

Chapman University
Economics 374
Jared Rubin
Fall 2015



Economics 374: European Economic History

Professor: Jared Rubin
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Office Hours: Tuesday, 2:00-4:00pm, or by appointment

Prerequisites

Economics 200

Course Objectives

By the end of this course, the student should be able to understand:

- The role that institutions play in economic development
- How economies work without widespread rule of law
- How different institutions work to facilitate trade
- The connection between political institutions and economic outcomes
- The economic differences between Europe and the rest of the world prior to and after the Industrial Revolution
- The role that religion played in facilitating or inhibiting economic outcomes in European history
- The connection between technology and economic outcomes

Students will also be required to:

- Write a term paper using economic logic to explain some event(s) in European economic history
- Participate in class discussions
- Talk one-on-one with the professor at least once regarding the term paper

Course Description

This course analyzes the evolution of European economic institutions and the development of industry, commerce, and finance from the fall of the Roman Empire to the Industrial Revolution. It traces the historical path which culminated in European economic hegemony.

Course Learning Goals

This course is aimed at facilitating critical thinking. This class will provide: 1) a general overview of important events and periods in the economic history of Europe; 2) an analysis of important historical events from an economic viewpoint.

Program Learning Outcomes

Knowledge of Economics:	Each student will demonstrate knowledge of modern microeconomic and macroeconomic theories and apply these theories to analyze economic policies and problems.
Problem Solving Skill:	Each student will possess the quantitative and technical skills to analyze data and interpret results to improve economic performance.
Communication:	Each student will be able to communicate clearly, concisely and professionally.
Global Professional:	Each student will demonstrate awareness of ethical, cultural and professional perspectives of the global economic environment.

Academic Integrity Policy

Chapman University is a community of scholars that emphasizes the mutual responsibility of all members to seek knowledge honestly and in good faith. Students are responsible for doing their own work and academic dishonesty of any kind will be subject to sanction by the instructor/administrator and referral to the university Academic Integrity Committee, which may impose additional sanctions including expulsion. Please see the full description of Chapman University's policy on Academic Integrity at www.chapman.edu/academics/academicintegrity/index.aspx.

Students with Disabilities

In compliance with ADA guidelines, students who have any condition, either permanent or temporary, that might affect their ability to perform in this class are encouraged to contact the Disability Services Office. If you will need to utilize your approved accommodations in this class, please follow the proper notification procedure for informing your professor(s). This notification process must occur more than a week before any accommodation can be utilized. Please contact Disability Services at (714) 516-4520 or visit www.chapman.edu/students/student-health-services/disability-services if you have questions regarding this procedure or for information or to make an appointment to discuss and/or request potential accommodations based on documentation of your disability. Once formal approval of your need for an accommodation has been granted, you are encouraged to talk with your professor(s) about your accommodation options. The granting of any accommodation will not be retroactive and cannot jeopardize the academic standards or integrity of the course.

Equity and Diversity Policy

Chapman University is committed to ensuring equality and valuing diversity. Students and professors are reminded to show respect at all times as outlined in Chapman's Harassment and Discrimination Policy. Please see the full description of this policy at <http://www.chapman.edu/faculty-staff/human-resources/eoo.aspx>. Any violations of this policy should be discussed with the professor, the dean of students and/or otherwise reported in accordance with this policy.

Important Addresses and Telephone Numbers

Disabilities Services: 410 N. Glassell Phone: (714) 997-6778	Tutoring, Learning, and Testing Center: Cecil B. DeMille Hall 130 Phone: (714) 997-6828
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Withdrawal and Drop Policy

See your Chapman University Catalogue. The last day to add courses is Friday, September 11. The last day to drop courses without record of enrollment is Friday, September 11. The last day to withdraw from courses is Friday, November 6.

Required Texts

Joel Mokyr (1990). *The Lever of Riches: Technological Creativity and Economic Progress*. Oxford.

We will also read chapters from my book that will be published next year: *Rulers, Religion, and Riches: Why the West got rich and the Middle East did not* (2016) Cambridge University Press. The manuscript will be made available through Blackboard. Most of the other readings are academic articles. You can download these articles on JSTOR.org or Google Scholar using any computer hooked into the Chapman network or through the Chapman library website.

Course Requirements

The course will consist of one mid-term examination, a final examination, and one term paper. There will be no make-up examinations. If the mid-term is missed, the final will carry the additional weight **if and only if** a valid excuse (e.g., doctor's note) is presented.

The term paper is due in class on the date listed below. Papers are due at the beginning of class on that date. Any papers turned in after this time will be accepted, but will carry a penalty of 10 points per 24-hour time period (unless, of course, you have an extremely valid, documented excuse).

Grading

There are 100 possible points. The grading breakdown is as follows:

Class Participation	15 points
Précis for Paper	
Initial submission in September	5 points
Final submission in November	5 points
Term Paper	30 points
Midterm Examination	20 points
Final Examination	25 points

There are no make-up exams, nor are there early or late sittings for exams. I grade on a ten-point scale:

<u>Numeric Grade</u>	<u>Letter Grade</u>	<u>Numeric Grade</u>	<u>Letter Grade</u>
93	A	73-76.99	C
90-92.99	A-	70-72.99	C-
87-89.99	B+	67-69.99	D+
83-86.99	B	63-66.99	D
80-82.99	B-	60-62.99	D-
77-79.99	C+	<60	F

Term Paper

Assignment: You will investigate some event in European economic history. Your paper must focus on an event between the fall of the (Western) Roman Empire and the beginning of World War II. You will be required to stop by my office at least two weeks prior to the due date to discuss your paper topic. This office visit will count towards your class participation grade. You may use papers or books read in this class as sources, but you must cite at least five outside sources. Points will be deducted if your paper is shorter than seven pages.

Précis: Approximately one month before the paper is due, you will turn in a précis outlining the argument of your paper. The précis should be about 2 pages long and should explain i) the question you will address, ii) your hypothesis, and iii) how you plan to support your hypothesis. You will also need to include at least three of the sources you plan to use.

Three weeks into the semester you will have to turn in a preliminary précis. It should be one page long and explain a question or two that you are interested in writing about for your term paper. It should note why the questions are interesting and what you expect your hypothesis to be. It is non-binding (i.e., you can change your topic later).

Each précis will be graded and each will make up 5% of your overall grade.

Expectations: The purpose of this exercise is to apply economic logic to some event in European economic history. An economic analysis is mandatory – a mere description of events will not suffice. Your paper should search for a causal link between two or more phenomena. That is, you should construct a well-structured economic hypothesis and argue its merits using historical information.

Course Outline

This is a very tentative schedule and is subject to change at any time. All due dates and examination dates will not be changed, however.

** : Optional Readings – these readings are referenced in the lectures, but they are not at the center of the lecture. Students interested in the topics should consult these readings.

I. WHAT IS ECONOMIC HISTORY?

September 1

Introduction

September 3, 8, 10

Review of European history and geography using political maps, 300-2000
(<http://www.euratlas.net/history/europe/>)

Rubin (2015), Chapter 1, 2

Douglass C. North, "Institutions," *Journal of Economic Perspectives*, 1991.

** Douglass C. North, *Structure and Change in Economic History*, New York: Norton, 1981.

** Paul A. David, "Clio and the Economics of QWERTY," *American Economic Review*, 1985.

** Richard A. Easterlin, "Why Isn't the Whole World Developed?," *Journal of Economic History*, 1981.

II. THE MEDIEVAL ECONOMY

September 10, 15, 17

Agriculture and Guilds

Douglass North and Robert Thomas, "The Rise and Fall of the Manorial System: A Theoretical Model," *Journal of Economic History*, 1971.

Donald McCloskey, "English Open Fields as Behavior Towards Risk," *Research in Economic History*, 1976.

**Gary Richardson, "The Prudent Village: Risk Pooling Institutions in Medieval English Agriculture," *Journal of Economic History*, 2005.

Avner Greif, Paul R. Milgrom, and Barry R. Weingast, "Coordination, Commitment and Enforcement: The Case of the Merchant Guild," *Journal of Political Economy*, 1994.

Gary Richardson, "Craft Guilds and Christianity in Late-Medieval England: A Rational-Choice Analysis," *Rationality and Society*, 2005.

** Paul R. Milgrom, Douglass C. North, and Barry R. Weingast, "The Role of Institutions in the Revival of Trade: The Law Merchant, Private Judges, and the Champagne Fairs," *Economics and Politics*, 1990.

September 24, October 1

Trade and Exchange

Avner Greif, "Reputation and Coalitions in Medieval Trade: Evidence on the Maghribi Traders," *Journal of Economic History*, 1989.

Avner Greif, "The Fundamental Problem of Exchange: A Research Agenda in Historical Institutional Analysis," *Review of European Economic History*, 2000.

Avner Greif, "The Birth of Impersonal Exchange: The Community Responsibility System and Impartial Justice," *Journal of Economic Perspectives*, 2006.

