

**HISTORICAL AND CULTURAL BASES OF THE ECONOMIC INTEGRATION
(ON EXAMPLE WESTERN EUROPEAN COUNTRIES)**

This article analyzed historical GDP statistics on 500 years of West European economic growth to revisit the capitalism spirit thesis. In early XVIII century, prior to the full-fledged industrial revolution, Protestant countries had overtaken the Catholic world in terms of income. A strong 'Protestant-Catholic' GDP and income gap retained over the next 250 years. After discussing the empirical data, paper explore an alternative hypothesis that might account for the economic dominance of Protestant Europe and examines the most important effects of religious institutions in the process of economic integration in West European countries.