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**Economics 303Y1: The Economic History of Modern Europe to 1914**

Topic No. 9 [17]: 'The Great Depression', 1873 - 1896: Myth or Reality?

**General Surveys: books, textbooks, and monographs**

- \* 1. S.B. Saul, The Myth of the Great Depression, 1873 - 1896 (London, 1969); 2nd revised edn. (London, 1985), pp. 9 - 72 (obligatory).
- \* 2. Roderick Floud and Paul Johnson, eds., Cambridge Economic History of Modern Britain, 3<sup>rd</sup> edn., 3 vols. (Cambridge and New York: Cambridge University Press, 2004): Vol. II: Economic Maturity, 1860 - 1939
  - a) Nicholas Crafts, 'Long-Run Growth', pp. 1 - 24.
  - d) Gary B. Magee, 'Manufacturing and Technological Change', pp. 74- 98.
  - f) Michael Turner, 'Agriculture, 1860 - 1914', pp. 133-60.
  - g) C. Knick Harley, 'Trade, 1870 - 1939: From Globalisation to Fragmentation', pp. 161-89.
  - h) Michael Edelstein, 'Foreign Investment, Accumulation, and Empire, 1860 - 1914', pp. 190 - 226.
  - i) Tom Nicholas, 'Enterprise and Management', pp. 227-52.
  - j) P. A. Cottrell, 'Domestic Finance, 1860 - 1914', pp. 253-79.
  - k) George Boyer, 'Living Standards, 1860 - 1939', pp. 280-313.
  - m) Timothy Hatton, 'Unemployment and the Labour Market, 1870 - 1939', pp. 344-73.
  - q) Roger Middleton, 'Government and the Economy, 1860 - 1939', pp. 456-89.
- \* 3. Roderick Floud and Donald McCloskey, eds., The Economic History of Britain Since 1700, 2nd edition, 3 vols. (Cambridge: Cambridge University Press, 1994), Vol. 2: 1860 - 1939:
  - a) Roderick Floud, 'Britain, 1860 - 1914: A Survey', pp. 1-28.
  - b) Sidney Pollard, 'Entrepreneurship, 1870 - 1914', pp. 62-89.
  - c) Cormac O' Grada, 'British Agriculture, 1860 - 1914', pp. 145-72.
  - d) Michael Edelstein, 'Foreign Investment and Accumulation, 1860 - 1914', pp. 173-96.
  - e) Forest Capie and Geoffrey Wood, 'Money in the Economy, 1870 - 1939', pp. 217-46.
  - f) Solomos Solomou, 'Economic Fluctuations, 1870 - 1913', pp. 247-64.
  - g) Mary MacKinnon, 'Living Standards, 1870 - 1914', pp. 265-90.
- \* 4. Marc Flandreau, Juan Flores, Clemens Jobst, and David Koudour-Casteras, 'Business Cycles, 1870 - 1914', in Stephen Broadberry and Kevin H. O'Rourke, eds., The Cambridge Economic History of Modern Europe, 2 vols. (Cambridge: Cambridge University Press, 2010): Vol. II: 1870 to the Present, pp. 84-108.
- \* 5. W. Arthur Lewis, Growth and Fluctuations, 1870 - 1913 (1978), chapter 5, 'The British Climacteric', pp. 112 - 34.
- \* 6. W. W. Rostow, The British Economy of the Nineteenth Century (1949), Chapter 3, 'Investment and

the Great Depression', pp. 58-89; and Ch. 7, 'Explanations of the Great Depression', pp. 145-60.

7. Derek Aldcroft and Peter Fearon, eds., British Economic Fluctuations, 1790-1939 (London, MacMillan, 1972): especially A.G. Ford, 'British Economic Fluctuations, 1870-1914', pp. 131-60; and D.J. Coppock, 'The Causes of Business Fluctuations, 1870-1914', pp. 188-219.
8. David Edgerton, Science, Technology and the British Industrial 'Decline', 1870 - 1970, New Studies in Economic and Social History (Cambridge, 1996).
9. Richard Perron, Agriculture in Depression, 1870 - 1940, New Studies in Economic and Social History 26 (Cambridge and New York: Cambridge University Press, 1996).

