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Economics 1340: World Economic History

2.30-4 Monday and Wednesday, Fall 2014.

This course provides an overview of the main facts about world economic history since the Neolithic Revolution 12,000 years ago. This revolution marked the change in human lifestyles from hunting and gathering to farming and herding, the first of a series of ‘economic revolutions’ that have shaped modern economies, politics and societies. The course aspires not just to describe the facts, but to provide explanations for them.

Perhaps the dominant fact is that today people live much longer and healthier lives than they did 10,000 years ago. Life expectancy at birth at the height of the Roman Empire, where we have reasonably decent data, was probably about 25 years.¹ The latest Human Development statistics from the United Nations puts this number at 78.7 years for the United States, though it is far lower in the poor countries of the world. For example, in Afghanistan it is 49.1 years and in Sierra Leone 48.1 years.² Even in the poorest countries these are remarkable changes. People don’t just live longer, they are also much healthier since modern medicine and dentistry have spread to an extent even to the poorest countries of the world.

On average people also have far higher incomes and use them to consume a far greater number of different goods and services than their ancestors did, and in general their lives have changed in innumerable ways. The extent of these differences varies a lot around the world today. In the United States and Western Europe it is clear, in rural Sierra Leone or Ethiopia, or even in Cité Soleil in downtown Port-au-Prince, Haiti, the difference is much smaller, but it is still present.

Numerous changes went along with this increase in living standards and economic outcomes. Some seem obviously connected to them. Economists regard literacy as an important part of “human capital” which is a terminology used to refer to the embodied knowledge, skills or learning in individuals which makes them more “productive” - by productive we simply mean their ability to produce goods and services. Individuals who have higher human capital (literate, more years of schooling, higher quality schooling, more work experience) can produce more or better good and services. We would therefore expect to see greater literacy/human capital go along with higher incomes and greater quantities of goods and services. Literacy could also influence health and life expectancy since information about

¹ Scheidel, Walter (2009) “Demography” in Walter Scheidel, Ian Morris and Richard Saller eds. *The Cambridge Economic History of the Greco-Roman World*, New York: Cambridge University Press. pp. 38-41.

² These statistics from <http://hdr.undp.org/en/statistics/>.

how to avoid and cure diseases spreads more easily and people.³ There have been big changes in literacy and human capital over time. For example, in Ancient Athens around 400BC around 10% of the population were literate (could read and write). Elsewhere these numbers were much lower, maybe 1% in Egypt or Babylonia of the same period.⁴ Today adult literacy in the United States is almost 100%. The World Bank does not report data for the literacy rate in Afghanistan or Haiti but it does for Sierra Leone, which is 40% for adults. Elsewhere the numbers are even worse, for example in the African Sahel with 26% for Mali or Niger 20%.⁵ Still the world average adult literacy rate in 2008 was 83% a huge increase over Ancient Greece or Rome where literacy was a preserve of the elite.

Another obvious thing that has changed over the last 10,000 years and is related to economic change is technology. Hunter gatherer societies 10,000 years ago had very primitive technologies and as indicated by the title 'Neolithic' (New Stone Age) – which derives from the Greek words for 'new' and 'stone' – which focuses attention on the use of stone tools. Neolithic hunters did not have metal tools and the first farmers did not have plows or wheels. Early periodizations of history emphasize technical change by the use of such terms as 'Bronze Age' and 'Iron Age', and the origins of the great prosperity we see about us in the United States today was the British 'Industrial Revolution' which at heart was a great technological leap. Technology is important because it allows the same number of people to produce and make more and higher quality things. Just like human capital, technology didn't change at the same rate everywhere in the world. The first wheeled transportation appears to have been adopted in Mesopotamia and Central Europe in the 4th millennium BC, but wheeled transportation was not used in Sub-Saharan Africa until the late 19th century.⁶ Similarly today there are big differences in technology between different countries which economists go some way towards measuring by a concept they call 'total factor productivity' (TFP) measures how much income can be generated by given factors of production such as human capital. Calculations show that TFP in a poor African country such as Tanzania is 9% of the US level, while Peru's TFP is 39% of the US level.⁷ These differences are again obviously related to income differences.

Another huge change over this period has been in the size of human populations. Archaeologists estimate that prior to the Neolithic Revolution world population was probably about 1 million people. Today world population is approaching 7 billion people.

Not only the quantity and quality of 'stuff' – people, tools, goods - has changed over time. The way that societies are organized has changed a lot as well. Think first about the economy. We don't know much about the way that early Neolithic economies were organized, for example who owned (if anyone) the land, or how decisions about planting and harvesting were made. But we do know that the Greek and Roman economies were based heavily on slavery. Many people, probably 35% in Roman Italy, 25% in ancient Athens, didn't get to decide what to do, they were the property of others. The Doomsday Book, the

³ To give a disturbing example of what I mean during the outbreak of cholera which hit Haiti between 2010 and 2013 it was been reported that 45 people, mostly Voodoo priests, were lynched for using magic to spread the disease. <http://www.bbc.co.uk/news/world-latin-america-12073029>

⁴ For these numbers see p. 731 on Morris, Ian (2004) "Economic Growth in Ancient Greece," *Journal of Institutional and Theoretical Economics*, 160, 709-742.

⁵ Contemporary literacy statistics from <http://data.worldbank.org/indicator/SE.ADT.LITR.ZS>.

⁶ A general history of the spread of wheeled transportation is Piggott, Stuart (1983) *The Earliest Wheeled Transport from the Atlantic Coast to the Caspian Sea*, Ithaca: Cornell University Press. For Africa see Law, Robin C. (1980) "Wheeled Transportation in Pre-Colonial West Africa," *Africa*, 50, 249-262.

⁷ For these calculations see Weil, David (2005) *Economic Growth*, New York: Pearson, p. 191.

great census of England conducted by the Norman king William the Conqueror recorded that in 1086 about 10% of the population were slaves. By 1400 this was down to zero in England but elsewhere slavery lingered for much longer. In 1680 2/3 of the people on the Caribbean island of Barbados were slaves. In 1860 slaves still made up about 13% of the population of the United States. In large parts of West Africa slaves made up 50% of the population in the 19th century and in Sierra Leone slavery was abolished finally by the British colonial state in 1928.⁸ It seems likely that the way an economy is organized, for example whether or not there is slavery, can help explain how the economy works and whether it is good at producing income. There are lots of other ways in which economic organization might differ and might matter. In introductory microeconomics you learn about the power of markets to efficiently allocate scarce resources. The most celebrated theoretical result in economics, the First Welfare Theorem, determines the conditions under which resources are efficiently allocated and these are closely related to the presence of competitive markets. Economics also teaches us about the amazing efficiency benefits from using money as a medium of exchange instead of having to barter goods in exchange for goods. But not all societies had markets and money. As we will see in this course, in pre-Spanish colonial Peru the Inca state used fiat and coercion to move huge amounts of resources around without the intervention of markets or the use of money. Maybe the Incas just hadn't invented money, but they certainly knew about markets since they did trade with peoples outside of their empire. The Soviet Union knew about markets and money but tried to do without the former in most aspects of economic life for most of its existence and tried to abolish the latter during the period of War Communism in the early 1920s. Likewise the Communist Khmer Rouge regime in Cambodia in the 1970s abolished money. These features of an economy may also naturally be linked to its prosperity.

But other things that have systematically changed in human societies over the last 10,000 years are less obviously related to life expectancy or human incomes and welfare. Take the states we live in. The Oxford English dictionary defines a state as “an organized political community under one government”. Today everyone in the world (like it or not) lives in centralized states. 10,000 years ago no such entities existed. One estimate by the archaeologist Robert Carneiro is that in 1,000BC there were around 800,000 independent political communities in the world.⁹ Now there are less than 200. States differ a lot in how they are organized, in how centralized they are, in what they do, how they do it and how effective they are at doing it. For example, the great German Sociologist Max Weber emphasized that the distinguishing feature of a state was that it possessed the “monopoly of legitimate violence in a given territory”. Clearly some states, like the US, possess this feature. But it is not true of many others, obviously Afghanistan, Colombia or the Democratic Republic of the Congo, and maybe Italy as well (the Mafia?).

States vary a lot in how big they are. The Roman state at its peak probably took around 10% of income generated in the empire via taxation. The British state reached this level around 1700. Today the states of most rich countries take about 45% of national income on average while the state of poorer countries take much less. The Colombian state took 6% of national income in taxation until the late 1960s and the state in Sierra Leone

⁸ Slavery in Roman Italy at the time of Augustus see Keith Bradley (1994) *Slavery and Society at Rome*, Cambridge University Press, p. 12, for Athenian slavery see Ian Morris and Barry Powell (2006) *The Greeks*, Pearson, p. 210.

⁹ Robert Carneiro (1977) “Political expansion as an expression of the principle of competitive exclusion,” in Ronald Cohen and Elman Service eds. *Origins of the State*, Philadelphia : Institute for the Study of Human Issues.

today takes only about 10% of national income, similar to the Roman state or Britain in 1700.¹⁰

States also differ in terms of their forms of government, for example how democratic they are. Think of the form of government - the way in which the highest political offices are filled - as one aspect of the state. Countries have different ways of deciding who is in control of the government and these processes differ greatly in how democratic they are. In China the government of the Chinese state is the Communist Party. Nobody voted for them, they assumed power after winning a civil war in the 1940s and have been in power ever since. This example aside, the world has witnessed a large increase in democratic processes over the last 10,000 years. Democracy may have been invented in ancient Athens, but even then only adult male citizens could vote which ruled out slaves and women. This was quite a lot of democracy from a historical perspective, though many other societies shared the feature of adult males collectively making decisions. For instance, Somali clans are very democratic with no real leaders and all decisions made collectively by adult males.¹¹ Slaves couldn't vote in the US before 1865 when freed male slaves were given voting rights, and even then they were quickly disenfranchised. Most black people in the US South did not vote before the 1960s. Women couldn't vote in the US before the 19th Amendment in 1920.

Lots of other things have happened and trended over this period. An interesting one is warfare and violence. Though it is natural, in the light of the First and Second World Wars to consider the 20th century the most violent in history this may not be true. It has been argued that once you normalize by population the extent of deaths due to warfare has actually been falling over time. Relative to the size of their populations hunter gatherer societies were possibly much more violent than modern societies.¹²

So along with economic outcomes, human capital and technology, political institutions have also changed a lot over the last 10,000 years. So have other human practices such as slavery and warfare. How if at all are these things related?

The main focus of this course is trying to understand the changes in people's lives over the past 10,000 years: what caused them? Why did these changes happen when they did? Why didn't they happen in the same way everywhere in the world? The last part of this question is one of the most interesting since if we go back 12,000 years there would have

¹⁰ These numbers come from, respectively Bang, Peter (2008) *The Roman Bazaar*, New York: Cambridge University Press, pp. 87-88; O'Brien, Patrick K. Political (2005) "Fiscal and Financial Preconditions for the Rise of British Naval Hegemony 1485-1815," <http://eprints.lse.ac.uk/22326/> p. 13.; Tanzi, Vito and Ludger Schunknecht (2000) *Public Spending in the 20th Century*, New York: Cambridge University Press, Table I.1 pp. 6-7, ; Junguito, Roberto and Hernan Rincon (2007) "La Política fiscal de Colombia en el siglo XX," in James A. Robinson and Miguel Urrutia eds. *Economía Colombiana del Siglo XX: Un Análisis Cuantitativo*, Bogotá and México D.F.: Fondo de Cultura Económica.

Davies, Victor A.B. (2007) "Sierra Leone's economic growth performance, 1861-2000," in Benno J. Ndulu et al eds. *The Political Economy of Growth in Africa, 1960-2000*, Volume 2, New York: Cambridge University Press. Figure 19.2

¹¹ The classic analysis of this is Ioan M. Lewis (1961) *A Pastoral Democracy: A Study of Pastoralism and Politics among the Northern Somali of the Horn of Africa*, New York: Oxford University Press.

¹² This controversial thesis is developed by Keeler, Lawrence H. (1997) *War Before Civilization*, Oxford University Press. Lawrence Stone argued that homicide and violent crime had been falling in England for a long time, see his paper (1983) "Interpersonal Violence in English Society 1300-1980," *Past & Present*, 101, pp. 22-33.

been few differences in living standards. In fact inequality in living standards emerged at the same time that living standards started to advance – they did so in some places but not others.

The prerequisite for the course is introductory economics such as Econ 10 at Harvard and the material from Gregory Mankiw's *Economic Principles*, or an equivalent introductory economics textbook. A textbook for a course like this has yet to be written. The closest thing to it might be *Why Nations Fail* (2012) by Daron Acemoglu and me. I will refer to specific chapters and it helps structure a great deal of the course and my thinking but it is not really a textbook...

Wonderfully erudite, full of information and thought provoking and heavily used in the course is:

The Lever of Riches: Technological Creativity and Economic Progress (1990) by Joel Mokyr, New York: Oxford University Press.

Mokyr in particular emphasizes the evolution of technology that is a key part of the discussion in the class. I refer to specific chapters from this book as Mokyr (1990).

Endlessly entertaining and erudite is

Guns, Germs and Steel by Diamond, Jared (1997) New York: W.W. Norton and Co.

While, as I shall explain, I fundamentally disagree with the argument of this book I would recommend anyone who hasn't read it to do so. I will briefly discuss his thesis but cannot do justice to the whole argument.

Another very important book that heavily influenced the way I think about these issues and is still very much worth reading is:

The Rise of the Western World: A New Economic History (1973), by Douglass C. North and Robert P. Thomas, New York; Cambridge University Press.

Particularly significant is part 3 of the book which proposes an institutional explanation of economic divergence in early modern Europe.

For Harvard FAS students the course will be graded on the basis of a mid-term examination which will take place in class on Wednesday October 29 (30% of the grade) and a final (50% of the grade). The remaining 20% of the grade is allocated on the basis of class attendance.

For Harvard extension students the evaluation will be focused on comprehension of the lectures and reading materials. This will be tested by four short (5 page) review essays the deadlines for which are embedded in the syllabus below

Lecture Schedule

Wednesday September 3: Introduction and overview of the course.

I discuss some basic facts about economic history over the past few millennia and some of the issues and puzzles that we are interested in explaining. Emphasis on measurement.

Clark, Gregory (2005) “The Condition of the Working Class in England, 1209-2003,” *Journal of Political Economy*, 113, 1307-1340.

Koepke, Nicola and Joerg Baten (2005) “The Biological Standard of Living in Europe during the last two Millennia,” *European Review of Economic History*, 9, 61-95.

Mokyr (1990) Chapter 1.

Morris, Ian (2010) *Why the West Rules – For Now*, New York: Picador. Chapter 3 “Taking the Measure of the Past”.

Monday September 8: Some theoretical building blocks for thinking about economic history #1.

Elements of the theory of economic growth: factor accumulation, demography, technical change, total factor productivity.

Weil, David (2005) *Economic Growth*, New York: Pearson, Chapters 1 and 2.

White, Lynn T. (1962) *Medieval Technology and Social Change*, New York; Oxford University Press. Chapter 1.

Wednesday September 10: Some theoretical building blocks for thinking about economic history #2.

Proximate and fundamental explanations for economic growth. The role of institutions, ecology and geography.

Acemoglu and Robinson (2012) *Why Nations Fail*, Chapter 2 “Theories that don’t Work” Chapter 3 “The Making of Prosperity and Poverty”.

Malinowski, Bronislaw (1921) “The Primitive Economics of the Trobriand Islanders,” *Economic Journal*, 31, pp. 1-16.

North and Thomas (1973) Chapter 1 “The Issue” pp. 1-8.

Monday September 15: Some theoretical building blocks for thinking about economic history #3.

Culture and social norms.

Banfield, Edward C. (1958) *The Moral Basis of a Backward Society*, Glencoe: Free Press. Chapter 5 “A Predictive Hypothesis” but the whole book is wonderful.

Download for free from: <http://www.kevinrkosar.com/Edward-C-Banfield/>

Richerson, Peter and Joseph Henrich (2012) “Tribal Social Instincts and the Cultural Evolution of Institutions to Solve Collective Action Problems,” *Cliodynamics* 3(1), 38-80.

<http://escholarship.org/uc/item/981121t8#page-2>

Wednesday September 17: The Long Summer and the Neolithic Revolution.

It is attractive to trace the roots of economic growth to the Neolithic Revolution – the transition between hunting/gathering and farming. Jared Diamond called this the “starting line”! I discuss what we know about this revolution and how to interpret it. What caused the transition to farming and herding and what were its consequences?

Acemoglu and Robinson (2012) Chapter 5 “Growth under Extractive Institutions”
Sections 1-3.

Diamond, Jared (1997) *Guns, Germs and Steel*, New York: W.W. Norton and Co. Chapter 4
pp. 85-92.

Douglas, Mary (1962) “Lele Economy compared to the Bushong,” in Paul Bohannan and George Dalton eds. *Markets in Africa*, Evanston: Northwestern University Press.

Vansina, Jan (1978) *The Children of Woot: A History of the Kuba People*, Madison: University of Wisconsin Press. Chapter 10 “The Hoe and the Cowrie”.

Extension Students: This is the date for the submission of the first review essay.

Monday September 22: Early Dynamics of Institutions.

Harrison, Simon J. (1990) *Stealing People’s Names: History and Politics in a Sepik River Cosmology*, New York: Cambridge University Press. Chapter 8 “The rise of the sub-clan Maliyaw.”

Flannery, Kent V. (1999) “Process and Agency in Early State Formation,” *Cambridge Archaeological Journal*, 9(01), 3 – 21.

Goldman, Irving (1970) *Ancient Polynesian Society*, Chicago: University of Chicago Press.
Chapter 1.

Wednesday September 24: Bronze Age Economics and some comparisons.

The emergence of urbanism and the organization of the Linear B ‘Palace Economies’ of the Aegean Bronze Age. Comparisons between the Inka state and the Soviet Union.
Consequences of the absence of a Bronze Age in Africa.

Morris, Ian (2004) “Economic Growth in Ancient Greece,” *Journal of Institutional and Theoretical Economics*, 160, 709-742.

Killan, T.J. (2007) “Economy,” in Y. Duhoux and A. Morpurgo Davies eds. *A Companion to Linear B: Mycenaean Greek Texts and Their World*, Louvain-la-Neuve.

Murra, John V. (1980) *The Economic Organization of the Inka State*, Research in Economic Anthropology, JAI Press: Greenwich. Chapter V “Peasant Corvée and the Revenues of the State” and Chapter VI, “The Disposal of Surplus, or the Redistributive State”, pp., 89-134.

Polanyi, Karl (1957) “The Economy as an Instituted Process,” in Karl Polanyi, Conrad M. Andreson and Harry W. Pearson eds. *Trade and Markets in Early Empires*, Glencoe: The Free Press.

Monday September 29: Elaboration of the Institutional Approach.

Acemoglu and Robinson (2012) Chapter 3 “The Making of Prosperity and Poverty”
Sections 1-3.

Wednesday October 1: Stagnation and Success in the Pre-Modern World #1.

Economic historians have long portrayed the economic history of the world between the Neolithic and Industrial Revolutions as a long Malthusian stasis. I shall argue, on the contrary, that the most significant pattern is of ‘rise and decline’ whereby institutional and political innovation created economic growth, which was subsequently undermined by institutional or political collapse. I illustrate with this via the economic history of the Roman Republic and Empire and that of the Kachin’s of Burma.

Acemoglu and Robinson (2012) Chapter 5 “Growth under Extractive Institutions”
Section 4.

Jongman, Willem M. (2007) “Gibbon was Right: The Decline and Fall of the Roman Economy,” in O. Hekster et. al. eds. *Crises and the Roman Empire*, Brill.

Martin, Simon and Nikolai Grube (2000) *Chronicle of the Maya Kings and Queens: Deciphering the Dynasties of the Ancient Maya*, New York: Thames and Hudson, Introduction pp. 6-23, Tikal pp. 24-53, Palenque pp. 154-175, Copan, pp. 190-213.

Webster, David L. (2002) *The Fall of the Ancient Maya*, New York: Thames and Hudson. Chapters 7 and 10.

Monday October 6: Stagnation and Success in the Pre-Modern World #2.

I examine theories about the long-run economic success and stagnation of China.

Pomeranz, Kenneth (2002) “Political Economy and Ecology on the Eve of Industrialization: Europe, China, and the Global Conjunction,” *American Historical Review*, 107(2), 425-46.

Rosenthal, Jean-Laurent and R. Bin Wong (2012) “Before and Beyond Divergence: A New Look at the Economic History of China and Europe,” in M. Aoki, T. Kuran and G. Roland eds. *Institutions and Comparative Economic Development*, London, 64-78.

Wednesday October 8: Divergent Paths

I focus on how the institutions of different societies drifted apart in the period between the collapse of the Western Roman Empire and the start of the early modern period in 1500.

Acemoglu and Robinson (2012) Chapter 4 “The Weight of History”, Chapter 6 “Drifting Apart”.

Brenner, Robert (1976) “Agrarian Class Structure and Economic Development in Preindustrial Europe,” *Past and Present*, 70, 30-75.

Mokyr (1990) Chapter 9 “China and Europe”.

Monday October 13: No class Columbus Day.

Wednesday October 15: The Rise of England and the Industrial Revolution.

I shall emphasize that the first nation that made the break from the pre-modern pattern of “rise and fall” was Britain, an event closely associated with the industrial revolution. I focus on what happened and why Britain diverged from historical development paths. The political and institutional changes that happened in England in the 17th century were followed by the industrial revolution. I emphasize that this was large technological revolution.

Acemoglu and Robinson (2012) Chapter 7 “The Turning Point”.

Acemoglu, Daron, Simon Johnson and James A. Robinson (2005) “Rise of Europe: Atlantic Trade, Institutional Change and Economic Growth,” *American Economic Review*, 95, 546-579.

Mokyr (1990) Chapter 5 “The Years of Miracles” and Chapter 10 “The Industrial Revolution: Britain and Europe”.

Extension Students: This is the date for the submission of the second review essay.

Monday October 20: The Great Divergence #1: The Americas

I first examine the very uneven dissemination of the industrial revolution in the Americas. How come North America, which was no wealthier than South America in the 18th Century rapidly diverged in the 19th?

Acemoglu and Robinson (2012) Chapter 1 “So Close and Yet so Different”

Acemoglu, Daron, Simon Johnson and James A. Robinson (2001) “The Colonial Origins of Comparative Development: An Empirical Investigation,” *American Economic Review*, 91, 1369-1401.

Dell, Melissa (2010) “The Persistent Effects of Peru’s Mining *Mita*,” *Econometrica*, 78(6), 1863-1903

Engerman, Stanley L. and Kenneth L. Sokoloff (1997) “Factor Endowments, Institutions, and Differential Paths of Growth among New World Economies,” in Stephen H. Haber ed. *How Latin America Fell Behind*, Stanford; Stanford University Press.

Wednesday October 22: The Great Divergence #2: Africa

At the time of the industrial revolution Africa may not have been so much poorer than other parts of the world but it lagged in technology and in political centralization. Why? How did this influence how it reacted to the industrial revolution?

Acemoglu and Robinson (2012) Chapter 8 “Not on our Turf: Barriers to Development” and Chapter 9 “Reversing Development”

Acemoglu and Robinson (2010) “Why is Africa Poor?” *Economic History of Developing Regions*, 25, no. 1, 21-50.

<http://scholar.harvard.edu/jrobinson/publications/why-africa-poor>

Nunn, Nathan (2008) “The Long Term Effects of Africa’s Slave Trades,” *Quarterly Journal of Economics*, 123, 139-176.

Monday October 27: No Class. Mid-Term preparation.

Wednesday October 29: In class Mid-Term Examination.

Monday November 3: The Great Divergence #3: Southeast Asia.

Asia presents a much greater puzzle than Africa. China had experienced substantial economic growth and technical change during the Song dynasty and in the 18th century India was probably the world's largest producer of textiles. When and how did Asian living standard fall so far behind those of Britain, North America and Western Europe?

Acemoglu and Robinson (2012) Chapter 8 “Not on our Turf” and Chapter 9 “Reversing Development”

Read, Anthony (1993) *Southeast Asia in the Age of Commerce, 1450-1680, Volume 2, Expansion and Crisis*, New Haven: Yale University Press. Chapter 1 “The Age of Commerce, 1400-1650”, Chapter IV “Problems of the Absolutist State”, Chapter V “Origins of Southeast Asian Poverty”.

