

History Summer Exam

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What is Globalisation and how Have Economic Historians Attempted to Measure It?

Globalisation refers to the process of economies becoming more integrated and interdependent, it involves the ‘*transfers of commodities, people, capital and ideas between and within continents*’ (Judith, 2010).¹ Depending on the time period, economic historians can use a variety of sources however the main two are: The *value of trade*, by analysing the value exports and imports historians can find insights into the degree of integration in global markets, a growth in trade over a period would highlight an increased market integration. Secondly, *Migration*, the movement of people between economies, highlights greater labour integration and enables the diffusion of ideas and knowledge, also indicative of a greater degree of globalisation. Historians can appraise the level of migration through ticket records for ships and trains, or exogenous variables such as disease exchanges (Stearns, 2009).² Meanwhile, Taylor and Williamson (1997)³ used wages to measure the impact of migration: between 1870-1914 caused wage dispersion to fall by 28%, showing a convergence between poor and richer countries.

What Was the New Economic Policy in the Soviet Union?

The New Economic Policy (1921-1928) was a response by Lenin to the consequences of war communism, it involves a set of economic policies that hypothetically enabled the transition to socialism by acknowledging the relevance of markets and private property in recovery: in the words of Lenin ‘one step backwards in order to take two steps forward’. It involved partial decentralisation: returning of agriculture and other sectors such as retail back to private ownership. This allowed peasants to cultivate their own land and sell surplus on the market whilst engaging in small-scale trade. Furthermore, elements of monetary policy were re-introduced: a convertible currency backed by the gold standard called *chervonets*, allowing for greater trade with other economies. Economically, it was successful with economic growth in the period at 16.3% in the Soviet Union, far greater than any other CESEE economy, however when accounting for GDP levels pre World War I, the Soviet Union was the last to recover in 1928.

¹Judith. (2010). *Historical Perspectives on Long-run Economic Growth*, Lecture Slides for Historical Perspectives ECO00018C (Week 6). University of York.

²Stearns, P.N. (2009). *Globalization in World History* (1st ed.). Routledge. <https://doi.org/10.4324/9780203866061>

³TAYLOR, A. M., & WILLIAMSON, J. G. (1997). *Convergence in the age of mass migration*. *European Review of Economic History*, 1(1), 27–63. <http://www.jstor.org/stable/41377787>

[[HistorySummerExamFinal-1.png]] *Figure 1: GDP levels and growth rates in six CESEE countries, 1913-1938*⁴

Are Communism and State Socialism Identical Concepts, Overlapping Concepts or Entirely Different Concepts?

State socialism is government system characterised by the central planning of the economy rather than market allocation through government fiat. On the other hand, in *Das Kapital*, Marx describes communism as the final stage of development, whilst socialism is the transitory period between capitalism and communism. He described a ‘dictatorship of the proletariat’ where the workers seize the means of production creating an absence of a centralised state, and envisions the abolition of private property (Marx, 1959).⁵ Alternatively, state socialism heavily relies on central planning, through the nationalisation of industries, resources and key-sectors of the economy. For example, collectivisation of capital to workers under state socialism still resulted in significant control by the state: In Stalin’s first 5 year plan there were state-imposed quotas on individuals as both state-controlled (Sovkhozes) and collectively-controlled farms (Kolkhozes), thus the power of the state never truly turned to the hands of workers as envisioned by communism. Since communism deviates from socialism in terms of the role of the state they should not be considered identical concepts, meanwhile, since they both embody address the inequalities created by capitalism there are overlaps between the concepts.

To what Extent Was Technological Failure the Cause of Britain’s Late Victorian Economic Decline?

Introduction Britain was the first economy to industrialise during the 18th century and experienced unparalleled growth that was not seen by any economy previously. Despite being well ahead of Germany and the United States, its growth began to slow in during the second industrial revolution (1870-1914). As shown by figure 2, the real rate of growth in the UK was 1.0 (constant) during the second industrial revolution, meanwhile Germany and the United States experienced 60% and 80% expansions in real GDP respectively during the same period. Semantically, it is important to differentiate between absolute and relative decline. In *Absolute* terms, the British economy did not decline and thus did not face a recession, however, relative to other industrialising economies in Europe, Britain faced a stark decline in its proportion of global manufacturing output, going from

⁴Morys, M. (ed.) (2021) *The economic history of central, east and south-east Europe the economic history of central, east and south-east Europe: 1800 To the present*. London, England: Routledge.

⁵Marx, K, 1818-1883. (1959). *Das Kapital (F. Engels, Ed.)*. Regnery Publishing.

[[HistorySummerExamFinal-2.png]] *Figure Two: Levels and rate of growth of real GDP per capita (Crafts, 2004)*⁶

[[HistorySummerExamFinal-3.png]] *Figure Three: National shares of world manufacturing output 1860-1913 (Magee, 2004)*⁷

⁶Crafts, N. (2004). *Long-run growth*. In: The Cambridge Economic History of Modern Britain. Vol. 2. Cambridge University Press, pp. 1-24.

⁷Magee, G (2004). *Manufacturing and technological change*. In: The Cambridge Economic History of Modern Britain. Ed. by Roderick Floud and Paul Johnson. Vol. 2. Cambridge University Press, pp. 74–98.