HistorySummerExamFinal

History Summer Exam

`Subject ID: ECO00018C Exam ID: Y3919180`

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.

	Eastern Europe	*Central Europe*		*South-East Europe*		
	Soviet Union	*Czecho-slovakia*	*Hungary*	*Bulgaria*[3]	*Greece*	*Yugoslavia*[3]
Levels (in millions 1990 USD)						
1913	220,852[3]	27,755	14,700[3]	5,218[5]	7,900[3]	13,223
1921	80,394[3]	27,117	13,585[4]	5,150	11,196	12,093
1929	231,886[1]	42,240	21,250	7,851[6]	14,696	17,822
1938	405,220	41,578[2]	24,342	9,833	18,901	20,083
Growth rates p.a. (in percent)						
Long-run analysis[7]						
1913–1938	2.5	1.7	2.0	2.4	3.6	1.7
1921–1938	10.0	2.7	3.3	3.9	3.1	3.0
1920s						
1921–1929	16.3	5.7	5.1	4.3	3.5	5.0
1930s						
1929–1938	5.7	−0.2	1.5	3.3	2.8	1.3
Business cycle analysis						
When was 1913 level recovered?	1928	1923	1924	1924	1920	1924
Late 1920s peak	n.a.	1929	1929	1931	1929	1929
Early 1930s trough	n.a.	1935	1932	1932	1931	1932
Late 1930s peak	1939	1937[8]	1939	1940	1938	1939
Growth rate p.a.: Early 1930s trough to late 1930s peak	n.a.	9.7% (1935–37)	4.5% (1932–39)	5.1% (1932–40)	4.7% (1931–38)	4.7% (1932–39)

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, it 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

	1870 GK$ 1990	1913 GK$ 1990	Growth 1870–1913
UK	3,191	4,921	1
Germany	1,913	3,833	1.6
US	2,445	5,301	1.8

Figure Two: Levels and rate of growth of real GDP per capita (Crafts, 2004)[6]

	1860	1880	1900	1913
UK	19.9	22.9	18.5	13.6
France	7.9	7.8	6.8	6.1
Germany	4.9	8.5	13.2	14.8
Italy	2.5	2.5	2.5	2.4
Japan	2.6	2.4	2.4	2.7
USA	7.2	14.7	23.6	32

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

---

1. Judith. (2010). *Historical Perspectives on Long-run Economic Growth*, Lecture Slides for Historical Perspectives ECO00018C (Week 6). University of York.
2. Stearns, P.N. (2009). Globalization in World History (1st ed.). Routledge. https://doi.org/10.4324/9780203866061
3. TAYLOR, 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
4. Morys, 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.
5. Marx, K, 1818-1883. (1959). *Das Kapital (F. Engels, Ed.).* Regnery Publishing.
6. Crafts, N. (2004). *Long-run growth.* In: The Cambride Economic History of Modern Britain. Vol. 2. Cambridge University Press, pp. 1-24.
7. Magee, 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.