

Economics 329

International Economic History

COURSE DESCRIPTION

This course surveys the evolution of the international economy from the Industrial Revolution to the present. Emphasis will be placed on the factors explaining economic growth, especially the role played by international trade in goods and services, factors of production, and financial assets. The changing distribution of gains and losses associated with growth will also be examined, both within and across countries.

The course is organized chronologically and selectively. Certain topics and themes will be stressed while other topics will be discussed only briefly or even ignored. This is not a reflection on the importance of those topics; rather, it reflects the need to cover a great deal of material in a single semester.

MEETING TIME AND PLACE

1-1:55 on Mondays, Wednesdays, and Fridays
Main 322, CSB

CONTACT INFORMATION

Phone: 363-5683
E-mail: ljohnston@csbsju.edu

OFFICE HOURS

Wednesdays and Fridays, 3 -4 pm in Main 333

To make an appointment at another time,
please send me an email note or speak with
me after class.

ECONOMICS DEPARTMENT STUDENT LEARNING GOALS AND OBJECTIVES

Goal 1: Students of economics will be able to apply economic theory to understand economic issues and policies by:

- 1.1: Analyzing interactions between human values and economic life;
- 1.2: Demonstrating a knowledge of and ability to apply appropriate analytical tools; and
- 1.3: Recognizing the diversity of methodologies practiced in conducting economic analysis.

Goal 2: Students of economics will be able to evaluate evidence bearing on those economic issues and policies by:

- 2.1: Identifying, locating, and assessing the necessary quantitative and non-quantitative information, facts and arguments; and
- 2.2: Employing both quantitative reasoning and computing skills where appropriate.

Goal 3: Students of economics will be able to communicate effectively the results of their economic analysis through:

- 3.1: Clear writing, appropriately supported and documented;
- 3.2: Effective participation in discussion; and
- 3.3: For majors, polished oral presentations.

PREREQUISITES

Economics 111 is the only formal prerequisite for this course. I will presume that you can work with basic mathematical tools (e.g. graphs, simple algebra), word processing and spreadsheet programs (e.g. Microsoft Word and Excel), downloading and uploading files, and attaching files to e-mail messages. Additional courses in economics and history will also be helpful.

BOOKS

The books for this course are:

Robert C. Allen, *The Industrial Revolution: A Very Short Introduction*. Oxford: Oxford University Press, 2017.

Menzie D. Chinn and Jeffrey A. Frieden, *Lost Decades: The Making of America's Debt Crisis and the Long Recovery*. New York: W. W. Norton, 2011.

Jeffrey A. Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century*. New York: W. W. Norton, 2006.

All three books are sold at the CSB bookstore. They are also available as eBooks via Amazon and other online booksellers.

ADDITIONAL READINGS AND CLASS NOTES

All additional readings and class notes will be posted at www.louisjohnston.com. Click on Classes, then Economics 329.

WORKLOAD IN THIS COURSE

The [Academic Catalog](#) states, "Credits indicate the quantity of work. The unit of credit is termed an hour. The number of credits carried in each course is indicated after each course title in the curriculum section. One credit ordinarily represents three hours of work each week, including private study and research as well as scheduled class meetings."

Economics 329 is a 4-credit course and we meet for 2 ¾ hours per week. Thus, you should expect to spend at least 9-10 hours per week outside of our course meetings on reading, homework assignments, and other tasks associated with this class.

GRADES IN THIS COURSE

The [Academic Catalog](#) states, “Intellectual achievement is more important than grades. Grades, however, are necessary for advisory purposes, for determination of the quality of academic achievements and for transfer of credit to other institutions. Grades are designated by letters. In order to compute averages, numerical values called honor points have been assigned to the grades as follows:”

Letter grade	Interpretation	Honor points for each credit
A	Excellent	4
AB		3.5
B	Good	3
BC		2.5
C	Satisfactory	2
CD		1.5
D	Minimum Passing	1
F		0

I will apply this scale and the interpretation of each grade to all of your work.

