

ECON 271-1 Economic History of Europe Spring 2013

Lectures: MW 4.45-6.00pm
Location: Furman 209

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Office Hours M 9.30-11 am
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Course website available at <http://www.vanderbilt.edu/oak/>

Course information

This course explores topics of interest to economic historians such as the long run international convergence/divergence, property rights, long-distance trade, the industrial revolution, international migrations, wage growth and inequality. We focus on Western Europe and the specificities that allowed for the rise of the West in order to understand this region's long-term economic success. To this end, we will first study historical changes in the medieval economy and then focus on the Industrial Revolution and its consequences. The course does not follow the traditional historical narrative of events therefore topics are not necessarily organized chronologically.

Prerequisites

Since this is an upper-level economics course, at a minimum, students should have successfully completed intermediate microeconomic theory (Econ 231 or equivalent) and intermediate macroeconomic theory (Econ 232). Students should also be familiar with basic principles of regression analysis and statistics.

Course Requirements

Students must complete three project reports, an in-class project presentation, and two exams (midterm and final). The project reports each count for 5 percent of the course grade (the three best reports will be counted). The midterm and the project presentation, each count for 25 percent of the course grade. The final exam counts for 35 percent of the course grade. The final exam counts for more than the midterm because it covers more material. There is no extra credit.

Graduate students

Graduate students registered in the course have specific requisites regarding the project reports, which should be more research oriented. Please see Professor Rei for the specifics on this matter.

Project Reports and Presentation

Five projects assigned throughout the semester, will give students the opportunity to explore relevant topics of the course in terms of data handling and paper analysis. Each student must individually file a **5-page** report for each project, except for the project presented in class. Students will be divided into five groups and each group must organize one class presentation for a given project. Student participation is encouraged and counts towards each student's presentation grade. There will be specific guidelines for each project, but student creativity will be rewarded. The presentation should take about 45-50 minutes and should aim at describing the work of the group on a given project as well as potential research avenues within the topic. The presenting group is responsible for stimulating class discussion for the entire 75 minutes of the class. Project reports for non-presenting students are due in paper form, **in class** on the day of the corresponding presentation (please check the schedule below). Email, or out of classroom, submissions will not be accepted. All deadlines are firm; extensions are not granted; please plan accordingly.

Objectives

Beyond learning about the economic history of Europe, the course aims at the development of a set of skills that will be useful in the future. Students will be required to work in groups as well as on their own, present their work for an audience, commit to deadlines, read and comprehend large amounts of information and reproduce it in as fine or as little detail according to a given amount of time or writing space.

Exams

The midterm exam is scheduled for **Wednesday, February 27** in class. The final exam is scheduled for **Thursday, May 2 @9am**. There is no alternate exam date. Everyone must take the exams at the scheduled time. If you must be absent from an exam for medical reasons, please email Professor Rei ahead of time if possible.

Honor Code

All submitted work is subject to the Vanderbilt's code of honor. Cases of suspected academic misconduct and plagiarism will be referred to the honor council. Be vigilant in the use and citation of others' work in your project reports and presentations. For help with citations, please use the available online resources of Vanderbilt's library: <http://www.library.vanderbilt.edu/research/Citing.shtml> and <http://www.library.vanderbilt.edu/peabody/research/apacitation.html>

Course Readings

A list of compulsory readings (available on OAK) will help students understand the material covered in lectures. It is recommended that students read the corresponding papers **before** each topic is covered in class. In addition, the slides corresponding to each topic will be available online by the end of each topic.

The Field of Economic History

- McCloskey, Donald. "Does the Past Have Useful Economics?" *Journal of Economic Literature* 14, 2 (1976): 434-461.

Long Run Convergence/Divergence

- Pritchett, Lant. "Divergence, Big Time," *Journal of Economic Perspectives* 11, 3 (1997): 3-17.
- Findlay, Ronald. "The Roots of Divergence: Western Economic History in Comparative Perspective," *American Economic Review* 82, 2 (1992): 158-161.
- Easterlin, Richard. "Why Isn't the Whole World Developed?" *Journal of Economic History* 41, 1 (1981): 1-19.
- Williamson, Jeffrey G. "Globalization, Convergence, and History," *Journal of Economic History* 56, 2 (1996): 277-306.

Project 1 Handling data: Convergence and Divergence

- CIA Factbook project
- Abramovitz, Moses. "Catching Up, Forging Ahead, and Falling Behind," *The Journal of Economic History* 46, 2 (1986): 385-406.

Pre-Industrial Europe – European Expansion

- O'Rourke, Kevin H. and Jeffrey G. Williamson. "Did Vasco da Gama Matter to European Markets?" *Economic History Review* 62, 3 (August 2009): 655-84.
- Acemoglu, Daron; Simon Johnson; and James Robinson. "The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth," *American Economic Review* 95, 3 (2005): 546-579.
- Rei, Claudia; "The Organization of Eastern Merchant Empires," *Explorations in Economic History* 48, 1 (2011): 116-135.

Pre-Industrial Europe – Institutions and Property Rights

- De Long, J. Bradford and Andrei Shleifer. "Princes and Merchants: City Growth Before the Industrial Revolution," *Journal of Law and Economics* 36, 2(1993): 671-702.
- North, Douglass and Barry Weingast. "Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England," *The Journal of Economic History* 49, 4 (1989): 803-832.
- Irwin, Douglas A. "Mercantilism as Strategic Trade Policy: The Anglo-Dutch Rivalry for the East India Trade," *Journal of Political Economy* 99, 6 (1991): 1296-1314.

