

The GLOCREd quarterly newsletter brings you up to date information on publications, events (Conferences, Workshops, Seminars...), which are either organised or supported by our members, and social media related to the research network.

In this issue:

1. Network news
2. Recent publications
3. Supported events
4. Upcoming events
5. Social media

Kind regards,

GLOCREd team

1. Network news

GLOCREd –'Globalization, Growth and Inequality (19th–21st centuries) – is funded by the Spanish Ministry of Economy and Competitiveness (MINECO). The network is composed of eight R+D projects nationally supported. Our principal aim is to promote research and knowledge transfer worldwide on Globalization, Growth, and Inequality since the nineteenth century.

In the January–April 2017 period we supported the following events: VIII IBEROMETRICS, AGRICLIOMETRICS III and the workshop: 'The New Economic Historians of Latin America'.

The GLOCREd team has prepared a Marie Skłodowska–Curie Research and Innovation Staff Exchange (H2020–MSCA–RISE–2017) project: **GLOHREIN – Global Network for the measurement and analysis of determinants and consequences of regional income inequality.**

Presentation of the project:

This project aims to create a Global Network for the measurement and analysis of drivers and effects of regional income inequality at European and non-European scale (GLOHREIN). This network comprises 21 universities: 9 from Europe, 11 from Latin America and 1 from Africa. The main purpose is to conduct comparative research in the area of territorial inequalities from a historical, geographical, political and economic perspective. This multidisciplinary network will foster a space for collective reflection between network partners and will allow contributing to undertake innovative research, promote excellence in professional career development and impact in academic and policy debates. Particularly it aims to inform public policies to tackle social conflict through the long-term understanding of regional inequalities and its relation with social and territorial cohesion in present societies characterized by international integration and accelerated technological change. This is in line with Horizon 2020's objectives.

2. Recent publications

Astorga P

The Haves and the Have Nots in Latin America in the 20th Century

Revista de Economía Mundial [[LINK](#)]

This paper offers for the first time income shares of the top 10% and the bottom 40% of the labour force for Argentina, Brazil, Chile, Colombia, Mexico and Venezuela in the period 1900–2011. The main findings are: i) over this period the top 10% share is, on average, 51.3% and the bottom 40% share 13.2%; ii) in the last thirty years the gap between both tails widened (54.6% vs. 11.9%), despite narrowing inequality in the 2000s; iii) there is no inequality levelling in the middle decades of the last century as experienced in the rich economies. This new long-term evidence confirms that the recent shared decline in inequality has no precedent in the 20th century; but it also shows that, as in the past, high concentration at the top 10% and a relatively low-income share of the bottom 40% continues to be the region's inequality trademark.

Prados de la Escosura L

Mismeasuring long-run growth: the bias from splicing national accounts – the case of Spain

Cliometrica [[LINK](#)]

Comparisons of economic performance over space and time largely depend on how statistical evidence from national accounts and historical estimates are spliced. To allow for changes in relative prices, GDP benchmark years in national accounts are periodically replaced with new and more recent ones. Thus, a homogeneous long-run GDP series requires linking different temporal segments of national accounts. The choice of the splicing procedure may result in substantial differences in GDP levels and growth, particularly as an economy undergoes deep structural transformation. An inadequate splicing may seriously bias the measurement of GDP levels and growth rates. Alternative splicing solutions are discussed in this paper for the particular case of Spain, a fast-growing country in the second half of the twentieth century. It is concluded that the usual linking procedure, retropolation, is seriously flawed as it tends to bias GDP levels upwards and, consequently, to underestimate growth rates, especially for

developing countries experiencing structural change. An alternative interpolation procedure is proposed.

Kopsidis M. and Bromley D.W.

The French revolution and German industrialization: dubious models and doubtful causality

Journal of Institutional Economics [[LINK](#)]

We challenge the ‘big-bang’ approach to economic history offered by Acemoglu et al. (2011). The creation story in dispute is the French Revolution and the subsequent French occupation of a very small portion of Germany. We show that the four institutional reforms claimed to have spurred German industrialization have been incorrectly dated. These corrections nullify any explanatory power of the ACJR econometric model. Moreover, even with the corrected vintages, their identification strategy is undermined by a flawed ‘explanatory’ variable – ‘years of reform’. We show that this variable simply enters their model as a year trend and explains nothing except the passage of time. We develop a fixed-effects model to capture the overlooked role of coal production that began in several regions shortly after 1840. This model offers a credible account of German industrialization and urbanization. Most economic change is, after all, continuous. Big-bang intrusions are of doubtful efficacy.

Collantes F.

Food chains and the retailing revolution: supermarkets, dairy processors and consumers in Spain (1960 to the present)

Business History [[LINK](#)]

On the basis of an analysis of the retailing of dairy products in Spain from 1960 onwards, it is argued that the rise of supermarkets was conditioned by developments taking place in the food system, and not just by macro-scale socioeconomic change. Upstream, supermarket expansion depended on dairy processors’ capacity to push raw milk out of the consumer market. Downstream, the expansion was favoured by the transition towards a demand pattern that featured little aggregate dynamism and much product diversification. This case suggests that a food chain perspective might contribute to the historical study of the retail sector, especially by making the study of conditional causality more systematic.

Ayuda M.I. and Puche Gil J.

Biological welfare and nutritional inequality in rural Mediterranean Spain: the irrigated area of Valencia, 1859–1939

Revista de Historia Económica – Journal of Iberian and Latin American Economic History [[LINK](#)]

This article analyses the biological welfare and inequality of the male population of the irrigated area of Valencia between 1859 and 1939. It studies the effects that the agrarian development process had on physical welfare and the relationship between height and access to land ownership. Height data for conscripts in five municipalities constitute the source for the study. The results reveal that there was a growing trend in the evolution of heights in the irrigated area of Valencia at the beginning of agrarian capitalism. Nutritional inequalities can be observed between farmers and farm workers: land owners were taller than landless labourers. However, this biological inequality diminished over the period under study.

Velazco J. and Ballester R.

Food Access and Shocks in Rural Households: Evidence from Bangladesh and Ethiopia

Social Indicator Research [[LINK](#)]

Rural households in developing countries face shocks that undermine their wellbeing. The paper analyses to what extent household exposure to shocks influences food access in rural areas of Bangladesh and Ethiopia. Shortage of staple foods is used as a proxy variable for

food access. Climatic, agricultural production, health and other shocks were considered. Findings show that the persistence of shock consequences has a positive and significant impact on the household's probability of facing staple shortage. Additionally, wealth indicators like land size, livestock, assets, human capital and community and social networks exhibit a negative relationship with the likelihood of food shortage.

Aceña P.M., Blasco Y. and Cuevas J.
El Instituto de Crédito Oficial 1971–2015

Dextra Editorial [[LINK](#)]

This book analyzes the evolution of the Official Credit Institute, the Spanish public financial institution, from its birth, in 1971, until today. The book examines the financial and business trajectory of this public bank regarding the Spanish economic and financial policies and cycles of the last fifty years. The book analyzes the significance of official lending in Spain until the financial liberalization and reforms by Spain's admission in the European Economic Community (1986) and the European Monetary System (1989). Between 1987 and 1991 the Institute was privatized and reduced its size and importance in the overall Spanish finances but continued being the main financial agent of Spanish governments. The history of official credit in contemporary Spain shows that its performance has been significant during the financial and banking crises of the years 1977–1985 and 2008–2012. Consequently, one of the main lessons of this book is the value of public channels of credit distribution during economic and financial crises.

Álvarez–Nogal C., Prados De La Escosura L. and Santiago–Caballero C.
Spanish agriculture in the little divergence

European Review of Economic History [[LINK](#)]

This paper explores the role of agriculture in Spain's contribution to the *little divergence* in Europe. On the basis of tithes, long–run trends in agricultural output are drawn. After a long period of relative stability, output suffered a severe contraction during 1570–1620, followed by stagnation to 1650, and steady expansion thereafter. Output per head shifted from a relatively high to a low path that persisted until the nineteenth century. The decline in agricultural output per head and per worker from a relatively high level contributed to Spain falling behind and, hence, to the *Little Divergence* in Europe. Output per worker moved along labour force in agriculture over the long run, supporting the depiction of Spain as a frontier economy. Institutional factors, in a context of financial and monetary instability and war, along climatic anomalies, provide explanatory hypotheses that deserve further research.

Peres–Cajías J.A.

Bolivian Tariff Policy during the Late Nineteenth and Early Twentieth Centuries: High Average Tariff and Unbalanced Regional Protection

Journal of Latin America Studies [[LINK](#)]

This article demonstrates that Bolivian tariff policy during the late nineteenth and early twentieth centuries was not as passive as previously assumed and that the average tariff ratio remained high. However, high average tariffs coexisted for a long time with free–entry rights for different products which represented the main economic activity of certain Bolivian regions. Furthermore, the competitiveness of products was sometimes mostly determined by the geographic fragmentation of the country and the uneven pattern of railway construction rather than by tariffs. Therefore, beyond its high average level, the protectionist effect of tariffs was sometimes constrained by institutional and geographical restrictions.

Puche Gil J. and Cañabate–Cabezuelos J.

Did Physical Stature Diminish During Spain’s Early Industrialisation? The Case of Alcoy, 1840–1915

Revista de Historia Industrial [[LINK](#)]

This paper looks at the effects of early industrialisation in Spain on biological living standards. The case study focuses on Alcoy, one of the towns that pioneered Spanish industrialisation in the nineteenth century. Based on anthropometric data for the height of military conscripts between 1860 and 1936 (cohorts born between 1840 and 1915), the study shows that average stature diminished among the generations born in the 1860s and 1870s, coinciding with the early stages of mechanisation in the textiles industry and accelerating urbanisation. However, poor diet among the inhabitants of Alcoy’s rural hinterland was a further contributing actor to this decline in stature. The anthropomorphic evidence suggests that early industrialisation in Alcoy worsened health conditions and the net nutritional status of the town’s working class.

Tirado D.A., Díez–Minguela A. and Martínez–Galarraga J.

Regional inequality and economic development in Spain, 1860–2010

Journal of Historical Geography [[LINK](#)]

Fifty years ago Jeffrey G. Williamson suggested that during the process of economic development regional income differences trace out an inverted U-shaped pattern. Since then several studies have tested this hypothesis. Yet, most of these only explore particular stages of development. This study, however, investigates the long-term evolution of regional income inequality. Using a novel dataset spanning 150 years, we describe per-capita GDP disparities across Spanish provinces (NUTS3) from 1860 to 2010. Moreover, to gain a deeper understanding of regional inequality, we examine other relevant dimensions: modality, mobility and spatial clustering. Overall, the findings confirm the existence of an inverted U-shaped pattern. Furthermore, there appears to be two major phases. Between 1860 and 1930 the upswing in regional inequality was accompanied by a certain mobility in income class or rank. Then, regional convergence followed until the 1980s, but mobility was rather low and spatial clustering significantly increased. Thus, a map with ‘Two Spains’ emerged, and spatial polarization has become a major concern.

Arroyo Abad L. and Astorga Junquera P.

Latin American earnings inequality in the long run

Cliometrica [[LINK](#)]

This paper traces between-group earnings inequality for six Latin American countries over two centuries based on wage and income series compiled from a large array of primary and secondary sources. We find that inequality varied substantially by country and by period, questioning the notion that colonial legacies largely dominated the evolution of inequality. There is a broader inequality trajectory over the long run in the form of an “m” pattern with peaks around 1880 and the 1990s and a trough around 1920/1930s. Export-led growth does not necessarily imply a rise in inequality, while the import-substitution industrialisation efforts did not translate into a more egalitarian distribution of income. More notably, Latin America’s experience does not exhibit the great inequality levelling as seen in the North Atlantic economies from the 1930s to the 1970s.

Tello E., Martínez J.L., Jover–Avellà G., Olarieta J.R., García–Ruiz R., González de Molina M., Badia–Miró M., Winiwarter V. and Koepke N.

The Onset of the English Agricultural Revolution: Climate Factors and Soil Nutrients

The Journal of Interdisciplinary History [[LINK](#)]

The English Agricultural Revolution began during a period of climate change in which temperatures decreased significantly. Lower temperatures meant less bacterial activity, a

slower release of mineral nitrogen into cultivated soils, and a shorter growing season for crops—a combination that tended to diminish yields. The English farmers reacted by increasing the flow of organic matter and manure into the soil, thus mitigating the negative effect of the colder temperatures to some extent. When the temperatures rose again, the faster mineralization of soil organic matter led to bountiful yields that encouraged English farmers to continue with these innovative strategies. The upshot is that the English agricultural revolution was more a discovery than an invention, that the English agricultural revolution was more a discovery than an invention, induced by a combination of climate challenges, social and institutional settings, and market incentives.

Astorga Junquera P.

Real Wages and Skill Premiums during Economic Development in Latin America

Oxford Economic and Social History Working Papers [[LINK](#)]

This paper discusses and documents a new dataset of real wages for unskilled, semi-skilled, and relatively skilled labour in Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela (LA-6) over the period 1900–2011. Three interrelated aspects are examined: the wage growth record associated with periods dominated by a particular development strategy; wage convergence across the LA-6; and changes in wage skill premiums and their links with fundamentals. The key findings are: i) the region's unskilled wage rose by 147% in the period compared to rises of 243% in the average wage and 440% in income per worker (including both property and labour income); ii) there is a limited process of wage convergence across the LA-6; and weak persistence in the country hierarchy; iii) skill premiums tended to peak during the middle decades of the 20th century, coinciding with the acceleration of industrialisation and the timing of the demographic transition. Movements in the terms of trade are broadly associated with both fluctuations and trends in wage premiums, though the direction of the link is country and time specific.

