1. INTRODUCTORY NOTES

Module Outline

This module surveys and seeks to explain the main trends in economic development in Europe in the twentieth century. The emphasis is on the western industrial nations. The final part of the module examines developments in the eastern bloc.

The first few classes examine the main trends in economic development up to the present day. This is followed by a more thematic approach which surveys the debate on the growth process and on international convergence patterns.

Subsequent classes pursue the nature of industrial growth in the west. We assess the evidence for changes in comparative advantage in industrial performance and survey the debate on causal factors. We will look at the role of economic policy, and undertake country and industry case studies. The remaining classes widen the agenda to examine the main trends in the economic history of Eastern Europe in the twentieth century.

The approach adopted is thematic and comparative. Seminars and assessed essays provide opportunities to explore in depth topics and regions of particular interest.

(b) Teaching Methods

The organisation of this module is designed to offer a variety of teaching and learning strategies. Lectures provide a set of basic and essential information along with a historiographic outline of the literature concerning twentieth century European economic history. Seminars provide an opportunity to engage in debates
and discussion; students present papers, construct arguments, disagree and dispute (when things go well) as well asking for guidance, clarification of issues raised in lectures and additional references.

(c) Basis For Evaluation

i. There will be two examinations on this course. The first exam will count for 20% of the student’s final course grade. The second exam will count for 30% of the student’s final course grade. The first exam will be held on week commencing 12th February.

ii. There will be one assessed essay due for each student. It will be 15 pages in length. It is up to the student to choose the subject for discussion, but as a general guideline, it must be related to the themes of the course (which are broad). It will be due on Monday 2nd April and will count towards 30% of the course grade.

iii. The student’s contribution to the seminar discussion will be worth 20% of the overall mark.
## 2. CLASS SCHEDULE

<table>
<thead>
<tr>
<th>Topic</th>
<th>Week Commencing</th>
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<tbody>
<tr>
<td>Introduction</td>
<td>8th January</td>
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<tr>
<td>Europe after the First World War</td>
<td>15th January</td>
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<tr>
<td>The Great Depression and ‘Recovery’ in the 1930s</td>
<td>23rd January</td>
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<tr>
<td>Main trends in European economic history since 1945</td>
<td>29th January</td>
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<tr>
<td>‘Catching up and falling behind?’</td>
<td>5th February</td>
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<tr>
<td>Explanations for comparative performance in the twentieth century</td>
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<tr>
<td>Comparative advantage: industrial performance in Europe</td>
<td>12th February</td>
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<tr>
<td>Political institutions and change: the role of economic policy</td>
<td>26th February</td>
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<tr>
<td>Changes in comparative advantage: country case studies</td>
<td>5th – 26th March</td>
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<tr>
<td>The economic history of the Soviet Union in the Twentieth Century</td>
<td>2nd April</td>
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<tr>
<td>Eastern Europe in the Twentieth Century</td>
<td>9th April</td>
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</tbody>
</table>
3. **BIBLIOGRAPHY**

A. Basic Texts

B. Main Trends in the Twentieth Century: 1914 – 1945

C. Main Trends in the Twentieth Century: 1945 – 2001

D. Comparative Performance: Catching up and Falling Behind?

E. Comparative Advantage: Industrial Performance in Europe

F. Political Institutions and Economic Policy

G. Changes in Comparative Advantage: Country Case Studies

H. Changes in Comparative Advantage: Industry Case Studies

I. Europe and the World

J. Eastern Europe in the Twentieth Century

The bibliography will be updated every two-three weeks, although I don’t want to go overboard on the reading material for this course. If you find an article or book which is not included, please bring it to my attention.

Please be aware of the following abbreviations:

- AER American Economic Review
- BPEA Brookings Papers on Economic Activity
- EHR Economic History Review
- EP Economic Policy
- ER Economic Review
- JEH Journal of Economic History
- JPE Journal of Political Economy
- IMF IMF Staff Papers
3A. BASIC TEXTS


Tipton, F. B. and Aldrich, R. (1987). An Economic and Social History of Europe since 1890 (two volumes)

3B. MAIN TRENDS IN THE TWENTIETH CENTURY: 1914 – 1945


3C. **MAIN TRENDS IN THE TWENTIETH CENTURY: 1945 – 2001**


3D. **COMPARATIVE PERFORMANCE: CATCHING UP AND FALLING BEHIND?**


**3E. COMPARATIVE ADVANTAGE: INDUSTRIAL PERFORMANCE IN EUROPE**


**3F. POLITICAL INSTITUTIONS AND ECONOMIC POLICY**

Boltho, A. (1982). The European Economy; Growth and Crisis, Part II


### 3G. CHANGES IN COMPARATIVE ADVANTAGE: COUNTRY CASE STUDIES

**France**


**Germany**


Owen-Smith, E. (1994). *The German Economy*


Italy

Spain
Harrison, J. (1993). The Spanish Economy From the Civil War to the European Community

Sweden
3H. CHANGES IN COMPARATIVE ADVANTAGE: INDUSTRY CASE STUDIES


Commission of the European Communities (quarterly). *European Economy*


Eurostat. (1992). *Panorama of EC Industry*


3I. EUROPE AND THE WORLD


Galbraith, J. K. (1994). *The World Economy Since the Wars*


3J. EASTERN EUROPE IN THE TWENTIETH CENTURY


Batt, J. (1988). Reform and Political Change in Eastern Europe: A Comparison of the Czechoslovak and Hungarian Experiences


Crampton, R. J. (1994). Eastern Europe in the Twentieth Century

Crampton, R. J. (1997). Eastern Europe in the Twentieth Century – and after

Crampton, R. J. (1997). A Concise History of Bulgaria


Earle, J. S., et al. (eds.) (1993). *Privatization in the Transition to a Market Economy*


Nove, A. (1983). *The Economics of Feasible Socialism*


Swain, G. and N. (1993). *Eastern Europe Since 1945*


White, S., Batt, J. Lewis, P. G (eds.) (1993). *Developments in East European politics*

4. FORMAT FOR ESSAYS

1. Please type all essays, reports and assignments and follow these instructions:

   a. Try to use either Helvetica or Palatino font, set to 12 pitch.
   b. The top, bottom and right margins should be set at 1 inch and the left margin at 1.5 inches.
   c. Please double space the text, except where you include a lengthy quote (discussed below).
   d. Number pages consecutively, in the top right hand corner of each page. Do not number the cover/title sheet.
   e. Place figures and tables either within the text (if you can do this) or at the end of the document.

2. To reference an article, chapter or book in an essay, please note the following example:

   This is coupled to the second criticism of monetarism, about how a faster rate of money growth is divided between higher output and rising prices. Friedman once stated that this area was the ‘missing equation’ of monetarist theory (Friedman 1970, pp. 221-222).

3. If you quote from an author who has produced more than one book or article in that particular year, then the format is as follows:

4. If you wish to include a quotation from an article or book which is longer than two lines, then there are two ways of doing this. Note that the quotation is indented and is in single spacing, while the main text is double spaced. The pitch (size) of the font DOES NOT change.

Either:

This failure by Friedman to provide a clear analytical response to this problem even led Johnson (1971, p. 12) to comment that the monetarist counter-revolution would ‘peter out’ because:

I believe the Keynesians are right in their view that inflation is a far less serious social problem than mass unemployment . . . [T]he second reason is that monetarism is seriously inadequate as an approach to monetary theory, judged by prevailing standards of academic economics, and in the course of repairing its intellectual fences and achieving full scientific respectability it will have to compromise irretrievably with its Keynesian opposition.

Or:

This failure by Friedman to provide a clear analytical response to this problem even led one author to comment that the monetarist counter-revolution would ‘peter out’ because:

I believe the Keynesians are right in their view that inflation is a far less serious social problem than mass unemployment . . . [T]he second reason is that monetarism is seriously inadequate as an approach to monetary theory, judged by prevailing standards of academic economics, and in the course of repairing its intellectual fences and achieving full scientific respectability it will have to compromise irretrievably with its Keynesian opposition.

(Johnson 1971, p. 12)
5. As you are using the Harvard referencing system, there is no need for footnotes. You might want to include endnotes, however. If you do use endnotes, please keep endnotes to a minimum. Try to keep only technical definitions or points of clarification for endnotes. Endnotes should be placed at the end of the assignment, but before the references. These should be double spaced, e.g.:

Mrs Thatcher believed that previous governments had either ignored the rise in inflation, or had concluded that the costs of ridding inflation from the system would require a high sacrifice ratio.  

1. The sacrifice ratio is the amount of lost output that an economy experiences in order to reduce inflation.

6. Citing web pages:

http:www.eh.net/etc/etc.html (accessed May 20, 1999)

7. How to compile the references. Please use only this format for the references. All of the examples here should cover every type of reference that you will need for your assignment and reports. Please note that the references are single spaced.


## 5. EVALUATION RUBRIC FOR ESSAYS

<table>
<thead>
<tr>
<th>Competency: Analyzing Economic Environments</th>
<th>Macroeconomic Environments</th>
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<tbody>
<tr>
<td><strong>Sub-competency:</strong></td>
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<tr>
<td><strong>(Grade A)</strong> 60 – 100</td>
<td>Changes in the variable are accurately summarised and explained in terms of all the relevant causal variables. The summary is timely. Forecasts are reasonable given current trends, and fully justified in terms of reasonable projections of all the relevant causal variables. Theoretically irrelevant variables do not enter the analysis. There is no confusion between dependent and independent variables or between autonomous versus induced changes in variables (i.e., shifts in versus movements along a curve).</td>
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<td><strong>A - = 60-64</strong></td>
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<tr>
<td><strong>(Grade B)</strong> 53 – 59</td>
<td>Trends are accurately summarised and the summary is timely. The analysis of change and/or the forecast is fundamentally sound, although there are minor errors or omissions in parts of the analysis.</td>
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<tr>
<td><strong>(Grade C)</strong> 41 – 52</td>
<td>The summary of trends is basically correct, although there may be minor inaccuracies or some of the information may be slightly outdated. Although the analysis of changes or the forecast shows some understanding of macroeconomic theory, errors or omissions were prevalent enough to warrant a review of the material and more practice.</td>
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<td><strong>(Grade D)</strong> 39-40</td>
<td>The summary of trends is missing or seriously lacking, and the analysis shows some understanding even though errors are prevalent OR, the analysis demonstrates little understanding of macroeconomic theory, and the summary of trends is basically correct but with some inaccuracies or outdated information.</td>
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<tr>
<td><strong>(Grade F)</strong> 0-38</td>
<td>The summary of trends is missing or seriously deficient and the analysis demonstrates little understanding of macroeconomic cause-effect relationships.</td>
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<tr>
<td>Competency:</td>
<td>Effective Communication</td>
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<tr>
<td>Sub-competency:</td>
<td>Writing (Brief Documents)</td>
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<tr>
<td>(Grade A) 60 – 100</td>
<td>The document stands out as being effective. It is well organized and addresses the audience. Conclusions are clearly stated and supported where appropriate with properly formatted citations. It flows crisply with concisely written sentences and well chosen words. Spelling, punctuation, grammar, and syntax are excellent. Tables and charts support the analysis and are clearly explained.</td>
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<tr>
<td>(Grade B) 53 – 59</td>
<td>The document is satisfactorily written with good organization and spelling. However, it has a few mechanical errors, awkward sentences, or poor word choices. OR, important tables, charts, or references are missing or poorly explained or formatted.</td>
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<tr>
<td>(Grade C) 41 – 52</td>
<td>The document has potential, but needs editing. The organization is decent and there are only a few spelling or mechanical errors. However, sentences often do not flow crisply enough, passive voice is used too often, or vocabulary is imprecise. Good writing is within reach. As you read, pay attention to style, sentence structure, and word selection. Actively practice, carefully proof read, re-write, and ask a good writers to review your drafts.</td>
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<tr>
<td>(Grade D) 39-40</td>
<td>Although you have a message, your credibility is undermined due to ineffective writing. It is disorganized and/or there are many spelling, grammar, syntax, and punctuation errors. Sentences do not flow crisply and word choice is awkward. Because you are making basic errors, you should study grammar and composition texts, enroll in writing courses, and seek outside help as you practice.</td>
</tr>
<tr>
<td>(Grade F) 0-38</td>
<td>The document is incoherent; it is not clear what your message is. There are many spelling, grammar, and punctuation errors. Sentences do not flow crisply and word choice is awkward. You should study writing and critical thinking texts, enroll in basic skills courses, and seek outside help as you practice in these areas.</td>
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<tr>
<td>Competency:</td>
<td>Utilizing Computers</td>
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<tr>
<td>Sub-competency:</td>
<td>Word Processing and Desktop Publishing</td>
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<tr>
<td>(Grade A)</td>
<td>The document stands out as being neat and aesthetically pleasing. Margins, fonts, and spacing are consistent. If appropriate, technical or quantitative information is effectively presented in tables and charts that are clear and properly labelled.</td>
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<tr>
<td>(Grade B)</td>
<td>The document is neat and satisfactorily presented, but the presentation doesn’t stand out. OR, essential tables and charts are missing or not too useful.</td>
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<tr>
<td>(Grade C)</td>
<td>The document is neat and has potential, but it needs work in more than one area (aesthetics/layout, margins and spacing, fonts, integration of tables or charts, etc.).</td>
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<tr>
<td>(Grade D)</td>
<td>The presentation detracts from your message and undermines credibility with your audience. It needs considerable work in many areas.</td>
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<td>39-40</td>
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<tr>
<td>(Grade F)</td>
<td>The document is so sloppy, unappealing, and disorganized, the audience is unwilling to invest effort in reading and contemplating its message.</td>
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