

GLOBALIZATION, HISTORY AND DEVELOPMENT
A Tale of Two Centuries

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Abstract

This paper situates globalization in historical perspective to analyse its implications for development. It sketches a picture of globalization during the late nineteenth and twentieth centuries. A comparison of these two epochs reveals striking parallels, unexpected similarities and important differences. It shows that globalization did not lead to rapid growth and economic convergence in the world either then or now. Indeed, growth slowed down and income levels diverged, while the gap between the industrialized and developing countries widened, in both epochs. The story of globalization, it turns out, does not conform to the fairy tale about convergence and development.