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Ralph Raico: The European Miracle Study Guide

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RALPH RAICO: THE EUROPEAN MIRACLE
STUDY GUIDE, 2007
Steven Alan Samson

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Study Questions

1. What is **P. T. Bauer**'s complaint about the work of so many writers on economic development? What has been the consequence of "professional overspecialization" and a "positivist obsession with data?" What cannot generally be quantified in an illuminating fashion? How does the neglect of underlying institutional and social-psychological factors [*i.e.*, culture] "foreshorten the chronological perspective [*i.e.*, amputate the time dimension]? The "methodological holism" [aggregates] criticized by Bauer suggests a "methodological individualism" as an alternative.

2. What momentous fact lies at the heart of the "institutional" approach? What viewpoint is characteristic of the older socialist or Marxist approach? What is the answer to the question: Why Europe [cf. the Landes book]?

3. According to John Hicks, what were the chief needs of **mercantilism**? According to **David Landes**, what two factors "set Europe apart from the rest of the world?" What circumstance was vital to the new interpretation? Identify a precondition of economic expansion? [Hernando de Soto focuses on its importance in development today]. Landes contrasts Europe's regular taxation with the extortions of oriental despotisms.

4. What was the key to western development? According to Baron Montesquieu (and Jean Baechler), what is the natural tendency of political power? Why did the existence of a decentralized European mosaic make it "highly imprudent for any prince to infringe property rights?" The very apt term "exit" [also called "voting with one's feet"] was introduced by Albert O. Hirschman in Exit, Voice, and Loyalty. How did representative bodies and charters of rights come into being? M. Stanton Evans tells the story well in The Theme Is Freedom. What laid the foundations of the European miracle? What did the freer disposition of property make possible? According to Bauer, this evolution took at least eight centuries.

5. What was ignored by the consensus school of historiography [what David Gress calls the "grand narrative" and M. Stanton Evans calls "the liberal history lesson"]? According to Carlo Cipolla, how far back do the origins of the Industrial Revolution go? How did Europe's evolution differ from Islam's? According to **Harold Berman**, what role did Christianity play in the institutional history of Europe? What were some Christian contributions? According to A. J. Carlyle, what were some of the basic principles of medieval politics? What was the attitude to taxation? How were the powers of the monarchs limited? What contribution has Helmut Schoeck made that has not been noted by the newer economic historians? ["The omnipresence of envy" resembles René Girard's "mimetic rivalry"].

6. What two countries in the early modern period (16-17C) became the pacesetters of economic growth? What factors helped make the Netherlands an early modern *Wirtschaftswunder* [economic miracle]. What were the chief factors in the case of England, even in the face of authoritarian usurpations by the Stuart kings (James I and

Charles I)? What sort of **demonstration effect** [modeling, such as Girard's mimetic desire, the domino effect, *etc.*] did the following have: the Netherlands and 16C Spain? What did Sung [Song] China and Tokugawa Japan have in common with the Netherlands and England?

7. What factors held back Russia [and, to a lesser degree, France]? How did the view of **Jean Bodin**, a defender of royal absolutism, nevertheless reflect a western view of property? What does Richard Pipes mean by the "patrimonial principle"?

8. What is the true character of **Karl Marx**'s "**historical materialism**"? What makes it so shallow compared with the newer understanding, especially in light of the failure of Song China and Islam to build on their initial scientific and technological flowering? Marx's term **superstructure** is composed of the cultural and political elements he dismisses as mere effects of material causes.

9. What criticism was lodged against P. T. Bauer by **W. W. Rostow**, who had a major influence on early development economics [see the Wiarda book], What is misleading about it? What was the view of **Adam Smith**?

Review

P. T. Bauer	mercantilism	David Landes
Harold Berman	principles of medieval politics	the Netherlands
demonstration effect	England	Spain
Russia	Jean Bodin	Karl Marx
historical materialism	W. W. Rostow	