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**Ciencia, tecnología, innovación y desarrollo económico en perspectiva histórica**  
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**Session 14. Prices, wages, incomes and work in the South. Standards of living in the Mediterranean area in preindustrial times**

The aim of this session is to bring together researchers interested in the study of prices, wages, income and labour in the southern European periphery in preindustrial times from a comparative point of view. Although debates around their significance have recently flourished, real wages are still a point of reference in long-term studies on human well-being, particularly in comparative perspective. In addition, the reconstruction of real wage series is central to some of the meta-narratives on the origins of growth and global economic divergence such as the Great and Little Divergences, the Industrious Revolutions, and the measure of human capital (skill premium).

The central works of Robert Allen (2001), Jan Luiten van Zanden (2009), Şevket Pamuk (2007), Pablo Malanima (2013) and Palma and Reis (2019) have included Mediterranean Europe in some of these major debates. Some of these works are, however, based on prices and salaries collected long ago, and more recent literature have contested some of the earlier claims (García-Zúñiga and López Losa 2019; López Losa y Piquero Zarauz 2016; Mocalelli 2004, 2018; Ridolfi 2017; Rota and Weisdorf 2016, 2019; Stephenson 2018; 2019; Hatcher and Stephenson, 2019). On the other hand, classic computations on the evolution of real wages based on the breadwinner model and on daily wages in construction are giving way to broader estimates that also incorporate women's and child's wages, gender differences in labour pay, estimates of annual household income, along with other types of studies that address important aspects in the formation of annual income: seasonality and duration of work throughout the year. (Horrell, Humphries and Weisdorf 2019a; 2019b; 2019c; Humphries and Weisdorf 2015, 2016, 2019; López Losa et al. 2019).

The session aims to form a space for discussion on these issues, as well as future lines of research. An international call for papers will be made to invite researchers interested in the subject, with special focus on quantitative studies that address the subject in comparative perspective.

## **PARTICIPANTS**

**DRELICHMANN, Mauricio** (University of British Columbia, Canada); **GONZÁLEZ-AGUDO, David** (Universidad de Valencia, España), *Castilian wages in the long run: Toledo, 1520-1912.*

Some of the strongest challenges to the conclusions of the long-run comparative literature on living standards have focused on the quality of its data. The problem is particularly acute for the pre-1700 era. Although a growing literature is providing pieces of the puzzle, a comprehensive vision is still elusive. We exploit a large number of primary sources in Toledo to offer one of the longest and most varied sets of wage series in early modern Castile. Preliminary findings show a maximum skill premium of the order of 3 in the construction sector in 1520-1550, and a subsequent drop that hovered around the European average. Data also point to a secular decline in real wages of employees across all categories in non-construction trades between 1521 and 1650. In kind components were extremely relevant in the total compensation by the mid 17th century, and the gender gap between male and female nurses was smaller than commonly assumed by the European literature

**LÓPEZ LOSA, Ernesto** (Universidad del País Vasco/EHU, Spain), *Prices, Wages and the Cost of Living in Early Modern Spain, 1500-1833. A new appraisal.*

This paper addresses the issue of the cost of living and real wages in Early Modern Spain (1500-1833). Based on a new dataset of prices and wages I use the methodology of standardised baskets devised by Robert C. Allen, in its last version (Allen 2015), to estimate living cost expenses and welfare ratios (subsistence and respectability) for six Spanish cities: Barcelona, Valencia, Seville, -Madrid, Valladolid, and Bilbao.

First, the paper tests the viability of this methodology comparing the new welfare indices with the indices of real wages already published for Early Modern Spain. It aims to contrast results and to discuss what the welfare ratios offer new compared to them;

notably, the advantages for comparative analysis. I also study the composition of the different baskets used in the Spanish literature and discuss their significance and validity when what it is measured are not trends but consumption capacities or the cost of living for skilled and unskilled workers. Second, it compares the welfare ratios obtained in the six cities mentioned above. The new dataset suggests different trends and higher welfare levels than former Madrid's fragmented data suggested for urban Castile in the international literature. Results show differences between the Castilian cities (Seville, Madrid, Valladolid and Bilbao) and the Mediterranean cities of the kingdom of Aragon (Barcelona and Valencia), during the 16th and 17th centuries while they tend to converge in the 18th century. We provide some tentative explanations for these differences. Third, I compare the behaviour of real wages regarding subsistence and respectability lines. First results would show that respectability wages performed worse than subsistence wages in comparative terms. It would suggest, following the literature, that indirect taxation on wine, beef/mutton, fish, pork and olive oil sales would have had important effects over welfare levels. On the other hand, protective policies on wheat/bread trades and the absence of taxes on bread, legumes, fruits and vegetables, the main foodstuffs for labouring classes, might have also be part of a policy conducted to avoid food riots by guaranteeing an affordable minimum of subsistence.