Project 2 – Property Rights

- De Long, J. Bradford and Andrei Shleifer. "Princes and Merchants: City Growth Before the Industrial Revolution," *Journal of Law and Economics* 36, 2(1993): 671-702.

The Industrial Revolution and the Rise of the West

- Mokyr, Joel. *The Lever of Riches*, New York: Oxford University Press, 1990, Ch. 9.
- Mokyr, Joel. "Demand vs. Supply in the Industrial Revolution," *Journal of Economic History* 37, 4 (1977): 981-1008.
- Peter Temin, "Two Views of the British Industrial Revolution," *Journal of Economic History* 57, 1 (1997): 63-82.

- DeVries, Jan. "The Industrial Revolution and the Industrious Revolution," *The Journal of Economic History* 54, 2 (1994): 249-270.
- Allen, Robert. "Collective Invention," *Journal of Economic Behavior and Organization* 4 (1983): 1-24.

Project 3 – Industrial Revolution

- Mokyr, Joel (1990): *The lever of riches*, New York, Oxford, Oxford University Press. (Chapter 5, "The years of Miracles," pp. 81-112)
- Mokyr, Joel (1990): *The lever of riches*, New York, Oxford, Oxford University Press. (Chapter 6, "The late nineteenth century," pp. 113-148)

Prices and Wages

- O'Brien, Patrick. "European Economic Development: the Contribution of the Periphery," *Economic History Review* 35, 1 (1982): 1-18.
- Allen, Robert C. "The Great Divergence in European Wages and Prices from the Middle Ages to the First World War," *Explorations in Economic History* 38, 4 (2001): 411-447.
- Voth, Hans-Joachim. "Time and Work in Eighteenth-Century London." *The Journal of Economic History* 58, 1 (1998): 29-58.

Population and Economic Growth

- Johnson, D. Gale. "Population, Food, and Knowledge," *American Economic Review* 90, 1 (2000): 1-14.
- Weir, David. "Life Under Pressure: France and England, 1670-1870," *Journal of Economic History* 44, 1 (1984): 27-47.
- Hatton, Timothy J. and Jeffrey G. Williamson (2005): *Global migration and the world economy two centuries of policy and performance*, Cambridge, Mass. MIT Press. (Chapter 2: Evolving World Migration since Columbus", Chapter 3: "The Transition to Mass Migration: How it all began" and Chapter 5: Emigrant Origins and Immigrant Outcomes")

Project 4 Population

- Lee, R. "The Demographic Transition: Three Centuries of Fundamental Change," *Journal of Economic Perspectives* (2003): 167-90.
- World Bank database project
- The Economist, "How to deal with a falling population." July 28, 2007.
- The Economist, "Suffer the little children." June 25, 2009.
- The Economist, "End of history and the last woman." August 22, 2011.

Inequality and Living Standards

- Lindert, Peter H. "Unequal English Wealth since 1670." *The Journal of Political Economy* 94, 6 (1986): 1127-1162.
- Williamson, Jeffrey G. "Was the Industrial Revolution Worth It? Disamenities and Death in 19th Century British Towns," *Explorations in Economic History* 19 (1982): 221-245.

Project 5 Inequality and Living Standards

- The World Top Incomes Database
- The New York Times, “In Silicon Valley, Millionaires Who Don’t Feel Rich.” August 5, 2007.
- The New York Times, “The Haves and the Have-Nots.” January 31, 2011.
- The New York Times, “Among the Wealthiest One Percent, Many Variations.” January 14, 2012.

Economics 271 Course Calendar, Spring 2013
(subject to change due to time constraints)

Date	Lecture Topic	Assignments Due
January 7	Introduction and logistics of the course	
January 9	The Field of Economic History	
January 14	Long Run Convergence-Divergence	
January 16	Long Run Convergence-Divergence	
January 21	No Class – Martin Luther King Day	
January 23	Long-Run Convergence-Divergence	
January 28	Long-Run Convergence-Divergence	Project 1 – Presentation & Reports
January 30	European Expansion	
February 4	European Expansion	
February 6	European Expansion	
February 11	Institutions and Property Rights	
February 13	Institutions and Property Rights	
February 18	Institutions and Property Rights	Project 2 – Presentation & Reports
February 20	The Industrial Revolution	
February 25	The Industrial Revolution	
February 27	Midterm Exam	In class
March 4	No class – Spring break	
March 6	No class – Spring break	
March 11	The Industrial Revolution	
March 13	The Industrial Revolution	
March 18	The Industrial Revolution	Project 3 – Presentation & Reports
March 20	Prices and Wages	
March 25	Prices and Wages	
March 27	Population and Economic Growth	
April 1	Population and Economic Growth	
April 3	Population and Economic Growth	
April 8	Population and Economic Growth	Project 4 – Presentation & Reports
April 10	Inequality and Living Standards	
April 15	Inequality and Living Standards	
April 17	Inequality and Living Standards	Project 5 – Presentation & Reports
April 22	Review	
May 2 @9am	Final Exam	In class