** Avner Greif, "Impersonal Exchange without Impartial Law: The Community Responsibility System," *Chicago Journal of International Law*, 2004.

** Avner Greif, *Institutions and the Path to the Modern Economy*, Cambridge: Cambridge University Press, 2006.

September 22: No Class, Turn in Preliminary Précis

October 6, 8

Law, Exchange, and Comparison with the Islamic World

Rubin (2015), Ch. 3, 4

Timur Kuran, "The Absence of the Corporation in Islamic Law: Origins and Persistence," *American Journal of Comparative Law*, 2005.

III. THE EARLY MODERN PERIOD

October 13, 15, 20

Technological Change and the Reformation

Review for Exam

Rubin (2015), Ch. 5, 6

Murat Iyigun, "Luther and Suleyman," *Quarterly Journal of Economics*, 2008.

** Elizabeth L. Eisenstein, *The Printing Press as an Agent of Change: Communications and Cultural Transformations in Early Modern Europe*, Cambridge: Cambridge University Press, 1979.

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- ** Sascha O. Becker and Ludger Wößmann, “Was Weber Wrong? A Human Capital Theory of Protestant Economic History”, *Quarterly Journal of Economics*, 2009.
- ** Jeremiah Dittmar, “Information Technology and Economic Change: The Impact of the Printing Press,” *Quarterly Journal of Economics*, 2011.

MIDTERM EXAMINATION: THURSDAY, October 22
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October 27, 29, November 3

Institutional Change in Western Europe

Discussion of Exam Results

Rubin (2015), Ch. 7

Douglass North and Barry Weingast, “Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England,” *Journal of Economic History*, 1989.

**Gary W. Cox, “Was the Glorious Revolution a Constitutional Watershed?,” *Journal of Economic History*, 2012.

Jan Luiten van Zanden, Eltjo Buringh, and Maarten Bosker, “The rise and decline of European parliaments, 1188-1789,” *Economic History Review*, 2012.

Mark Dincecco, “Fiscal Centralization, Limited Government, and Public Revenues in Europe,” *Journal of Economic History*, 2009.

** Jan de Vries, and Ad van der Woude, *The First Modern Economy: Success, Failure, and Perseverance of the Dutch Economy, 1500-1815*, Cambridge: Cambridge University Press, 1997.

October 29: Full Précis Due

November 5, 10

Comparative Institutional Change

Rubin (2015), Ch. 8

Lisa Blaydes and Eric Chaney, “The Feudal Revolution and Europe’s Rise: Political Divergence of the Christian West and the Muslim World before 1500 CE,” *American Political Science Review*, 2013.

Kivanc Karaman and Evket Pamuk, “Different Paths to the Modern State in Europe: The Interaction Between Warfare, Economic Structure, and Political Regime,” *American Political Science Review*, 2013.

November 12

Urbanization and Economic Growth

Maarten Bosker, Eltjo Buringh, and Jan Luiten van Zanden, “From Baghdad to London: Unraveling Urban Development in Europe, the Middle East, and North Africa, 800–1800,” *Review of Economics & Statistics*, 2013.

E.A. Wrigley, “A Simple Model of London’s Importance in Changing English Society and Economy, 1650-1750,” *Past and Present*, 1967.

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November 17

Technology in Broad Perspective
Mokyr (1990), Chapters 1, 4

IV. THE INDUSTRIAL REVOLUTION

November 19

Technology of the Industrial Revolution
Mokyr (1990), Chapters 5, 7

** Robert C. Allen, *The British Industrial Revolution in Global Perspective*, Cambridge: Cambridge University Press, 2009.

***Note: I am expecting a child sometime around mid-November, so I will likely cancel one class around this time**

November 24, 26

THANKSGIVING BREAK

December 1, 3

Consequences of Industrialization: Income Distribution and Wages

Peter Lindert, "Unequal English Wealth since 1670," *The Journal of Political Economy*, 1986.

Thomas Piketty and Emmanuel Saez, "Inequality in the long run," *Science*, 2014.

Robert Allen, "The Great Divergence in European Wages and Prices from the Middle Ages to World War I," *Explorations in Economic History*, 2001.

Robert Allen, Jean-Pascal Bassino, Debin Ma, Christine Moll-Murata, and Jan Luiten Van Zanden, "Wages, prices, and living standards in China, 1738–1925: in comparison with Europe, Japan, and India," *Economic History Review*, 2011.

December 3: Term Paper Due

December 8, 10

In-class Review

FINAL EXAMINATION: FRIDAY, DECEMBER 18 AT 10:45AM
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