Generating the Wealth of Nations

Lecture 1: Introduction
Section 1: The beginning
The big picture

Source: See Endnotes #1.
The big picture 2

Source: See endnotes #1.
The big picture 3

Value of economic output per person

- Western Europe
- Western Offshoots
- Former USSR
- Latin America
- Asia
- Africa

The Great Divergence

Source: See Endnotes #1.
Some big questions

1. Why was there so little progress during the Malthusian era?
2. What explains the Industrial Revolution?
3. Why has there been a Great Divergence?

Question 3 is really two questions – How is it that living standards in the rich countries have increased at an even faster rate? Why haven’t all the poor countries caught up?
Who is the leader?

Source: See Endnotes #1.
Who catches up? 1

Source: See Endnotes #1.
Who catches up? 2

Source: See Endnotes #2.
Who catches up? 3

Source: See Endnotes #1.
Great Depression: The US rate of unemployment, 1929 to 1939

Source: See Endnote #3.
Who’s getting better off?

Income received by top 1% of earners, 1913-2011

United States
Australia
Canada
France

Source: See Endnotes #4.
The take-off in world population

Source: See Endnote #5.
### We’re living longer

<table>
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<th>Life expectancy at birth (years)</th>
<th>1725</th>
<th>1750</th>
<th>1800</th>
<th>1850</th>
<th>1900</th>
<th>1950</th>
<th>2010</th>
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Sources: See Endnote #6.
The rest of this lecture

• 1. Learning resources and assessment
• 2. Why study the history of development of the world economy?
• 3. How do we measure economic development?
• 4. What causes economic development?
  a: Technology
• 5. What causes economic development?
  b: Fundamental causes
• 6. The rest of the course
End notes

• Graphs and tables constructed from data in: