

COURSE GUIDE

2025/26

Faculty151 - Faculty of Economics and Business. Álava Department

Cycle.

DegreeGADEMP10 - Bachelor's Degree in Business Management & Administration

YearFirst year

COURSE

25831 - Economic History

Credits, ECTS:6

COURSE DESCRIPTION

COURSE OUTLINE

Why are some countries rich and others poor? The main goal of this course is to address that important question by looking into the world economic history of the last millennium from a global approach, focused not only on Europe and North America but also on the extra-European world (mainly China and India).

The origins of the present world economy may be found in the way the different areas of the world faced the big Medieval crisis during the central decades of the fourteenth century. Unlike China and other Asian Empires, such as Mogul India and Japan, which retreated into human-intensive economies after 1348, Western Europe began to replace capital for its relatively scarce (when compared with the big Asian Empires) labour, opening the way for the wide incorporation of technology into the economy which has been one of the most important features of Western economies ever since. In 1492 Columbus discovered America and in 1498 Vasco de Gama arrived to Calicut (India). This was the beginning of the European Overseas Expansion, closely related to the expansion of International Trade and the birth of the first European Colonial Empires. Each one of the Empires of the time tried to advance its trade through highly protective mercantilist policies which involved the continuous use of war as a way to conquer and protect new colonial markets. After three centuries of continuous warfare, in the years around 1763, it was quite clear that the English/British Colonial Empire had emerged as the victor in the fierce colonial rivalries of the time. The expansion powered by the aggressive English/British mercantilist State was the main engine behind the rise of British foreign trade, and it led to the appearance of the British high wages economy and, in the last term, to the Industrial Revolution; Britain's path-breaking response to the limits posed by her narrow resource base.

The pace of the Great Divergence quickened dramatically during the Industrial Revolution. During the 19th century the USA, France and Germany followed the British pattern of close State involvement in the economy and became advanced industrial economies through a set of policies (the Standard Development Model, SDP) which included the creation of national markets, the use of tariffs to protect their industries from British competition, the setting of central banks, and the promotion of mass education to train industrial workers. This created good conditions for the adoption of labour-saving technology along British lines.

Far from being the norm, the American, German and French cases were, however, the exception and the diffusion of the Industrial Revolution outside the Western World could best be described in terms of failure so, unsurprisingly, the pace of the Great Divergence quickened dramatically during the 19th century. Despite her long-term stagnation after the beginning of the 15th century, in the years around 1800, China remained the world leader in the field of luxury manufactures such as porcelain and silk textiles, while Mogul India was the main producer of cotton textiles, so it may be stated that in this period Asia was the manufacturing heartland of the world economy. The problem was that most industries from Casablanca to Canton were unable to survive the storm unleashed by Western competition in the 19th century, and the extra-European world turned into a vast agricultural area whose main function was to provide raw materials and agricultural commodities for the Western industrial core.

In most cases, the spread of the Industrial Revolution to extra-European countries was fatally hampered by the lack of political autonomy. This ended with any possibility of implementing the SDP there. Nonetheless, the SDP seemed less advantageous than the promotion of export-oriented primary sectors in a phase when the prices of agricultural commodities experienced a continuous rise, as the well-known cases of independent states such as Argentina and Uruguay show. Although in the short run, this orientation made good economic sense, in the medium and longer term the boom in the exports of primary products and raw materials during the 19th century led to the entrenchment of powerful export-oriented constituencies completely opposed to the SDP in nearly every extra-European country. These problems were compounded by the difficulties posed by the adoption of labour-saving Western technology, more suited to the needs of Western European economies than to those of the labour-abundant Southern American or Asian countries. After 1945, a few countries - Japan, South Korea, Taiwan, and perhaps China - have, nonetheless, caught up with the West through Big Push industrialization that has achieved a remarkable success.

COMPETENCIES/LEARNING RESULTS FOR THE SUBJECT

In this course, we will work on the folloing transversal competencies (TC):

TC1. Applying the theoretical and practical knowledge acquired professionally in the diagnosis, argumentation and resolution of problems, using the appropriate analytical instruments in decision making.

TC2. Searching, analysing and synthesising relevant data from different sources with critical, self-critical and autonomous



learning skills, to make reasoned judgments on relevant economic, social or scientific topics.

TC3. Analysing the function of economic agents and the role of institutions in economic and social activity, considering the historical, social and institutional factors that condition economic processes.

TC4. Conveying information, ideas, problems and solutions fluently to both specialist and non-specialist audiences.

TC5. Effective use of information and communication technologies, as well as computer tools related to the field of study and professional context.

TC6. Acquisition of learning skills necessary to undertake further studies with a high degree of autonomy.

Theoretical and Practical Contents

SYLLABUS

1. Introduction

1.1. What is economic history about?

1.2. A long term view of world economic history

2. Pre-industrial Economies

2.1. Resources and population: the limits to growth

2.2. The Rise of Europe, 1500-1800: the Growth of the Atlantic Economies.

3. The Industrial Revolution, 1750-1870. A changing world

3.1. The Great Divergence: Why did the Industrial Revolution happen in Europe?

3.2. The Industrial Revolution in Britain

3.3. The 1st Industrialisation in Europe and the USA

4. The Growth of the International Economy, 1870-1913

4.1. The Second Industrial Revolution and new international leadership

4.2. International trade, capital flows, migration and imperialism

4.3. The first industrial breakthrough and large-scale mass production: the emergence of the modern corporation

5. The international economy between the two World Wars, 1914-1945

5.1. The First World War and its economic consequences

5.2. The 1929 Crash and the Great Depression of the 1930s

5.3. From Liberalism to state interventionism: fascism, social democracy and Communism

6. The new international economic order, 1945-1973

6.1. The new international order and post-war economic recovery

6.2. The golden age of capitalism and managerial big business

6.3. The expansion of the Soviet model

6.4. The birth of the Third World: decolonisation and development

7. Crisis, Recovery and Globalisation

7.1. The oil crises and the restructuring of Western economies

7.2. The collapse of the Soviet Union and centrally planned economies

7.3. The different experiences of Asia, Latin America and Africa

TEACHING METHODS

The Economic History Department of the UPV/EHU has established that the classes will be divided into:

1) 42 hours of lectures

2) 18 hours of practical exercises and seminars.

