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Prepzy

The Pre-Modern World and the Nineteenth Century (1815-1914)

Globalisation is often thought of as a recent economic phenomenon, but its roots extend far back into history. In the pre-modern world, travellers, traders, priests, and pilgrims journeyed vast distances for knowledge, trade, spiritual fulfilment, or refuge. The Silk Routes exemplify early global trade and cultural exchange, connecting China, Central Asia, and the West through the movement of goods like silk.

Trade and cultural exchange were intertwined, with new crops and ideas spreading across continents. For example, the introduction of the potato from the Americas to Europe improved nutrition and life expectancy, though its failure in Ireland in the mid-1840s caused a devastating famine. European sailors discovered sea routes to Asia and America, further expanding global connections.

In the sixteenth century, European exploration and conquest reshaped global trade. The Portuguese and Spanish conquests in America brought precious metals to Europe, fueling trade with Asia. However, European diseases like smallpox devastated indigenous populations, facilitating colonisation. Meanwhile, China and India remained wealthy and dominant in Asian trade until China adopted isolationist policies in the fifteenth century, shifting the centre of world trade westward to Europe.

The nineteenth century witnessed the formation of a global agricultural economy, driven by industrial Europe's demand for food and raw materials. The repeal of the Corn Laws in Britain led to cheaper food imports but caused unemployment and migration. Technological advances such as railways, steamships, and the telegraph revolutionised trade and connectivity. However, European colonial expansion, exemplified by the Berlin Conference of 1885, also brought exploitation and crises like the cattle plague (Rinderpest) in Africa.

Indentured labour migration from India during this period reflected both economic opportunity and hardship, with many labourers facing exploitation abroad. Indian entrepreneurs played significant roles in global trade, financing agriculture and establishing trade networks. The shift in British manufacturing affected Indian exports, altering trade dynamics.

Exam Questions

Q1: What were the Silk Routes and why were they important in the pre-modern world?

A1: The Silk Routes were trade routes connecting China to the West, important for the exchange of silk and other goods, as well as cultural and technological ideas, facilitating early globalisation.

Q2: How did the introduction of new crops like the potato affect Europe?

A2: New crops improved nutrition and life expectancy in Europe, but dependence on crops like the potato also led to disasters such as the Irish famine when crops failed.

Q3: What were the consequences of European conquest in the Americas during the sixteenth century?

A3: European conquest brought precious metals to Europe, reshaped global trade, and caused devastating population declines among indigenous peoples due to diseases like smallpox.

Q4: Describe the impact of technological advancements on nineteenth-century global trade.

A4: Technologies like railways, steamships, and the telegraph improved transportation and communication, expanding global trade and economic integration.

The Inter-War Economy and Rebuilding a World Economy: The Post-War Era

The First World War (1914–1918) was a devastating industrial conflict involving major powers divided into the Allies and Central Powers. The war caused massive casualties, reducing the workforce and disrupting economies. Women entered the workforce in new roles, but post-war economic contraction led to unemployment and reduced household incomes.

After the war, Britain struggled with debt and economic shifts, while the United States experienced a rapid recovery through mass production techniques pioneered by Henry Ford. This led to a consumer boom in the 1920s but was followed by the Great Depression starting in 1929, which caused widespread economic hardship globally.

The Great Depression severely affected agricultural prices and employment, with significant impacts in India's trade and rural unrest. Urban areas saw some industrial investment, but overall economic conditions were difficult.

The Second World War (1939–1945) caused even greater destruction, with civilian casualties surpassing military ones. Post-war reconstruction was challenging, with the United States emerging as a dominant economic power and the Soviet Union becoming a major political force.

The Bretton Woods Conference in 1944 established institutions like the International Monetary Fund (IMF) and the World Bank to stabilize the global economy. These institutions aimed to support reconstruction and maintain stable exchange rates, fostering growth in Western industrial nations and Japan.

However, by the 1970s, the Bretton Woods system collapsed due to rising costs and financial challenges. The rise of multinational corporations and economic reforms in countries like China and India led to increased global economic integration, marking the modern phase of globalisation.

Exam Questions

Q1: What were the economic effects of the First World War on Europe?

A1: The war caused workforce reduction, economic disruption, unemployment, and reduced household incomes, with industries shifting to war production.

