

**UNIVERSITY OF TORONTO**  
**Faculty of Arts and Science**

**APRIL/MAY EXAMINATIONS 2003**

**ECO 303Y1 Y**  
**The Economic History of Modern Europe, to 1914**

**Aids Allowed: one letter sized sheet, double-sided (21.5 cm by 27.5 cm), containing any data or information that the student wishes to supply.**

**Duration - 3 Hours**

**Answer ONE question from the FOUR questions offered in EACH of the following THREE parts, for a total of THREE questions, all of which are of EQUAL VALUE. DO NOT give similar answers to the questions selected; and thus DO NOT select questions with similar themes. Double-space your answers. Write legibly on one side of the page only; and number or identify your questions properly.**

**PART ONE:** answer one and only one of the following four questions.

1. Discuss critically the following statements on European demography from the 17th to 19th centuries.
  - a) 'The key to Malthusian faith continues to be the belief that population growth lowers living standards.' (Peter Lindert)
  - b) 'Before 1800 matters fell out much as Malthus had insisted they must. [But thereafter] an increase in poverty was no longer the price of an increase in numbers.' (Wrigley & Schofield)

To what extent had Great Britain (and/or western Europe) experienced a 'Malthusian trap' by which population growth depressed real incomes and then economic growth before 1800? Why, thereafter, was western Europe able to achieve both demographic and economic growth with generally rising per capita incomes, into the 20<sup>th</sup> century: i.e., to escape the 'Malthusian trap'?

2. Why did the hey-day or apogee of western European 'mercantilism' take place during the period known as the 'General Crisis' era, ca. 1640 - ca. 1750, a period which also marked the apogee of Dutch commercial and financial power in the western European economy? Was this mere coincidence, or did west European governments and merchants pursue economic policies considered to be 'mercantilist' in response to both the Dutch hegemony and to the economic problems of the 'General Crisis' era? Be specific in your discussion of mercantilist policies and the role of the state.
3. By general historical consensus, the 'economic decline of the Netherlands' and the onset of the British 'industrial revolution' both occurred during and after the mid-eighteenth century. Were they interrelated: i.e., to what extent was one responsible for the other? Depending upon how you formulate your answer, you may wish to consider the importance of state economic policies in overseas colonization, shipping, and foreign trade for these two phenomena.
4. Compare and contrast the socio-economic consequences of the so-called Demographic, Industrial and Agricultural Revolutions in England, during the 18<sup>th</sup> and 19<sup>th</sup> centuries. To what extent were the forces of these 'revolutionary' economic and social changes interrelated, particularly the changes in living standards and working conditions of the 'working' or 'lower classes', during these more specific periods: (a) c.1750 to c.1785; (b) c.1785 - 1820; (c) 1820 - 1850?

**PART TWO:** answer one and only one of the following four questions.

1. Why did Great Britain and various other European nations, after having practised 'mercantilist' state

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- economic policies during the 17<sup>th</sup>, 18<sup>th</sup>, and early 19<sup>th</sup> centuries, experiment with laissez-faire and Free Trade from 1846 to the later 1870s; and why did virtually all these countries, except for Great Britain, return to Protectionist trade policies from the 1870s? In your answer discuss to what extent overseas colonies were compatible with and influenced those economic policies now classified as: Mercantilism, Free Trade, and Protectionism (of the later 19<sup>th</sup> century)?
2. Compare and contrast the industrialization and economic growth of Great Britain and France, in the century 1770 to 1870, with particular emphasis on the differences in institutional, demographic, agrarian, and industrial changes. To what extent can the impediments to French economic growth be blamed upon historical 'path dependency', and to what extent on economic circumstances of the era, in view of comparisons with the British experience?
  3. Compare the modern industrialization of Great Britain, in particular during the so-called 'Industrial Revolution' era itself, with industrialization in one or more 19<sup>th</sup>-century European countries (France, Germany, Russia), by answering one **or** the other of the two following questions.  
a) was industrialization in each country more a supply-induced or a demand-induced phenomenon?  
b) what was more important for each: technological change or capital formation?
  4. Comment on the validity of the observation that 'an industrial map of Europe in the 19<sup>th</sup> century' was essentially a map of her coal-fields. Discuss the importance of coal in European industrialization (Britain, France, Germany, Russia), especially in terms of metallurgy, mechanical power, electrical power, and the new chemicals industries, and the extent to which natural resource endowment or some combination of capital formation, technological innovation, entrepreneurship and industrial organization (scale economies) explains their relative rates of industrial growth and 'success'.

**PART THREE:** Answer one and only one of the following four questions:

1. Comment on both the Gerschenkron thesis and the following statement by the World Bank economist Philip Keefer [in a review on EH.NET, 15 March 2003], in your own analyses of the economic development and industrialization of Germany, Russia, and France, up to 1914: 'One of the most important and difficult puzzles in the social sciences is why some countries have experienced sustained economic growth and most have not. Though consensus has emerged that the role of the state is at the center of this puzzle, the specific attributes of states that generate economic development are puzzling'.
2. Compare and contrast the role of banking and financial institutions, private and state, in the economic development of at least two of the following countries from or between 1690 and 1914: the Netherlands, Great Britain (England & Scotland), France, Germany, and Russia.
3. Compare and contrast the role of the agricultural sector, and the role of the state in directly or indirectly influencing socio-economic agrarian changes (including property rights), in the economic development of two or three of the following countries, from or between 1750 and 1914: Great Britain, France, Germany, Russia (including Poland).
4. Discuss the role of the Gold Standard and capital exports in international trade and international economic development during the so-called Age of 'Capitalist' or 'New' Imperialism from 1873 to World War I, while also explaining why the period 1873 to 1896 (the so-called 'Great Depression' era) was one of marked deflation and why the succeeding period, 1896 to 1914 was one of pronounced inflation.