Whenever the health situation allows it, teaching will be carried out either face-to-face or in a bimodal way. The latter will only be adopted if the size of the group does not make it possible for all the students to attend the classroom in person. If, for health reasons, the presence of the student in the classroom cannot be guaranteed, then teaching will be carried out online.



TYPES OF TEACHING

| Types of teaching | M | S | GA | GL | GO | GCL | TA | TI | GCA |
|---|----|---|----|----|----|-----|----|----|-----|
| Hours of face-to-face teaching | 51 | 0 | 9 | | | | | | |
| Horas de Actividad No Presencial del Alumno/a | 72 | 0 | 18 | | | | | | |

Legend: M: Lecture-based S: Seminar GA: Applied classroom-based groups
GL: Applied laboratory-based groups GO: Applied computer-based groups GCL: Applied clinical-based groups
TA: Workshop TI: Industrial workshop GCA: Applied fieldwork groups

Evaluation methods

- End-of-course evaluation

Evaluation tools and percentages of final mark

- Written test, open questions 60%
- Multiple choice test 10%
- Individual assignments 20%
- Teamwork assignments (problem solving, Project design) 10%

ORDINARY EXAMINATION PERIOD: GUIDELINES AND OPTING OUT

Students will have to take a final exam (60% of the final mark) and write two short essays (20%) plus four comprehension tests (10%) and a team project (10%) during the course. Students must get a minimum of 4 points in the exam (out of 10) in order to sum up both the exam grade and the continuous evaluation grade.

The lecturer will inform the students about the assessment criteria of the final exam.

In the event that a student chooses to waive the continuous evaluation, he/she should submit a written application to the professor within the first nine weeks of the semester.

It is of the utmost importance that students follow the protocol for both academic ethics and the prevention of dishonest or fraudulent practices when taking comprehension tests and writing academic essays at the UPV/EHU.

If the health situation makes it necessary to suspend the on-site evaluation, the exams will be carried out online using eGela's tools. The specific characteristics of each exam will be announced in advance in the corresponding eGela forum of each group/subject.

EXTRAORDINARY EXAMINATION PERIOD: GUIDELINES AND OPTING OUT

In the second call (segunda convocatoria/bigarren deialdia), students can take an exam that gives them the chance to obtain 100% of the final mark.

Students must be aware of and follow the protocol for academic ethics and prevent dishonest or fraudulent practices when taking assessment tests and writing academic essays at the UPV/EHU.

If the health situation makes it necessary to suspend the on-site evaluation, the exams will be carried out online using eGela's tools. The specific characteristics of each exam will be announced in advance in the corresponding eGela forum of each group/subject.

MANDATORY MATERIALS

There will be several texts available on eGela. These texts will be read and discussed during the classes.

BIBLIOGRAPHY

Basic bibliography

CORE BIBLIOGRAPHY:

ALLEN, Robert C., Global Economic History: A Very Short Introduction (Oxford: Oxford University Press, 2011).

BERNSTEIN, William J., The Birth of Plenty: How the Prosperity of the Modern World Was Created (New York: McGraw-Hill, 2004).

CAMERON, Rondo, A Concise Economic History of the World: From Palaeolithic Times to the Present (Oxford: Oxford University Press, 1997).

CHANG, Ha Joon, Economics: The User's Guide (London: Penguin, 2014).

DI VITTORIO, Antonio (dir.), An Economic History of Europe: from Expansion to Development (London: Routledge, 2006).

FINDLAY, Ronald and O'Rourke, Kevin, Power and Plenty. Trade, War and the World Economy in the Second Millennium (Princeton, NJ: Princeton University Press, 2009).

FRIEDEN, Jeffry A., Global Capitalism: Its Fall and Rise in the Twentieth Century (New York: Norton & Co., 2006).

MARKS, Robert B., The Origins of the Modern World: A Global and Ecological Narrative from the Fifteenth to the Twenty-First Century (Lanham, MD: Rowman & Littlefield, 2007).

Detailed bibliography

Journals

Web sites of interest

European University Institute ¿ International Historical Statistics:
<https://www.eui.eu/Research/Library/ResearchGuides/Economics/Statistics/DataPortal/IHS#Access>

Gapminder: <https://www.gapminder.org/resources/>

Global Carbon Project:
<https://www.globalcarbonproject.org/methanebudget/index.htm>

Maddison Project Database, versión 2023:
<https://www.rug.nl/ggdc/historicaldevelopment/maddison/releases/maddison-project-database-2023>

TedTalks: <https://www.ted.com/>

The Correlates of War Project: International Trade, 1870-2014 (v.4.0): <http://www.correlatesofwar.org/data-sets/bilateral-trade>

Our World in Data: <https://ourworldindata.org/>

World Bank Open Data: <https://data.worldbank.org/>

OBSERVATIONS