Q2: How did mass production contribute to the economic boom in the United States during the 1920s?

A2: Mass production techniques increased output and lowered costs, making goods affordable and boosting employment and incomes.

Q3: What was the Great Depression and how did it affect India?

A3: The Great Depression was a global economic crisis starting in 1929, causing price falls and unemployment. In India, it led to trade decline and rural unrest.

Q4: What was the significance of the Bretton Woods Conference?

A4: It established the IMF and World Bank to stabilize the post-war global economy through fixed exchange rates and financial support for reconstruction.

Glossary

- **Globalisation:** The process of increasing economic, cultural, and political connections across the world.
- **Silk Routes:** Ancient trade routes connecting China to the West, important for the exchange of goods and culture.
- **Cattle Plague (Rinderpest):** A viral disease affecting cattle and buffalo, causing significant economic damage in Africa in the 1890s.
- **Corn Laws:** British laws that restricted wheat imports to keep domestic prices high, repealed in the 19th century.
- **Indentured Labour:** A system where workers were contracted to work abroad under often exploitative conditions.

- **Bretton Woods Institutions:** The IMF and World Bank, created to manage the post-World War II global economy.

Quick Reference

- Pre-modern globalisation involved trade routes like the Silk Routes and cultural exchanges.
- The nineteenth century saw technological advances and colonial expansion shaping global trade.
- The First World War disrupted economies and workforce demographics.
- The Great Depression caused worldwide economic hardship.
- Post-World War II institutions aimed to rebuild and stabilize the global economy.
- Modern globalisation accelerated with technological advances and economic reforms in the late 20th century.

Solved Examples

Example 1: Explain the role of the Silk Routes in early globalisation.

Solution: The Silk Routes connected China with Central Asia and the West, facilitating the exchange of silk, spices, and other goods. They also enabled cultural and technological exchanges, spreading ideas and crops, thus laying the foundation for early globalisation.

Example 2: Describe the impact of the Great Depression on the global economy.

Solution: The Great Depression led to a collapse in trade, widespread unemployment, and economic hardship worldwide. Agricultural prices fell, industries declined, and many countries faced financial crises, affecting both developed and developing nations.

Practice Set

Easy

- What was the significance of the potato in European history?
- Define globalisation in your own words.

Moderate

- Explain the causes and consequences of the Irish Potato Famine.
- How did technological advancements in the nineteenth century affect global trade?

Challenging

- Analyse the economic and social impacts of indentured labour migration from India in the nineteenth century.
- Discuss the role of the Bretton Woods institutions in shaping the post-World War II global economy.

Answer Key

- **Easy 1:** The potato improved nutrition and life expectancy in Europe but also caused famine when crops failed.
- **Easy 2:** Globalisation is the increasing connection and interdependence of countries through trade, culture, and politics.
- **Moderate 1:** The Irish Potato Famine was caused by potato crop failure due to disease, leading to mass starvation and migration.
- **Moderate 2:** Railways, steamships, and telegraphs improved transportation and communication, expanding trade networks.
- **Challenging 1:** Indentured labour migration provided economic opportunities but involved exploitation and cultural challenges for migrants.
- **Challenging 2:** Bretton Woods institutions stabilized currencies, provided financial aid, and promoted international economic cooperation after WWII.

Chronology of Key Events

Time Period / Year	Event / Change	Importance
3000 BCE	Coastal trade linked Indus Valley with West Asia	Early global trade connections
15th Century	Existence of Silk Routes	Facilitated trade and cultural exchange
Mid 16th Century	Portuguese and Spanish conquest of America	Shifted global trade and colonisation
1845-1849	Potato Famine in Ireland	Mass starvation and migration
1880s	Rinderpest outbreak in Africa	Economic and social disruption
1885	Berlin Conference	Division of Africa among European powers
1890	Global agricultural economy formed	Increased global trade and migration
1892	Rinderpest reached Africa's Atlantic coast	Spread of cattle plague
1914-1918	First World War	Economic disruption and workforce loss
1929	Great Depression begins	Global economic crisis
1944	Bretton Woods Conference	Established IMF and World Bank
Post-1970s	Rise of modern globalisation	Increased economic integration