Wednesday November 5: The Great Divergence #4: India.

Asia presents a much greater puzzle than Africa. China had experienced substantial economic growth and technical change during the Song dynasty and in the 18th century India was probably the world's largest producer of textiles. When and how did Asian living standard fall so far behind those of Britain, North America and Western Europe?

Broadberry, Stephen and Bishmupriya Gupta (2006) “The Early Modern Great Divergence: Wages, Prices and Economic Development in Europe and Asia, 1500-1800,” *Economic History Review*, 59: 2-31.

Roy, Tirthankar (2006) *The Economic History of India, 1857-1947*, 2nd Edition, Oxford University Press. Chapters 1 and 2.

Monday November 10: The Great Divergence #5: The Middle East.

We now turn to events in the Middle East and the economic history of the Ottoman Empire.

Karaman, K. Kıvanç and Sevket Pamuk (2010) “Ottoman State Finances in European Perspective, 1500-1914,” *Journal of Economic History*, 70, pp. 593-627.

Pamuk, Sevket (2006) “Estimating Economic Growth in the Middle East since 1820,” *Journal of Economic History*, 66, pp. 809-28.

Pamuk, Sevket (2014) “Institutional Change and Economic Development in the Middle East, 700-1800,” in Larry Neal and Jeffrey G. Williamson eds. *The Cambridge History of Capitalism*, New York: Cambridge University Press.

Owen, Roger (1981) *The Middle East in the World Economy, 1800-1914*, New York: I.B. Tauris & Co. “Introduction: The Middle East economy in the period of so-called decline: 1500-1800” and Chapter 1: The Middle East economy in 1800” pp. 1-56.

Extension Students: This is the date for the submission of the third review essay.

Wednesday November 12: The Virtuous Circle.

What forces allowed the economic growth that began in Britain in the late 18th century to be sustained over time? Why as there positive feedback? (In contrast to the negative feedback we have seen in large parts of the rest of the World).

Acemoglu and Robinson (2012) Chapter 11 “Virtuous Circles”

Acemoglu, Daron, Simon Johnson, James A. Robinson and Pierre Yared (2008)

“Income and Democracy,” *American Economic Review*, 98, 808-842.

García-Jimeno, Camilo and James A. Robinson (2011) “The Myth of the Frontier,”

http://scholar.harvard.edu/files/jrobinson/files/understanding_long-run_economic_growth_-_ch_2.pdf

Monday November 17: The Vicious Circle.

Not only did success breed success but failure also bred failure.

Acemoglu and Robinson (2012) Chapter 12 “Vicious Circles”

Bateman, Fred and Thomas Weiss (1981) *A Deplorable Scarcity: The Failure of Industrialization in the Slave Economy*, Chapel Hill: University of North Carolina Press. Chapter 1.

Heath, Dwight B. (1973) “New Patrons for Old: Changing Patron-Client Relations in the Bolivian Yungas,” in Arthur

http://pdf.usaid.gov/pdf_docs/PNABB850.pdf

Wright, Gavin (1999) “The Civil Rights Movement as Economic History,” *Journal of Economic History*, 59, 267-289.

Wednesday November 19: The Economic History of the 20th Century in One Lecture.

I give an overview of the economic history of the last century emphasizing the major patterns and their causes.

Astorga, Pablo, Ame R. Berges and Valpy Fitzgerald (2005) “The Standard of Living in Latin America during the Twentieth Century,” *Economic History Review*, LVIII, 4, pp. 765–796.

Monday November 24: The Long-Run Impact of Colonialism in Africa

Heldring, Leander and James A. Robinson (2013) “Colonialism and Development in Africa,”

http://scholar.harvard.edu/files/jrobinson/files/colonialism_and_development_nber.pdf

No class Wednesday November 26, Thanksgiving Holiday.

Monday December 1: No class.

Wednesday December 3: An Overview and interpretation of World Economic History from the perspective of Why Nations Fail.

Mokyr (1990) Chapter 7 “Understanding Technical Progress” pp. 151-192.

Extension Students: This is the date for the submission of the final review essay.