READING COMPREHENSION AND REFLECTION

Economic history, more than many other areas of economics, involves developing and deploying your skills in reading comprehension and reflection. *Reading comprehension* is the capacity to read, process, and understand the meaning of a text. *Reading reflection* is the ability to engage with a text and connect it with your broader knowledge both in the course and beyond.

I will encourage this process by spending the first 5-10 minutes of each class meeting on either a reading comprehension or reading reflection exercise. These will range from answering short answer questions to using tools such as flowcharts, timelines, storyboards, and maps.

All of this means that you *must read each day's reading before our class meeting.*

Each assignment will count for a maximum score of 2 points. I will look to see if your answers indicate that you engaged reading; if so, you will receive 2 points for the assignment. If your answers do not indicate that you engaged seriously with the reading, you will receive either 1 or 0 points.

I WILL NOT GIVE MAKE-UP ASSIGNMENTS. Each student may drop two of these assignments during the course, so if you miss a class you will need to use one of your drops.

These assignments will count for 30 percent of your course grade.

PAPER ASSIGNMENTS

You will write three papers over the course of the semester. Each paper is to be a thoughtful, critical essay on a particular question concerning the international economy. Your essay is to be based on the regular course readings; therefore, you should assume that I am familiar with this material and therefore you should not waste time or space simply summarizing the readings. Rather, you should identify the major historical and conceptual issues underlying the question, present a critical evaluation of the various hypotheses advanced in the readings, and offer your own judgement on the larger question itself.

Each essay should be 1500 words (+/- 150 words). No bibliography is necessary; however, plagiarism will be severely punished. If you directly quote or paraphrase material from the readings, use a parenthetical reference. (Example: "The financial leaders of Europe and the world watched in shock as the assault on the gold standard challenged the very structure of the international economic order (Frieden 2006, 14).") I will provide further stylistic details, along with a grading rubric, on the course website.

You may write on any three of the following four questions. Each paper is due at the beginning of the class. **LATE PAPERS WILL NOT BE ACCEPTED.**

1. (Due date: ~~Wednesday, February 7~~) "Industrialization in the 19th century was most successful in those countries which promoted free trade and had the least amount of government involvement in the economy." Discuss.
2. (Due date: ~~Friday, February 19~~ ~~Friday, February 23~~ Monday, February 26) The period 1870-1914 is sometimes described as a "golden age" for the international economy. Yet it saw protectionism, colonialism, debt defaults, and eventually a world war. Can these perspectives be reconciled?
3. (Due date: ~~Wednesday, March 14~~ ~~Monday, March 19~~ Friday, March 23) Did the international economy (i.e. international markets for goods and capital and the international monetary system) transmit a U.S. depression to other countries, or did the structure of the interwar world economy play an independent role in the origins and severity of the Great Depression?

4. (Due date: Monday, April 23) The international economy grew much faster from 1945 through 1973 than from 1974 through 1989. Assess the role that the Bretton Woods system played in relation to other circumstances of the period 1945-89.

These papers will count for 50 percent of your course grade.

EXAMS

There will be a take-home final exam. It will consist of 2-3 questions I will distribute on the last day of class (May 4). You will turn in your answers by 5 pm on Friday, May 11.

This exam will count for 20 percent of your course grade.

GRADING OPTIONS

Some students may choose to take this course on a satisfactory/unsatisfactory (S/U) basis rather than for a letter grade. [The college policy regarding who may or may not take the course S/U is in the current Academic Catalog.](#) You *must* inform me that you intend to take the course S/U by 5 p.m. on Friday, May 4.

ACADEMIC MISCONDUCT

I will apply [the institutional policy on academic misconduct](#) in this course.

CLASS CANCELLATION

I may need to cancel class during the semester due to weather, illness, etc. If class is canceled, there will be a note in your e-mail telling you that class is canceled. If you arrive at our classroom and find a note written on the board saying that class is canceled, CHECK YOUR EMAIL to confirm this. DO NOT ASSUME THAT THE NOTE IS CORRECT!

DISABILITY INFORMATION

The colleges have support systems in place for those students who have an official diagnosis for a Learning Disability or a Physical Disability. If a student has had a diagnosis for a specific Learning Disability or a Physical Disability, [Student Accessibility Services](#) (SAS) will provide me with information on current CSB|SJU accommodations. If a student volunteers information regarding a Learning or Physical Disability I will contact SAS.

