ECONOMICS 322: EVOLUTION OF THE GLOBAL ECONOMY

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Office: 3222 Andersen Hall, Dept. of Economics  
Lecture Time: Tuesday & Thursday 2:00-3:20  
Class Room: University Hall 102  
Office Hours: Appointment by email  
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COURSE DESCRIPTION:
This course studies the long-run evolution of the global economy and explores the process of international integration in product, labor, and capital markets from the pre-industrial period to present (1500-2000). During the last few centuries, the world experienced a dramatic growth in trade, migration, and financial integration between nations, eventually shaping the “new global economy” as we call it today. How did it happen? What were the dynamic forces behind the process? What are its economic implications? The course examines historical conditions that facilitated or hindered the process of market integration and discusses the impact of globalization on nation’s economic development and welfare.

PREREQUISITES: ECONOMICS 201, 202, 281, 310-1 and 311.

EVALUATION METHOD: problem sets (20%), midterm exam (40%), and final exam (40%).


REMARKS: The course will be based on two textbooks and the reading materials consisting of book excerpts and journal articles. The textbooks will provide a good overview and basic historical facts, while the articles and book excerpts will provide detailed observations, analyses, and interpretations. Generally, there will be two articles or excerpts assigned per class in addition to a portion of the textbooks. In my lecture, I will cover what I consider to be the most important part of the textbooks and try to facilitate class discussion based on the analysis presented in the articles and excerpts. Therefore, all students in this course are encouraged to look over the assigned articles and book excerpts in advance. Students with a weak background in economic history will greatly benefit from reading Cameron & Neal; students with a strong background in economic history will also find it useful. Cameron & Neal is thus strongly recommended. Kenwood & Lougheed is somewhat dry and will be used primarily as a data source. Warning: students who plan to skip lectures and study by themselves may need to purchase both Cameron & Neal and Kenwood & Lougheed.

EVALUATION: Grades will be based on four problem sets and two exams. The midterm exam will be on October 19 (Thu) at our regular class time, and the final exam will be on December 7 (Thu) at 3-5PM. The midterm exam will cover the materials from Classes 1-9, and the final exam will cover the materials from Classes 11-18. I will also encourage student participation during the lectures. Although I would not base an explicit part of the grading on participation, in borderline grade cases, I will consider class participation as an important factor in determining the final grade.
CLASS SCHEDULE & READING ASSIGNMENTS

Note: The schedule below is tentative and may change as we proceed. Please check the course website regularly!

1. September 19 (Tue): Introduction & Overview

2. September 21 (Thu): Medieval Europe Before 1500
Cameron & Neal, Chapter 3.

3. September 26 (Tue): China & Islam Before 1500
Cameron & Neal, Chapter 4.

4. September 28 (Thu): European Expansion, 1500-1800: Technology & Institutions
Cameron & Neal, Chapter 5.

5. October 3 (Tue): European Expansion, 1500-1800: Trade & Migration
Cameron & Neal, Chapter 6.

6. October 5 (Thu): Commodity Market Integration, 1800-1913
Cameron & Neal, Chapters 8 & 12: Kenwood & Lougheed, Chapters 1 & 5.

Problem Set #1 due Oct. 6 (Fri), 5PM.

7. October 10 (Tue): Capital Market Integration, 1800-1913
Cameron & Neal, Chapter 12: Kenwood & Lougheed, Chapters 2 & 7.

8. October 12 (Thu): Labor Market Integration, 1800-1913
Kenwood & Lougheed, Chapter 3.

Problem Set #2 due Oct. 13 (Fri), 5PM.

9. October 17 (Tue): Political Economy, 1850-1920
Cameron & Neal, Chapter 12: Kenwood & Lougheed, Chapter 4.

10. October 19 (Thu): Midterm Exam
11. October 24 (Tue): Disintegration, 1914-1945: WWI
Cameron & Neal, Chapter 14: Kenwood & Lougheed, Chapters 11, 12, 14.

12. October 26 (Thu): Disintegration, 1914-1945: Great Depression
Kenwood & Lougheed, Chapter 13.

Cameron & Neal, Chapters 13 & 15.

Cameron & Neal, Chapter 16.

15. November 7 (Tue): Reintegration, 1946-2000: Vertical and Horizontal MNEs
Kenwood & Lougheed, Chapter 18.

Problem Set #3 due Nov. 8 (Wed), 5PM.

Kenwood & Lougheed, Chapters 16 & 17.


18. November 16 (Thu): Globalization & Its Future, 2000-
Kenwood & Lougheed, Chapters 20 & 21.

Problem Set #4 due Nov. 17 (Fri), 5PM.

19. November 21 (Tue): Summary

November 23 (Thu): No Class — Happy Thanksgiving!

November 27–December 1: WCAS Reading Period

December 7 (Thu) 3:00-5:00PM: Final Exam