting the size of Germany's armed forces, 1924–9" *Economic History Review*
4. de Bromhead, O'Rourke and Eichengreen (forthcoming) Political Extremism in the 1920s and 1930s: Do German Lessons Generalize? *Journal of Economic History*

Lecture 9: Causes of the Great Depression.

Money

1. Christiano, Motto and Rostagno (2003) "The Great Depression and the Friedman-Schwartz Hypothesis" *Journal of Money, Credit and Banking*
2. Bordo, Erceg and Evans (2000) "Money, Sticky Wages, and the Great Depression." *American Economic Review*
3. Atkeson and Kehoe (2004) "Deflation and Depression: Is there an empirical link?" *AER Papers and Proceedings*

Banking and finance

1. Calomiris "Financial Factors in the Great Depression" (1993) *The Journal of Economic Perspectives*
2. Calomiris and Mason (2003) "Consequences of Bank Distress during the Great Depression" *American Economic Review*
3. Carlson and Mitchener (2009) "Branch Banking as a Device for Discipline: Competition and Bank Survivorship During the Great Depression" *Journal of Political Economy*

Neo-classical approaches

1. Ohanian (2009) "What – or who – started the great depression?" *Journal of Economic Theory*
2. Amaral and MacGee (2002) "The Great Depression in Canada and the United States: A Neoclassical Perspective" *Review of Economic Dynamics*
3. Temin (2008) "Review: Real Business Cycle Views of the Great Depression and Recent Events: A Review of Timothy J. Kehoe and Edward C. Prescott's "Great Depressions of the Twentieth Century" *Journal of Economic Literature*

Lecture 10: Transmission of the Great Depression.

Money, Finance and the Gold Standard

1. Bernanke (1995) "The Macroeconomics of the Great Depression: A Comparative Approach" *Journal of Money, Credit & Banking*
2. Schnabel (2004) "The German Twin Crisis of 1931" *The Journal of Economic History*
3. Schularick and Taylor (2012) "Credit Booms Gone Bust: Monetary Policy, Leverage Cycles, and Financial Crises, 1870-2008" *American Economic Review*

Trade

1. Eichengreen and Irwin (2010) "The Slide to Protectionism in the Great Depression: Who Succumbed and Why?" *The Journal of Economic History*
2. Mathy and Meissner (2011) "Business cycle co-movement: Evidence from the Great Depression" *Journal of Monetary Economics*
3. Estevadeordal, Frantz and Taylor (2003) "The Rise and Fall of World Trade, 1870–1939" *Quarterly Journal of Economics*

Britain

1. Cole and Ohanian (2002) "The Great U.K. Depression: A Puzzle and Possible Resolution" *Review of Economic Dynamics*

2. Accominotti (2012) "London Merchant Banks, the Central European Panic, and the Sterling Crisis of 1931" *The Journal of Economic History*
3. Middleton (2011) "Macroeconomic policy in Britain between the wars" *Economic History Review*

Lecture 11: The end of the depression and the Second World War

Fiscal policy

1. Eggertsson (2008) "Great Expectations and the End of the Depression" *American Economic Review*
2. Vernon (1994) "World War II Fiscal Policies and the End of the Great Depression," *The Journal of Economic History*

The gold standard and monetary policy

1. Wolf (2008) "Scylla and Charybdis. Explaining Europe's exit from gold, January 1928-December 1936" *Explorations in Economic History*

Government intervention

1. Cole and Ohanian (2004) New Deal Policies and the Persistence of the Great Depression: A General Equilibrium Analysis *Journal of Political Economy*
2. Eggertson (2012) "Was the New Deal contractionary?" *American economic review*
3. Ferguson and Voth (2008) "Betting on Hitler—the value of political connections in Nazi Germany" *The Quarterly Journal of Economics*

Britain

1. Bowden and Higgins (1998) "Short-time Working and Price Maintenance: Collusive Tendencies in the Cotton-Spinning Industry, 1919-1939," *Economic History Review*

The Second World War

1. Howlett (2004) "The war-time economy, 1939-1945" Chapter 1 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
2. Glick and Taylor (2010) "Collateral Damage: Trade Disruption and the Economic Impact of War" *Review of Economics and Statistics*

Lecture 12: The welfare state and nationalization.

The welfare state: Origins and growth

1. Johnson (2004); "The welfare state, income and living standards," Chapter 9 in Floud and Johnson; *The Cambridge Economic History of Modern Britain, Volume III, Structural Change and Growth, 1939-2000*
2. Middleton (2004); "Government and the economy, 1860-1939" Chapter 17 in Floud and Johnson; *The Cambridge Economic History of Modern Britain, Volume II, Economic Maturity, 1860-1939,*

3. Boyer (2004) "Living standards, 1860-1914" in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume II: Economic Maturity, 1860-1939*

Effects of the welfare state on growth

1. Lindert (1996) "What Limits Social Spending?" *Explorations in Economic History*
2. Alesina and Perotti (1997) "The Welfare State and Competitiveness" *The American Economic Review*
3. Folster and Henrekson (2001) "Growth effects of government expenditure and taxation in rich countries" *European Economic Review*
4. Ohanian, Raffo and Rogerson (2008) "Long-term changes in labor supply and taxes: Evidence from OECD countries, 1956-2004" *Journal of Monetary Economics*

Nationalization

1. Hannah (2004) "A failed experiment: the state ownership of industry," Chapter 4 in Floud and Johnson; *The Cambridge Economic History of Modern Britain, Volume III, Structural Change and Growth, 1939-2000*
2. Millward (1997) "The 1940s Nationalizations in Britain: Means to an End or the Means of Production?" *The Economic History Review*

Lecture 13: Macroeconomic policy: 1945-1979.

Bretton-Woods, trade and the balance of payments

1. Neal (2004) "Impact of Europe" Chapter 11 in *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
2. Reinhart and Rogoff (2004) "The modern history of exchange rate arrangements: A reinterpretation" *The Quarterly Journal of Economics*
3. Obstfeld, Shambaugh and Taylor (2005) "The monetary trilemma in history: Tradeoffs among exchange rates, monetary policies, and capital mobility" *Review of Economics and Statistics*

Domestic economic policy

1. Clark and Dilnot (2004) "British fiscal policy since 1939," Chapter 14 in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
2. Tomlinson (2004) "Economic policy" in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
3. Scott (2004) "Regional development and policy" in Floud and Johnson, *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
4. Howson (2004) "Money and monetary policy since 1945" Chapter 6 in *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
5. Cooley and Ohanian (1997) "Postwar British economic growth and the legacy of Keynes" *Journal of Political Economy*
6. Nelson (2009) "An overhaul of doctrine: The underpinning of UK inflation targeting" *The Economic Journal*

Lecture 14: Labor market institutions since 1945.

Britain in comparative perspective

1. Brown (2004) "Industrial relations and the economy," Chapter 15 in *Floud and Johnson, The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
2. Booth, Melling and Dartmann (1997) "Institutions and Economic Growth: The Politics of Productivity in West Germany, Sweden, and the United Kingdom, 1945–1955" *The Journal of Economic History*

The Eichengreen view

1. Eichengreen and Iversen (1999) "Institutions and Economic Performance: evidence from the labour market" *Oxford Review of Economic Policy*

The Broadberry-Crafts view

1. Broadberry and Crafts (1996) "British economic policy and industrial performance in the early postwar period" *Business History*
2. Broadberry and Crafts (1998) "The Post-War Settlement: Not Such a Good Bargain After All" *Business History*
3. Broadberry and Crafts (2003) "UK productivity performance from 1950 to 1979: a restatement of the Broadberry-Crafts view" *Economic History Review*

Evidence

1. Nickell and Layard (1999) "Labor market institutions and economic performance" *Handbook of Labor Economics*
2. Blanchard and Wolfers (2000) "The role of shocks and institutions in the rise of European unemployment: The aggregate evidence," *The Economic Journal*
3. Nickell, Nunziata and Ochel (2005) "Unemployment in the OECD since the 1960s. What do we know?" *The Economic Journal*

Lecture 15: Comparative economic growth since 1945.

Western Europe's "Golden Age"

1. Toniolo (1998) "Europe's Golden Age, 1950-1973: Speculations from a Long-run Perspective" *The Economic History Review*
2. Crafts (2012) "British relative economic decline revisited: The role of competition" *Explorations in Economic history*

Britain: Overview

1. Kitson (2004) "Failure followed by success or success followed by failure? A reexamination of British economic growth since 1949," in *Floud and Johnson, The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
2. Broadberry (2004) "The performance of manufacturing" in *Floud and Johnson, The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*

3. Booth (2003) "The manufacturing failure hypothesis and the performance of British industry during the long boom" *The Economic History Review*
4. O'Mahony (2004) "Employment, education and human capital" in *Floud and Johnson, The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
5. Millward (2004); "The rise of the service economy" in *Floud and Johnson, The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
6. Von Tunzelmann (2004) "Technology in post-war Britain" in *Floud and Johnson, The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*
7. Watson (2004) "The financial services sector since 1945" in *The Cambridge Economic History of Modern Britain: Volume III: Structural Change and Growth, 1939-2000*

Lecture 16: Economic reform since 1979.

1. Card, Blundell and Freeman (2004) Seeking a Premier Economy: The Economic Effects of British Economic Reforms, 1980-2000 (<http://papers.nber.org/books/card04-1>)