HUMAN RIGHTS POLICY

[CSB|SJU](#) is “committed to creating and maintaining an environment in which all members of the community are aware of and respect the rights and human dignity of every other member. Discrimination and harassment based on race, religion, color, national origin, sex, sexual orientation, age, marital status, disability, familial status, status with regard to public assistance, or other legally protected category or characteristic are reprehensible and are antithetical to the mission of these institutions. CSB and SJU have zero tolerance for unlawful discrimination and harassment.”

SEXUAL MISCONDUCT POLICY

“The purpose of this [Policy](#) is to maintain an environment that is free from the physical and emotional threat of sexual misconduct, including sexual harassment, sexual assault, and other forms of sexual violence. The College of Saint Benedict (CSB) and Saint John’s University (SJU) have zero tolerance for sexual misconduct in any form.”

CLASS CALENDAR

Date	Topic	Reading
January 15	Introduction to the course	
Part I: The Industrial Revolution and its consequences, 1750-1870		
January 17	Why don’t we live in a Bruegel painting?”	Allen, Chapter 1 Frieden, Preface
January 19	Life before the Industrial Revolution	Allen, Chapter 2
January 22	NO CLASS MEETING	
January 24	Why was the Industrial Revolution British?	Allen, Chapter 3
January 26	Costs and consequences of the Industrial Revolution	Allen, Chapter 4
Part II: A Golden Age? The International Economy, 1870-1914		
January 29 January 31 February 2	Industrial revolutions around the world	Allen, Chapter 6 Frieden, Prologue
February 5 February 7	International market integration:, Goods, finance, and people	Frieden, Chapter 1 and 2
February 7	Paper #1 due	
February 9	Forging ahead...	Frieden, Chapter 3

February 12	...and falling behind	Frieden, Chapter 4
February 14	The Great Illusion	Frieden, Chapter 5
Part III: The Second Thirty Years War, 1914-1945		
February 16	World War I and its aftermath	Frieden, Chapter 6
February 19	Brave New World?	Frieden, Chapter 7
February 21		
February 21	Great Crash and Great Depression	Frieden, Chapter 8
February 23 February 26	Responses to the depression	Frieden, Chapters 9 and 10
February 26	Paper #2 due	
Part IV: The Cold War, 1945-1989		
February 28	Postwar reconstruction	Frieden, Chapter 11
March 2	Understanding the Bretton Woods system	Frieden, Chapter 12
March 3 - 11	Spring Break	
March 12	Emergence of the Third World	Frieden, Chapter 13
March 14	The Red Menace	Frieden, Chapter 14
March 16	From Bretton Woods to what?	Frieden, Chapter 15
March 19	Muddling through the 1970s and 1980s	Frieden, Chapter 16
Part V: Globalization redux, 1989-2008		
March 21	The end of history	Frieden, Chapter 17
March 23	Paper #3 due – no class meeting	
March 26	Some forging ahead...	Frieden, Chapter 18
March 28	...and others falling behind	Frieden, Chapter 19
March 30 April 2	Easter Break	
April 4	Storm clouds on the horizon	Frieden, Chapter 20 and Conclusion
Part VI: Lost Decades?		
April 6	The long view: borrowing and spending	Chinn and Frieden, Chapter 1
April 6		

April 9	The capital flow cycle	Chinn and Frieden, Chapter 2
April 11	Risk, leverage, and debt	Chinn and Frieden, Chapter 3
April 13	Staring into the abyss	Chinn and Frieden, Chapter 4
April 16	Bailouts and stimulus	Chinn and Frieden, Chapter 5
April 18 April 20	US policy in the wake of the crisis	Chinn and Frieden, Chapter 6
April 23	Paper #4 due	
April 23 April 25	The worldwide downturn	Chinn and Frieden, Chapter 7
April 27 April 30	Where do we go from here?	Chinn and Frieden, Chapter 8 and Conclusion
May 2 May 4	Taking stock: Back to the future?	
May 4	Take-home final exam distributed	
May 11, by 5pm	Take-home final exam due	