#### **Journal Articles (many involving econometrics)**

- \* 1. Y. Goo Park, 'Depression and Capital Formation: the United Kingdom and Germany, 1873 - 1896', The Journal of European Economic History, 26:3 (Winter 1997), 511-34.
- \* 2. M. W. Kirby, 'Institutional Rigidities and Economic Decline: Reflections on the British Experience', Economic History Review, 2nd ser., 45:4 (November 1992), 637-60.
- \* 3. Charles Feinstein, 'What Really Happened to Real Wages?: Trends in Wages, Prices, and Productivity in the United Kingdom, 1880 - 1913', Economic History Review, 2nd ser. 43 (August 1990), 329 - 55.
- \* 4. David Greasley, 'Balanced versus Compromise Estimates of UK GDP, 1870 - 1913', Explorations in Economic History, 32:2 (April 1995), 262-72.
5. David Greasley, 'British Economic Growth: The Paradox of the 1880s and the Timing of the Climacteric', Explorations in Economic History, 23 (Oct. 1986), 416 - 44.
- \* 6. Lee A. Craig and Douglas Fisher, 'Integration of the European Business Cycle: 1871 - 1910', Explorations in Economic History, 29 (April 1992), 144 - 68.
- \* 7. Stephen N. Broadberry, 'How Did the United States and Germany Overtake Britain? A Sectoral Analysis of Comparative Productivity Levels, 1870 - 1990', Journal of Economic History, 58:2 (June 1998), 375-407.
- \* 8. Bernard Elbaum and William Lazonick, 'The Decline of the British Economy', Journal of Economic History, 44 (June 1984), 567 - 84.
- \* 9. W. H. Phillips, 'The Economic Performance of Late Victorian Britain: Traditional Historians and Growth', Journal of European Economic History, 18 (Fall 1989), 393 - 414.
10. Stephen Nicholas, 'Total Factor Productivity and the Revision of Post-1870 British Economic History', Economic History Review, 2nd ser. 35 (1982), 83-98.
11. Roger Lloyd-Jones, 'Innovation, Industrial Structure, and the Long Wave: the British Economy c. 1873 - 1914', Journal of European Economic History, 16 (Fall 1987), 315-34.

12. Dov Friedlander, 'The British Depression and Nuptiality: 1873 - 1896', Journal of Interdisciplinary History, 23:1 (Summer 1992), 19 - 37.
- \*13. Marianne Ward and John Devereux, 'Measuring British Economic Decline: Direct versus Long-Span Income Measures', Journal of Economic History, 63:3 (September 2003), 826-851.
14. Stephen Broadberry, 'Relative Per Capita Income Levels in the United Kingdom and the United States Since 1870: Reconciling Time-Series Projections and Direct-Benchmark Estimates', Journal of Economic History, 63:3 (September 2003), 852-863. See also the reply: Marianne Ward and John Devereux, 'Relative U.K./U.S. Output Reconsidered: a Reply to Professor Broadberry', Journal of Economic History, 64:3 (September 2004), 879-91.
- \*15. Nicholas Crafts and Terence C. Mills, 'Was 19<sup>th</sup>-Century British Growth Steam-Powered? The Climacteric Revisited', Explorations in Economic History, 41:2 (April 2004), 156-71.
- \*16. E.H. Hunt and S.J. Pam, 'Responding to Agricultural Depression, 1873-96: Managerial Success, Entrepreneurial Failure?', Agricultural History Review, 50:ii (2002), 225-252.
17. Michael Turner, 'Output and Prices in UK Agriculture, 1867 - 1914, and the Great Agricultural Depression Reconsidered', Agricultural History Review, 40:i (1992), 38 - 51.

#### QUESTIONS:

1. Did the British economy experience a 'depression' or secular downswing or a series of recessions in the period 1873 - 1896? If so, were these unique to Great Britain, or international? What characterizes the major economic trends in this era? How did they differ from those for the following period, 1896 - 1914?
2. If the term 'depression' is inappropriate, why did many contemporaries believe that the economy was undergoing a depression?
3. What explains the downswing in prices (the deflation), profits, and interest rates from 1873 - 1896? Were other industrial economies experiencing depressions? How did the British economy fare as well as the French and/or German?
4. What British economic sectors fared the best, and which ones the worst during this period?
5. Do trends in employment and real wages justify in any way the use of the term 'Great Depression'? What were the major economic factors influencing the course of real wages in this era?