Clar E, Martín-Retortillo M, Pinilla V

The Spanish Path of Agrarian Change, 1950–2005: From Authoritarian to Export-Oriented Productivism

Sociedad Española de Historia Agraria [[LINK](#)]

The aim of this study is to determine whether the Spanish path of agrarian change, between 1950 and 2005, exhibits some features important enough to differentiate it from the common model of developed countries in Western Europe. On the one hand, the Spanish agrarian transformations share the main features which took place in Western Europe: technological innovation, increased production and productivity, loss of importance of the agricultural sector, tight integration with the industrial sector and, finally its high impact on the environment. On the other hand, a series of important peculiarities can be observed in the Spanish agrarian change: strong expansion of intensive livestock farming; importance of increased irrigation to explain the transformation of agriculture; policies that offered very little support to the agricultural sector under a dictatorship that denied a voice to farmers; maintaining a very prominent role in the economy despite its small contribution to GDP.

Blum M, Ducoing C, McLaughlin E

A Sustainable Century? Genuine Savings in developing and developed countries, 1900–2000

Working paper, University of Saint Andrews [[LINK](#)]

This chapter traces the long-run development of Genuine Savings (GS) using a panel of eleven countries during the twentieth century. This panel covers a number of developed countries (Great Britain, Germany, Switzerland, France, the US, and Australia) as well as a set of resource-abundant countries in Latin America (Argentina, Brazil, Chile, Colombia, and Mexico). These countries represent approximately 50 percent of the world's output in terms of

Gross Domestic Product (GDP) by 1950, and include large economies and small open economies, and resource-rich and resource-scarce countries, thus allowing us to compare their historical experiences. Components of GS considered include physical and human capital as well as resource extraction and pollution damages. Generally, we find evidence of positive GS over the course of the twentieth century, although the two World Wars and the Great Depression left considerable marks. Also, we found striking differences between Latin American and developed countries when Total Factor Productivity (TFP) is included: this could be a signal of natural resource curse or technological gaps unnoticed in previous works.

Astorga P

Functional inequality in Latin America: news from the twentieth century

Chapter in: Has Latin American Inequality Changed Direction? Looking over the Long Run. Bértola L, Williamson J.G (eds.), Springer Open [[LINK](#)]

This chapter presents a new consistent yearly series of gross income (between-group) inequality Ginis for four occupational categories in Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela over the period 1900–2011 using a newly assembled wage dataset. The approach used differentiates labour by skill level and allows for changing allocation of the labour force over time. Profits and rents are calculated as a residual. Our regional Gini shows a changing secular process with a reclined "S" shape with an inflection point around 1940 and a peak in the 1990s. There are mixed country trends in the early and middle decades, but in most cases inequality was on the rise in the 1960s. There was also a tendency for narrowing wage inequality in the middle decades of the last century – at the time of the Great Levelling in the developed economies – but whose impact was more than off-set by a rising share of the top group. Inequality in the 20th century is a story of increased polarisation – particularly post 1970 – amid significant social mobility.

Rubio-Varas M, de la Torre J

Spain – Eximbank's Billion Dollar Client": The Role of the US Financing the Spanish Nuclear Program

Documentos de Trabajo Asociación Española de Historia Económica [[LINK](#)]

In 1972, Henry Kearns, President and Chairman, Export-Import Bank of the United States (Eximbank) visited the Official Chamber of Commerce and Industry in Madrid. The title of his speech "Spain—Eximbank's Billion Dollar Client" gave notice of the important role that the public American bank had for financing the Spanish purchases of capital equipment: aircrafts, steel mills, satellite grown stations, power plants, etc. The heavy concentration on new power facilities at the time made Spain the fastest growing nuclear power developer in Europe, and the largest nuclear power buyer from the US with Eximbank's support head-to-head with Japan. No other nation approached these two in that respect. Investigating archival materials from the Eximbank and the National Archives and Record Administration of the United States (NARA), we explore the financial facilities the US provided to the Spanish nuclear program, the size of the authorised credits and its evolution over time. It became apparent that the role of the US in pumping public money for exporting nuclear facilities to the world explain a great deal of the US quasi-monopoly of global nuclear market before the 1980s, and in particular for turning Spain into an early adopter and champion adopter of nuclear technology.

3. Supported events

Workshop: The New Economic Historians of Latin America

Date event: January 20, 2017

Place: Madrid, Spain

Fourth round of the Workshop “the New Economic Historians of Latin America” in Madrid in January 2017 in collaboration with the Instituto Figuerola of the Universidad Carlos III de Madrid and the kind support of Fundación Areces (Madrid) and the Spanish network ‘Globalization, Growth and Inequality’ (ECO2015-71534 REDT).

More information: <http://glocred.es/uploads/events/11/programme.pdf>

Conference: AGRICLIOMETRICS III Quantitative Approaches to Rural, Agricultural and Environmental History

Date event: April 3-4, 2017

Place: Cambridge, UK

The third AGRICLIOMETRICS conference is to be held in Cambridge on 3-4 April, 2017. It will be organized in Magdalene College, University of Cambridge, with the assistance of colleagues from the University of Zaragoza, Lund University and the University of Pisa.

More information: <http://glocred.es/uploads/events/10/programme.pdf>

Workshop: IBEROMETRICS VIII

Date event: April 20-21, 2017

Place: Pamplona, Spain

Iberian Cliometric Workshop organised by Institute for Advanced Research in Business and Economics (INARBE). Universidad Pública de Navarra (UPNA). Check the provided link for the call for papers.

More information: <http://glocred.es/uploads/events/9/programme.pdf>

Workshop: UC3M Inter-University PhD Workshop in Economic History

Date event: May 18-19, 2017

Place: Madrid, Spain

The UC3M Inter-University PhD Workshop in Economic History took place on the 18th and 19th of May, 2017 at the University Carlos III. It brought together PhD students from several European universities (Carlos III, Barcelona, Lund, Wien, Sciences-Po). The workshop was organized by the Universidad Carlos III and the Instituto Figuerola, with the support of GLOCREd and the University of Barcelona.

More information: <http://glocred.es/events/13>

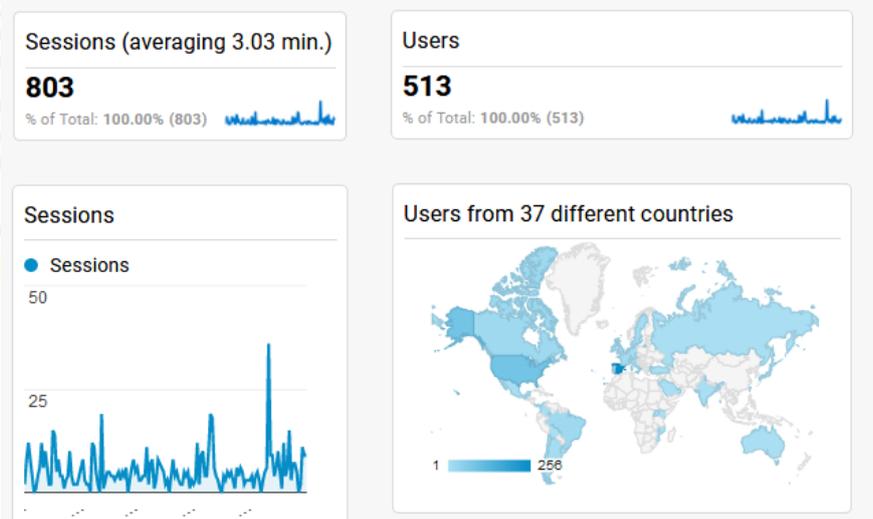
4. Upcoming sponsored events by GLOCREd

<p>Congress: 8th World Congress of Cliometrics Date event: July 4–7, 2017 Place: Strasbourg, France</p>
<p>The 8th World Congress of Cliometrics seeks to promote discussion of research in progress. There will be 87 sessions in which particular papers in progress will be discussed. GLOCREd is one of the sponsors of the Congress. More information: http://glocred.es/events/14</p>

<p>Conference: European Historical Economics Society Conference Date event: September 1–2, 2017 Place: Tübingen, Germany</p>
<p>In the European Historical Economics Society Conference scholars will present their latest work in one of the 50 sessions. The Conference will provide a forum for discussion and collegial debate on economic history. GLOCREd is one of the sponsors of the Conference. More information: http://glocred.es/events/15</p>

5. Social media

– Web (sessions and users for January–May 2017) www.glocred.es



– Twitter (number of tweets, followers...) <https://twitter.com/GLOCREd2016>

Statistics for January–May 2017		
Number of tweets	Following	Followers
90 (tweets and retweets)	333	136

Funding body:

