

Discussion of “When did Growth Begin?” by Paul Bouscasse, Emi Nakamura and Jón Steinsson

James A. Robinson
University of Chicago

Overview

- Largely a re-affirmation of the Clark view, he says 1630s/1640s. They argue 1600.
- The key figure shows the key fact after about 1600 real wages and population both grow and the simple Malthusian model falls apart.
- Why? Productivity started improving.
- The paper is descriptive and does not test a hypothesis about what cause this change of trend, preferring to estimate the parameters of an exogenous stochastic productivity process.
- I want to talk about three things:
 1. Is the assumptions of competitive markets anachronistic?
 2. Is the evidence inconsistency with the institutional interpretation?
 3. What might be the mechanism that led to increased productivity?

“As if” ...

- Without comment the paper conceptualizes the pre-modern economy as a competitive market one where factors of production are paid the value of their marginal products.
- I think it is very easy to demonstrate this is a VERY strong assumption.
- For example: Copyholders. Open fields and commons.
- I just present one fact: what was the impact of the Black Death on the wages of women?

Not so Competitive Market ..

The Wages of Women in England, 1260–1850 417

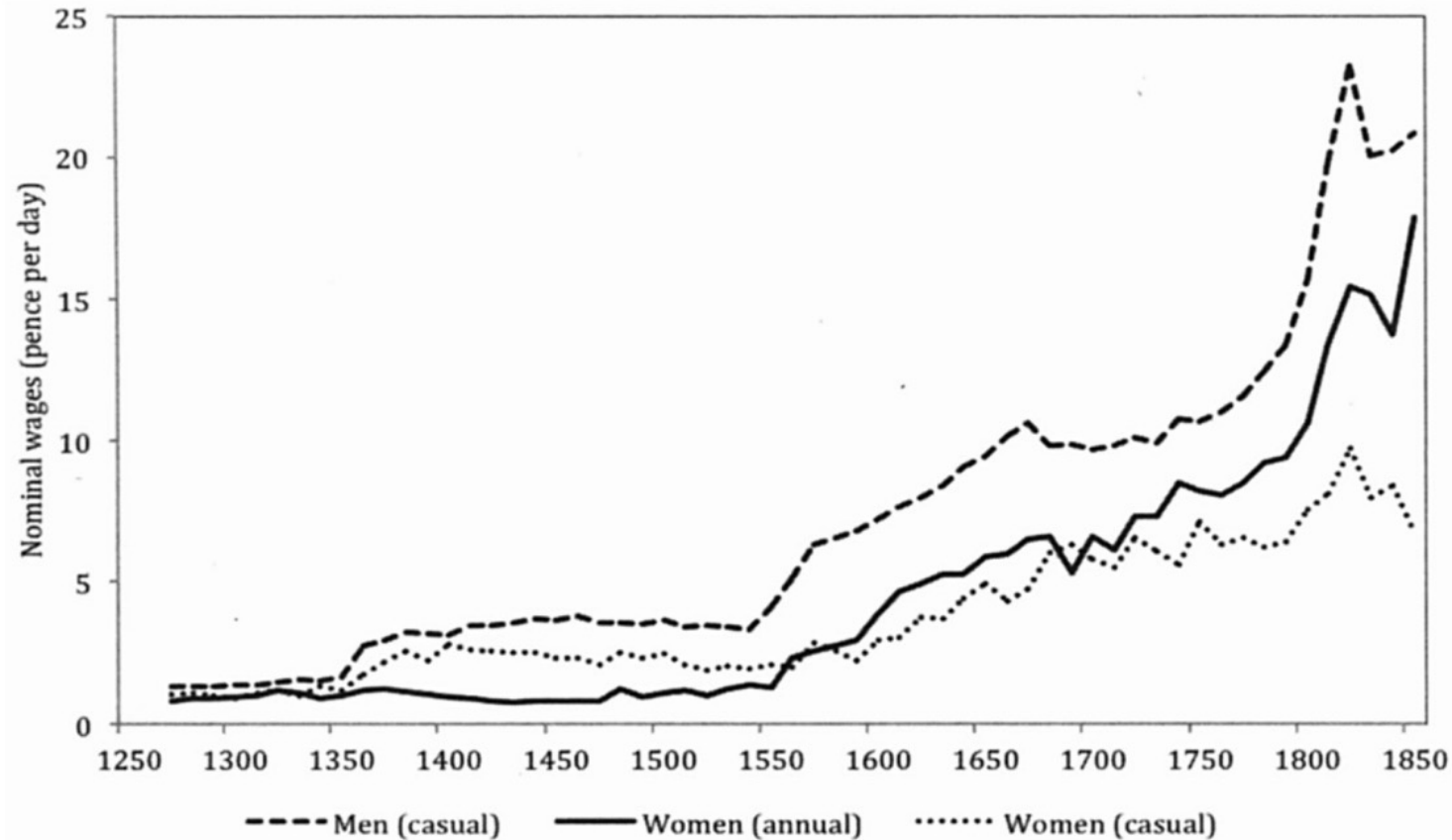


FIGURE 3
THE DAILY WAGES IN PENCE OF UNSKILLED MEN AND WOMEN (BY DECADE)

The Wages of Women in England, 1260–1850. Jane Humphries and Jacob Weisdorf
The Journal of Economic History, Vol. 75, No. 2 (JUNE 2015), pp. 405-447.

The Institutional Interpretation

- The paper argues that if productivity growth increased in 1600 then this could not have been due to the Glorious Revolution.
 - But the GR was part of a long process, it was an important part, but only part.
 - Clear that the evolution of political institutions and their manifestation in the economy was a long process.
1. Tudor state building - 1530s Tudor Revolution in Government; 1558 Militia Act.
 2. Emergence of “Resistance Theory” is the 16th century.
 3. 1623 Statute of Monopolies; 1628 Petition of Right, Derek Hirst (*The Representative of the People?: Voters and Voting in England under the Early Stuarts*) calculated that more people voting in the first half of the 17th century than in the 18th century.
 4. Creation of the Excise tax in the Civil War; the The Instrument of Government seems to have been the first written constitution that involved the separation of powers (as opposed to “mixed government”), etc.

Atlantic Trade redux

- AJR's "Atlantic Trade" paper - specifically a mechanism to explain why the institutions and economic performance of "Atlantic traders" diverged in the Early Modern period.
- The "shock" of the discovery of the Americas interacted with initial political institutions to build a coalition in favor of further institutional change.
- So this is exactly a mechanism whereby economic change influences political institutions, **but** its impact is conditional on initial political institutions (England versus Spain).
- So ultimately it is an argument about the priority of political institutions.

But why Higher Productivity after 1600?

- This is a puzzle. There are some candidates:
 1. Agriculture? Could be enclosure (Wordie) but too early for Turnip Townsend or Jethro Tull. The little ice age seems like an odd time to have increasing agricultural productivity. Incidence of famines.
 2. Urbanization ? But not much action.
 3. Proto/Cottage industry? Hard to measure.
 4. The Industrious Revolution?
 5. East India company, Virginia company and the colonization of the Caribbean? Allen emphasizes this as the mechanism driving up wages. Why did it have a big quantitative impact? Precisely because parliament was partially successful in blocking monopolies - entry into trade. Back to “Atlantic Trade”. Saumitra Jha’s *QJE* paper.

An Upsurge of Enclosures?

Table 7. *The Enclosure Rate in England: Percentages of Total Surface Area*

<i>Period</i>	<i>%</i>
Already enclosed in 1550	c. 45.0
Enclosed 1500 to 1599	c. 2.0
Enclosed 1600 to 1699	c. 24.0
Enclosed 1700 to 1799	c. 13.0
Enclosed 1800 to 1914	11.4
Commons remaining in 1914	4.6
	<hr/>
	100.0

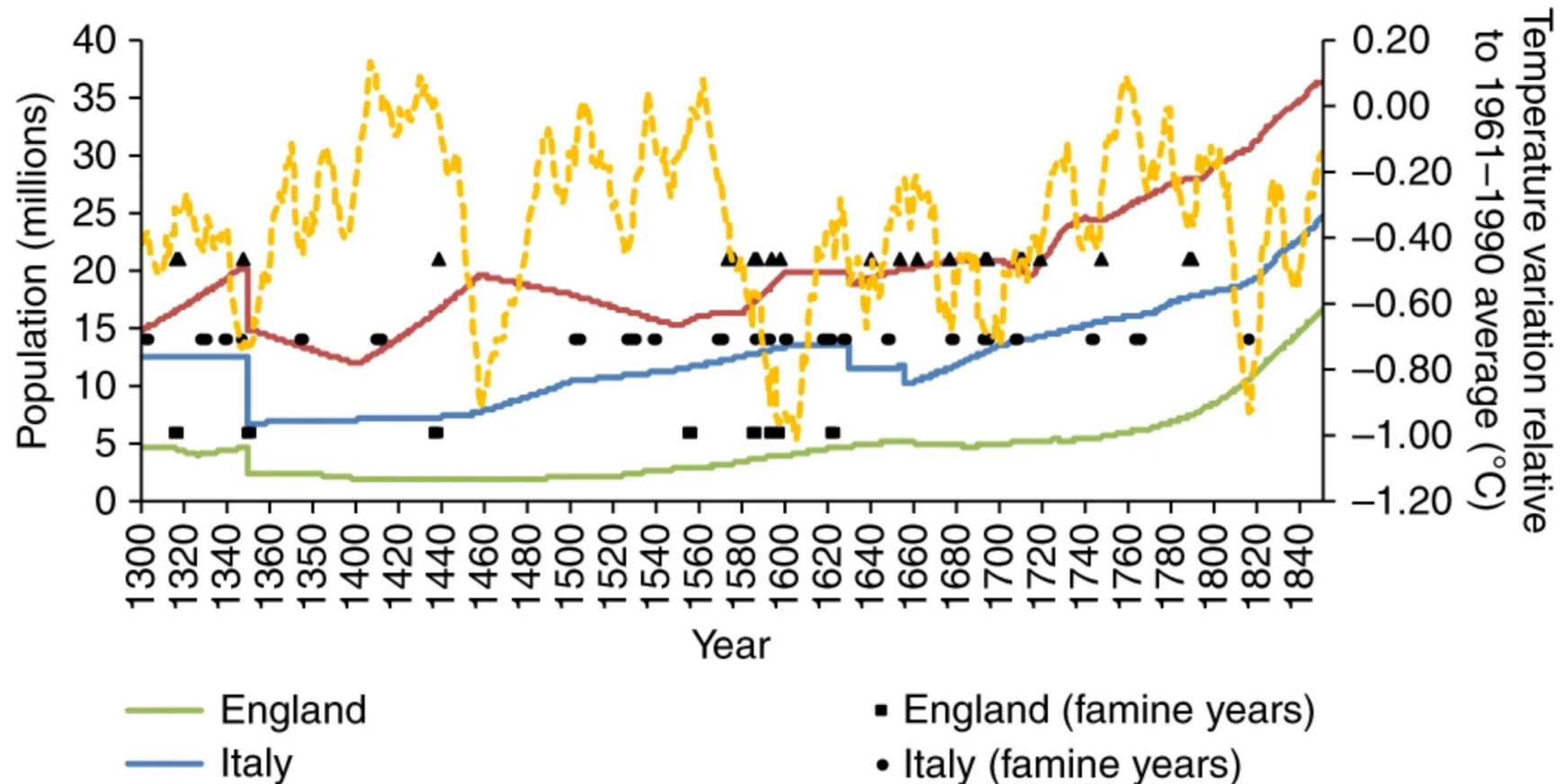
Sources: Calculated from all the sources cited under Tables 1 to 6.

The Chronology of English Enclosure, 1500-1914, J. R. Wordie *The Economic History Review* , Nov., 1983, Vol. 36, No. 4 (Nov., 1983), pp. 483-505.

An agricultural revolution during the Little Ice Age?

Fig. 2: Famine and population size in England, France and Italy, 1300–1850.

From: [The timing and causes of famines in Europe](#)



The timing and causes of famines in Europe. Guido Alfani & Cormac Ó Gráda
Nature Sustainability volume 1, pages283–288 (2018)

Ranking of English towns 1334-1861

Rank 1334	1377	1523-7	1662	1801	1861
1 Bristol	York	Norwich	Norwich	Manchester	Liverpool
2 York	Bristol	Bristol	York	Liverpool	Manchester
3 Newcastle	Coventry	Newcastle	Bristol	Birmingham	Birmingham
4 Great Yarmouth	Norwich	Coventry	Newcastle	Bristol	Leeds
5 Lincoln	Lincoln	Exeter	Exeter	Leeds	Sheffield
6 Norwich	Salisbury	Salisbury	Ipswich	Plymouth	Bristol
7 Shrewsbury	King's Lynn	Ipswich	Great Yarmouth	Norwich	Plymouth
8 Oxford	Colchester	King's Lynn	Oxford	Bath	Newcastle
9 Salisbury	Boston	Canterbury	Cambridge	Portsmouth	Bradford
10 Boston	Beverley	Reading	Canterbury	Sheffield	Stoke-upon-Trent
11 King's Lynn	Newcastle	Colchester	Worcester	Hull	Hull
12 Ipswich	Canterbury	Bury St Edmunds	Deptford	Nottingham	Portsmouth
13 Hereford	Bury St Edmunds	Lavenham	Shrewsbury	Newcastle	Preston
14 Canterbury	Oxford	York	Salisbury	Exeter	Sunderland
15 Beverley	Gloucester	Totnes	Colchester	Leicester	Brighton
16 Gloucester	Leicester	Worcester	East Greenwich	Stoke-upon-Trent	Norwich
17 Winchester	Shrewsbury	Gloucester	Hull	York	Nottingham
18 Southampton	Great Yarmouth	Lincoln	Coventry	Coventry	Oldham
19 Coventry	Hereford	Hereford	Chester	Ashton-under-Lyne	Bolton
20 Cambridge	Cambridge	Great Yarmouth	Plymouth	Chester	Leicester

Conclusion and Question

- Seems like the really fruitful set of issues here are about the causes of growth.
- And why, like in Ian Morris' paper, human societies that seem to be relatively stable suddenly move onto a different trajectory?