**MOCARELLI, Luca** (Milano-Bicocca University, Italy); **ONGARO, Giulio** (Milano - Bicocca University, Italy); **VAQUERO PINEIRO, Manuel** (University of Perugia), *Why living standard should be reconsidered. New evidences from Lombardy and the State of the Church in the XVIII<sup>th</sup> century.*

In recent years the debate about standards of living has become an international issue allowing the construction of large-scale comparison in time and space and giving empirical strength to many thesis such as that of the great and little divergence and that of high-wage hypothesis. However, such efforts have led to the construction of giants with seem to have foot of clay.

Does it make sense to compare States and their level of development referring to few data (basically the wages of workers in the building sector and the price of wheat)? Moreover, how much can we consider such data as representative? Does it make sense referring to big cities and to wheat when most of the people lived in small towns and in the countryside eating mainly maize?

Our intention is to present a paper challenging the usual reconstruction of living standards. Presenting the case of Lombardy and Papal State in the XVIII<sup>th</sup> century we want to look at urban centres which are not big cities (mainly small and medium size towns), to take into account new crops (first of all maize), to consult unexploited sources

on diets. The aim is to present new data and insights and to create a new basket of goods which allows us to put the living standard debate in a more realistic perspective.

**RIDOLFI, Leonardo** (University of Siena, Italy), *The days they worked, the incomes they earned: new perspectives on work patterns and annual earnings in the French construction sector (1320-1850)*.

This paper presents a new series of the days worked per year in the French construction sector from 1320 to 1550 and with gaps until up 1850. The results suggest that the common assumption used in the literature of a fixed working year is out of touch with historical evidence. Adjusting real annual wage income in France to account for changes in days worked per year leads to a downward revision of the medieval «Golden Age of Labour» that followed the Black Death by about 20-30% compared with previous estimates based on 250 days of work.

**ROTA, Mauro** (Sapienza Università di Roma, Italy); **WEISDORF, Jacob** (Sapienza Università di Roma, Italy), *Expensive Labour and the Industrial Revolution: Evidence from Stable Employment in Rural Areas*.

In explaining the Industrial Revolution, the so-called high-wage hypothesis argues that mechanisation served to replace expensive labour. Supporting evidence comes from daily wages of urban construction workers and shows that these were higher in northwest Europe than in the south. We argue that casual urban wages overestimate the cost of early-industrial labour. Early factories were rural and thus did not pay an urban wage premium. Moreover, early factories employed stable rather than casual workers and thus did not pay a premium for job insecurity. We present novel premia-free wages paid to stable workers in rural Italy, which we compare to wages paid to similar workers in England. We find that English workers earned only 20 per cent more than their Italian counterparts in 1650, but a staggering 150 per cent more in 1800. Although our empirical evidence shows that the precondition for the high-wage hypothesis is still in place, it is no longer clear – because growing English wages and early industrialisation coincide – whether it was high wages that drove mechanisation or the other way around.

**WEISDORF, Jacob** (Sapienza Università di Roma, Italy), *Day wages and their discontents.*

Day wages are used to chart long-term developments in historical workers' labour productivity and living standards. As such, they underpin the leading narratives about when and how modern economic growth first began. This paper contends that day wages – because they were paid to casual workers with no unemployment insurance – contained a compensating wage premium to buffer against idleness. This wage premium supposedly varied with anticipated dry spells and made casual workers look systematically more productive and well-off in the grand narratives than they actually were. A simple method is proposed to assess the size of the wage premium and corresponding underemployment rate in England, 1300-1850. An empirical exercise shows that core conundrums in economic history, such as *Engels' Pause*, dissolve once the wage premium is accounted for. The paper proposes an alternative road to riches revitalising the idea that underemployment – because employers had to sustain idle workers to keep them around – was a key inducement to innovations that improved the efficiency of labour which set the stage for the Industrial Revolution

**STEPHENSON, Judy** (Univesity College London, Reino Unido); **WALLIS, Patrick** (London School of Economics, Reino Unido); **GARY, Kathryn** (LUND Univ., Suecia); **GARCÍA-ZUNIGA, Mario** (UPV/EHU, España) **LÓPEZ LOSA, Ernesto** (UPV/EHU, España), *Seasonality in construction in historical context: Comparative working practice in Europe 1650-1800.*

Economists, historians and development theorists tend to assume that economic development, technology, and modern management have reduced the impact of the climate and annual weather variations or the seasonality of work and production, yet real wage estimates assume that workers could work up to 270 days a year as early as 1650. This paper considers the impact of seasonality on building construction work in three locations in pre-industrial Europe in the context of twenty first century practice to examine the question of to what degree seasonal considerations set bounds to the working year, and whether this differed in various locations.