Outline and learning outcomes

- The transformation of the European economy
  - Provide an overview of a variety of structural changes over the period preceding industrialisation
    - GDP per capita
    - Population
    - Productivity change
    - Urban change

Reading

- A'Hearne – chapter 1 in Floud et al (2014a)
- Allen (2009) – chapter 1
- Berg (1994) – chapter 1
- Chang (2014) – chapter 2

- See economicstoolbox.com for more background sources
The transformation of the European economy

- We need to recognise that the pace of change was slow
  - Chang (2014:51)
    "Between 1000 and 1500, the medieval era, income per capita… in Western Europe grew at 0.12% per cent per year."
  - But this was still faster than elsewhere: Asia and Eastern Europe (inc. Russia) = 0.04% pa (ibid)
- Despite this apparent lethargy, "Between 1500 and 1750, the economy of Europe was transformed" (Allen, 2009:16)
  - Shift in economic significance away from Mediterranean economies to Dutch and British
  - Driven by international trade (and empire-building)

The transformation of the European economy (p)

A’Hearn (2014:12)

Figure 1.3 Real GDP per capita (1990 US $)

- What can real GDP per capita tell us about the relative economic performance of countries?
- Britain’s ‘catch up’ ...
- Note: volatility ...
- stagnation ...

Maddison project 2018

2018 Maddison project data (cgdpcc)
- Revises relative performance picture
- Not yet built in to published commentaries
The transformation of the European economy

- Berg (1994), however, offers some notes of caution regarding analysis based on national income accounts (– remember w2 lecture too)
- “The national accounts framework which now dominates the new orthodoxy of the Industrial Revolution gives only one side of the story” (Berg, 1994:22)
  - “Aggregate indicators… were unable to reveal the process of change itself” (ibid)
  - Individual industries may have changed substantially in labour force, technology or location but this will not be at all apparent in aggregate output data
  - Berg uses the examples of the silk, copper and woollen industries during the the 18th C (proto-industrialisation)

### Table 1.1 percentage distribution of the population 1500–1800

<table>
<thead>
<tr>
<th>Year</th>
<th>Urban</th>
<th>Rural</th>
<th>Non-agricultural</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>1500</td>
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<td>70%</td>
<td>2%</td>
<td>98%</td>
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What does population distribution, as a concept, tell us about?

The transformation of the European economy [p]

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Grouped by economic success over 1500–1800

Data issues

Leading economies in 1500 – 1500–1800:
- Italy, Spain, Belgium

How does change happen?
The transformation of the European economy

Rural change – Allen (2009:18)

- An agricultural revolution was part of the transformation of the English economy.
- Necessary to support non-agricultural population
- Matched by rise in rural non-agricultural proportions
- Proto-industrial production (Mendels, 1972)
  - A spread of rural industrial production from mid-17th C onwards, though typically without changes in technique or scale
  - [i.e. 'manufacture' rather than Marx's 'machinufacture']
  - Merchant-run 'putting out' system (linked markets)
- Regional specialization
  - E.g. Leicestershire stocking knitting, Yorkshire woollen cloth

Urban change – Allen (2009:19)

- Increased urbanization in England related to:
  - Higher labour mobility following Black Death
  - Improvements in agriculture (+ enclosures)
  - Growth in (urban) manufacturing
  - Growth in trade and commerce
    - Close connections to rural manufacturing
  - Significance of 'new draperies' to export trade (e.g. see Davies, 2011)
- "Between 1500 and 1700, the population of London increased ten-fold" (Allen, 2009:19)
  - Rise of coal industry to support fuel needs of London
  - Changing scale of manufacturing in larger cities

Review

- The history of industrialisation is really a history of capitalism (cf. Mishra, 2014; Mason, 2015 – post-capitalism)
- Much debate about causal factors and Britain’s ‘uniqueness’
- The slow pace of wide-scale change – in agriculture, industry, urbanisation, culture
- Next: the social and economic transformation of the industrial revolution
- Week 4/5 labs