Economics 316 European Economic History Spring 2020 Dr. Kubik pkubik@depaul.edu

**Syllabus** 

#### Introduction

Writing about his experiences in the Spanish Civil War (1936-39), the novelist George Orwell noted that: "[w]hen you are taking part in events like these you are, I suppose, in a small way, making history, and you ought by rights to feel like an historical character. But you never do, because at such times the physical details always outweigh everything else... What I was chiefly thinking about was not the rights and wrongs of this internecine scrap, but simply the discomfort and boredom of sitting day and night on that intolerable roof, and the hunger which was growing worse and worse." *Homage to Catalonia* (1938).

It has been suggested that the beginning of the 21st century will be regarded as a period of relatively rapid economic change, but, as Orwell suggests, living through revolutionary events, e.g. the recent financial meltdown, the collapse of communism, or the technological changes of the information age, does not always give one a useful viewpoint from which to judge events. We tend focus in on the details of everyday living as opposed to the broader sweep of events. The role of economic history is to offer a bit of perspective amidst a period of change such as ours. Distance can better allow one draw accurate conclusions with respect to the importance or unimportance of a given economic, political or social event. In a tragic way, the difficulties we face today in responding to the current pandemic relate in no small part to the fact that we have forgotten the history of pandemics over the last century.

This course attempts to achieve that end by focusing on European economic history. No attempt is made to provide a detailed in-depth chronological treatment of events. Rather our focus shall be on a limited number of specific significant episodes. These episodes have been chosen, in large part, due to their role in shaping the modern world, and the light they can shed on present issues of concern. We will focus primarily with the processes that make up European economic history, but shall not feel confined to those strictures. We shall in other words, also consider when useful the course of events in non-European societies.

Historical understanding is a critical competence for our society and a fundamental component of a liberal arts education at DePaul University. Students who are competent in understanding the past are able to achieve learning outcomes that demonstrate their successful development and application of historical knowledge, historical skills, and historical thinking. Employing a mix of primary and secondary sources, we shall endeavor to place historical events in their larger social and political contexts, while working to improve your skill in developing and critically evaluation historical argument.

#### On the adjustments made for Spring 2020

This semester will be challenging one in a number of different ways. The volume of information regarding the coronavirus is daunting. Among the sources that one would expect to be unbiased, authoritative and consistently updated is the Coronavirus Resource Center found at the health.harvard.edu website. I have no medical training, but the following seem to be the best basic practices: 1) cover your mouth when you cough or sneeze; 2) wash your hands; 3) try to avoid touching your face; 4) limit person-person contact—this is the primary vector through which the virus is spread.

Never hesitate to ask a question or to contribute a positive response with respect to various and sundry topics. I shall make every effort to continue the high level of quality instruction DePaul University students deserve and rely on while recognizing the challenges faced by students, instructors and staff. All communications concerning individual private matters should be conducted via email with the instructor (pkubik@depaul.edu).

In terms of course material, students will be asked to follow along with the readings which are arranged in the outline below based on the sequence of topics we will consider in this course. Information from the instructor will be provided in different forms, including videos, video lectures, MS PowerPoint and MS Word documents. Discussion topics will be posted on D2L for the introductory presentation regarding the class and for each individual topic area covered, e.g. fascism in Germany, immigration issues in the EU, and so on. A self-standing discussion topic devoted solely to COVID-19. The discussions regarding COVID-19 will not be graded and will not count toward the final course grade. Please post responsibly in this arena, relying on verifiable authoritative sources.

The Administration of the university is asking that all classes be asynchronous—a word I never used prior to the last week. That means that classes will not be provided in real time, e.g. a TTH 9-10:40 class will not meet at those times. Students will be able to access materials at any time day or night within certain constraints. I shall be loading material that corresponds to what would typically be covered in a standard week by midnight Sunday night of each week. This is the material to be digested/learning/studied. Then, 48 hours later I will be adding the discussion question(s) for the week. Both sets of material will be available throughout the week. Review the material at your own pace, but I would suggest imposing some type of schedule, e.g. reading/viewing material for the week on Monday-Wednesday at some regular time, then checking the discussion posts Wednesday-Friday again at some fairly standardized time. The deadline for loading discussion posts is midnight (CDT) on Friday evening of each week. Both sets of material though will remain available throughout the week. An example of best practices with respect to discussion posts will be provided in the first week.

Keep in mind that these changes will not be permanent and that life will return to a more normal one in the near future. The financial crash of 2008 was a devastating event, wiping away \$24 trillion in assets. In the years that followed, however, the U.S. economy entered the longest economic expansion in our entire history. That episode has ended, but just as surely as recessions follow expansions, an expansion will follow the developing economic downturn. One is not a Pollyanna in recognizing, to quote the songwriter, that 'the sun'll come out tomorrow.' We shall get past this episode by taking this event seriously, listening to reason and supporting one another. In this crowded hour, keep in mind the statement of President John F. Kennedy made in his 1961 inaugural address: 'And so, my fellow Americans: ask not what your country can do for you — ask what you can do for your country'.

I will be asking students to voluntarily email me to let me know what city and time zone they believe that they will most often be locating in during the ten week term. This will help me organize the process of keeping in contact with students. Please **do not provide** a specific address.

#### Testing

There will be two take-home exams in this class, a midterm and a final. The midterm exam, given during the fifth week will account for 40 percent of the final grade. The final exam will account for 40 percent. Students will have 48 hours to complete each of these exams. Each exam will be placed on D2L at noon on the Monday of the relevant week and due on Wednesday at noon. This gives the student three days effectively to finish each exam.

The remaining 20% percent of the final course grade will be made of scores based on discussion posts. Five discussion post responses to questions posted by the instructor over the course of the term are required. Each post will earn a maximum of four points (A = 4, B = 3, C = 2, D = 1 and F = 0). One week prior to each exam, sample exam questions will be placed on D2L. These questions and responses will then form the basis for the midterm and final exams. Discussion posts should be in your own words—do not copy and paste from PowerPoints or Word documents. A detailed three to four sentence posting will be sufficient to earn maximum points—do not hoard toilet paper responses. Points will be subtracted if a student hoards a response. Again, three to four sentences will be sufficient. This format implies that every student will not be able to post with respect to every question posed, but should have no difficulty doing so before the term is completed. An example of best practices will be provided in the first week.

As the average grade typically finishes at 75 percent or higher in upper division economics classes, the standard ten point grading scale will be relied upon in making final course grade decisions, i.e. 100-90 = A, 89-80 = B and so on. Borderline grade decisions at the end of the course will be based on exam improvement between the midterm and the final. If a student is unable to complete the midterm for an approved reason, the final exam will account for 80% of the final course grade with a 4% penalty.

#### Reading List and Outline

[Primary sources are labeled PS; all other sources are considered secondary sources. All of the materials listed below are available free of charge through the DePaul library or directly through the internet. The Polanyi text is the principal text for the class, but it must be admitted that this original work, published in 1944, is a difficult read. As a result, it has been complemented by shorter more accessible work wherever possible.]

I shall be starting off the course by posting a short video that includes with a brief introduction to the course material and how we shall attempt to conduct this grand experiment. Throughout the term I shall be posting videos and audio presentations on D2L to complement the readings listed below. The lectures listed below represent the focal points of the class, but there will be some necessary transition presentations to join up one episode of history to the next. These transition presentations are not formally listed below and will not form the basis of exam questions, but are necessary in a class such as this to move from one focal point to the next.

Lecture I. Pre-market economies

### [Reading:

a) Karl Polanyi. *The Great Transformation*. Boston, Beacon Press, 1944. Chapters 3-4.

b) Bruce A. McDaniel. "The Crisis in Social and Institutional Integration." *The Social Science Journal*, v. 38 n. 2 (2001): 263-275. Read pages 263-268].

Lecture II. Long-run and short-run factors.

Lecture III. The Industrial Revolution in England and the Continent

A. Industrialization

#### [Reading:

a) Access a BBC documentary by the economic historian Jeremy Black, University of Exeter. It provides a good introduction to the start of the industrialization process and why it developed first in England: youtube.com/watch?v=GYln\_S2PVYA].

b) Ted Talk: "Will Automation Take Away All Our Jobs" at ted.com/talks/david\_autor\_will\_automation\_take\_away\_all\_our\_jobs?language=en"

c) Polanyi;

d) follow this link to the text of the British Factory Act of 1833: lps.org/manila/tbayne/FactoryAct.doc]. PS

e) <u>www.ted.com/talks/steven\_johnson\_how\_the\_ghost</u> map\_helped\_end\_a\_killer\_disease?language=en Lecture IV. The Interwar Period

A. The Rise and Fall of the Gold Standard

[Reading:

a) <u>econlib.org/library/Enc/GoldStandard.html</u> b) Polanyi]

B. Manias, Panics and Crashes

## Reading:

a) europepmc.org/backend/ptpmcrender.fcgi?accid=PMC3450197&blobtype=pdf b) www.discovermagazine.com/health/10-misconceptions-about-the-1918-flu-thegreatest-pandemic-in-history?

C. The Rise of Socialism and Communist Planning

1. The Soviet Union

[Reading:

a) DiNoto, Michael. Centrally Planned Economies: The Soviets at Peace, the United States at War. *American Journal of Economics and Sociology*. 53 (4). October 1994.

b) washingtonpost.com/news/volokh-conspiracy/wp /2017/11/07/lessons-from-a-century-of-communism /?noredirect=on& utm\_term=.61c77f28af50]

2. Red Vienna. Partial PPT to D2L

## [Reading:

a) Bill Murray. "Living in Vienna, 1890-1939." *History Today*, May 1996, pp. 50-55

b) <u>wien.gv.at/english/history/</u>commemoration/housing.html
c) https://www.britannica.com/place/Austria/First-

Republic-and-the-Anschluss#ref33379

d) Julius Tandler. Public Welfare in Vienna. *Bulletin of the New York Academy of Medicine*, 1929 September 5(9).] PS

D. Fascism in Germany. PPT to D2L

# [Reading:

a) http://www.econlib.org/library/Enc/Fascism.html

b) Katrin Bennhold. "A Swastika in the Steeple Sets Off a Village Feud." *NYTimes* September 3, 2018.

c) Sean Coghlan. The Scientists Who Escaped the Nazis. BBC News: <u>http://www.bbc.com/news/business-23261289</u>]

## Lecture V. The Development of the European Union

A. Early Integration Efforts

[Reading: Rely on the information provided by the EU itself on the website of the EU, <u>www.europa.eu</u>. Under 'About the EU' read the entire section devoted to the history of the institution. PS

B. Enlargement Arguments: Turkey

### [<u>Reading:</u>

a) Omer Taspinar, "Turkey's Fading Dreams of Europe." *Current History* March 2007, 106 (698);

b) M.H. Yavuz, Mujeeb R. Khan. Turkey and Europe: Will East Meet West?" November 2004, *Current History* 103 (676): p. 389].

### C. Brexit

[Reading:

a) bbc.com/news/uk-politics-32810887]

D. Monetary Integration: The Costs and Benefits of the Euro [Reading:

a) bookshop.europa.eu/en/a-short-guide-to-the-europbKC0113379]. PS

E. The Common Agricultural Policy

## [Reading:

a) Robert Paarlberg. "GMO foods and crops: Africa's choice." New Biotechnology. 27(5) November 2010. The following pieces illustrate some of the difficulties associated with acquiring truthful information about GMOs. Find them at: <u>http://www.nytimes.com/201/01/05/us/on-hawaii-a-lonely-quest-for-facts-about-</u> gmos.html? r=0.

b) David H. Freedman on September 1, 2013. "The Truth About Genetically Modified Foods." Scientific American

c) https://www.nytimes.com/2018/04/23/well/eat/are-gmo-foodssafe.html?org=1364&lvl=100&ite=1465&lea=141802&ctr=0&par=1&trk]

F. Immigration. PPT to D2L

[**Reading**: Given the topical and evolving character of this issue, readings will be announced as we reach the discussion of this topic]

G. Colonization and decolonization

VI. The Collapse of Communism

## [Reading:

1) see excerpts from *Summer Meditations*, Vaclav Havel at: <u>https://www.raymondjames.com/neunuebelbarrantes/pdfs/vaclav-havel.pdf</u>. PS. On disturbing the peace award 2018: <u>https://www.vhlf.org/news/acceptance-speech-for-the-</u> <u>2018-annual-disturbing-the-peace-literary-prize-for-a-courageous-writer-at-risk/</u>. PS. 2) <u>https://www.cfr.org/event/twenty-fifth-anniversary-</u>

german-unification]