

## Master in Social Sciences

### Historical Analysis of Economic Change, 2018-19

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**Description:** this course addresses the evolution of the world economy in the very long run from a truly global approach. It provides the student with the understanding of key concepts in economic growth in order to better understand the changes that took place in the international economy. The student will also learn the reasons why the west moved forward while the rest of the world fell behind, and how during the last century, the catching up from developing economies has reduced the gap with the most industrialized nations. Each block of sessions will be divided into a theoretical part that will contain a lecture and a practical part where the students will work on exercises related to the materials covered.

#### **Syllabus**

- **Topic 1 - Introduction:** what is economic history and how do we study it?
- **Topic 2 - Economic growth:** how do we measure it? What types of growth can we observe? What are the main trends in the long run? Differences between growth, development and welfare.
- **Topic 3 - Economic development and living standards:** What is the difference with economic growth? How do we estimate living standards? What are the main methodological problems of the different estimations? Did living standards improve in the long run? Was it a systematic and linear process?
- **Topic 4 - Economic inequality:** different measurements of economic inequality. Income vs. wealth inequality. Changes in the very long run and the Kuznets and super Kuznets curve.
- **Topic 5 - The effect of the environment in the economy:** efficient allocation of natural resources. The Malthusian model. Limitations imposed to the economy by environmental conditions. The effect of climate in the very long run.
- **Topic 6: The great divergence.** different growth patterns in the west and the rest of the world. China falling behind from a similar starting point. Comparison of income levels and living standards in the world prior and after the western industrial revolution.

- **Topic 7 - The Industrial Revolution in England and its diffusion.** Growth models. General Purpose Technologies and growth. Structural change, urbanization and public health. The integration of national markets and the nation-state. Factor endowments and technology adoption. Requisites for industrialization. Why did it not happen in France or Song China?
- **Topic 8. The first globalization wave (1850-1914) and its crisis.** British off-shoots and the international division of labour. Central, Eastern and Southern European backwardness and migrations. The grain invasion..
- **Topic 9. The Rise of the US and the Great Depression.** The rise of an industrial superpower (US). The causes of WW1. The interwar years and the Great Depression
- **Topic 10. Growth in the 20<sup>th</sup> century.** The growth century. The rise and fall of developmental policies. Mass production. Successful catch up in Western Europe. FDI and technological diffusion (multinationals). Alternative economic models (Soviet Union). De-colonization and growth failures in Africa and the Middle East
- **Topic 11. The 21<sup>st</sup> century.** The future of the international economy. China and India, BRICS and Frontier Markets. Natural resource booms and busts and the Dutch disease. National capabilities and technology diffusion.

### Evaluation

- Attendance and participation in class: 20 per cent.
- Take home examination: 80 per cent.