

Big Questions and Big Data: The Role of Labour and Labour Relations in Recent Global Economic History*

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ABSTRACT: This article argues that global labour history (GLH) and global economic history have much to offer each other. GLH would do well to raise sweeping questions – for instance about the origins of global inequality – engage more with theory, and increasingly use quantitative methods. Instead of seeing labour and labour relations as historical phenomena to be explained, they can serve as important *explanatory variables* in historical analyses of economic development and divergence. In turn, economic historians have much to gain from the recent insights of global labour historians. GLH offers a more inclusive and variable usage of the concept of labour, abandoning, as it does, the often narrow focus on male wage labour in the analyses of many economic historians. Moreover, GLH helps to overcome thinking in binary categories, such as “free” and “unfree” labour. Ultimately, both fields will benefit from engaging in joint debates and theories, and from collaboration in collecting and analysing “big data”.

INTRODUCTION

In recent years, economic history and social history have witnessed a “global turn”, often accompanied by the rise of several major questions aiming to explain phenomena such as global inequality, mass migration, and diverging standards of living.¹ Often, such “big-question”-driven studies are firmly

* I wish to thank Ewout Frankema, Lex Heerma van Voss, Pim de Zwart, and the members of the IRSH editorial board for their helpful suggestions on earlier versions of this article.

1. See, for example, Kenneth Pomeranz, *The Great Divergence: China, Europe, and the Making of the Modern World Economy* (Princeton, NJ, 2000); Daron Acemoglu and James Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty* (New York, 2012); Stephen Haber (ed.), *How Latin America Fell Behind: Essays on the Economic Histories of Brazil and Mexico, 1800–1914* (Stanford, CA, 1997); Jan Lucassen, Leo Lucassen, and Pat Manning (eds),

grounded in the collection and analysis of “big data”: large, encompassing, and internationally comparative historical datasets, enabled by key advances in digital infrastructures and software technology.² In the field of labour history, these shifts in focus and methodologies have stimulated the emergence of Global Labour History (GLH). At the International Institute of Social History in Amsterdam this approach has been central since around 2000.³ It involved a “reorientation” of labour history, which, according to Marcel van der Linden and Jan Lucassen, suffered from “geographical, temporal, and thematic limitations”.⁴ Over the past fifteen years, this approach has proven to be fruitful in terms of research projects,⁵ *Nachwuchs* in the form of initiatives and organizations stimulating GLH in all parts of the globe,⁶ and data collection.

Regarding big data on labour history, the most prominent project has been the Global Collaboratory on the History of Labour Relations (hereafter, “Collab”), started by the IISH in 2007 in order to systematically collect and analyse data from throughout the world on the development of labour relations from 1500 to the present. In the process of data gathering, and through the interactions among the many scholars collaborating in this project, a sophisticated taxonomy of labour relations has been designed and continually refined over the years, in order to map labour relations, and shifts in labour relations, over time and in different regions of the world.⁷

Migration History in World History: A Multidisciplinary Approaches (Leiden, 2010); Robert C. Allen et al., “Wages, Prices, and Living Standards in China, 1738–1925: In Comparison with Europe, Japan, and India”, *The Economic History Review*, 64:S1 (2011), pp. 8–38.

2. See, for example, the historical data hubs on: the slave trade (<http://www.slavevoyages.org/>); human development (<http://www.chia.pitt.edu/>); and global inequality (<https://www.clio-infra.eu/>), last accessed 24 June 2016.

3. Marcel van der Linden and Jan Lucassen, *Prolegomena for a Global Labour History* (Amsterdam, 1999), available at <http://www.iisg.nl/publications/prolegom.pdf>, last accessed 3 January 2017; Marcel van der Linden, *Workers of the World: Essays Toward a Global Labor History* (Leiden, 2008); *idem*, “The Promise and Challenges of Global Labor History”, *International Labor and Working-Class History*, 82 (Fall) (2012), pp. 57–76. For a debate on this reorientation, as well as on the potential limits of GLH and questions about its innovativeness, see the same volume of the *International Labor and Working-Class History*.

4. Van der Linden, “The Promise and Challenges”, p. 58.

5. See, for instance, Ulbe Bosma, *The Sugar Plantation in India and Indonesia: Industrial Production, 1770–2010* (Cambridge, 2013); Christian De Vito and Alex Lichtenstein, “Writing a Global History of Convict Labour”, *International Review of Social History*, 58:2 (2013), pp. 285–325. See also the recently started project by Matthias van Rossum: “Between local debts and global markets: Explaining slavery in South and Southeast Asia 1600–1800”. Another IISH project that aims to make the connection between economic and labour history is “How much did the Netherlands earn from slavery?”, although it does not have a truly global nature.

6. See, for example, Marcelo Badaro Mattos, “Labour History in a Comparative Perspective: Labour Historiographies in India and Brazil and Enlarged Visions about the Working Class”, in Sabyasachi Bhattacharya (ed.), *Towards a New History of Work* (New Delhi, 2014), pp. 256–282.

7. See <https://collab.iisg.nl/web/labourrelations/about;jsessionid=096BoFo487B40E69Bo6FA3D60537BC0E>, last accessed 3 January 2017.

The Collab has an ambitious outlook and has a large chronological and geographical scope. It aims to answer questions concerning what types of labour relations have existed worldwide, what changes have occurred since 1500, and how we can explain these shifts in labour relations.

Without doubt, these are relevant questions. However, I think this project – often presented as the empirical “backbone” of the GLH research programme – has, so far, been rather inward looking. Firstly, it focuses too much on the description and explanation of labour relations in themselves. Secondly, broader debates, theories, and methodologies outside the field of social and labour history are largely ignored. Although Van der Linden has urged researchers to “be bold in their inquiry and dare to venture outside their own familiar terrain”,⁸ this has not yet been put into practice satisfactorily. Whereas, in recent years, many economic historians have quite successfully integrated labour into their studies of long-term global inequality, there is little interaction between the fields of global economic history and global labour history. In part, this can be attributed to economic historians having a blind spot for new developments and publications in labour history.⁹ Nevertheless, I also agree with Leo Lucassen’s recent statement that “social historians should be much clearer about the causal connection between [labour] relations and broader themes”.¹⁰ Instead of treating labour and labour relations as the variable to be explained,¹¹ labour historians ought to explore more carefully to what extent, and how, labour and labour relations have been an *explanatory variable* for broader socio-economic developments.¹²

Whereas Lucassen has made a plea for *migration history* as a perfect bridge to bring together labour relations and labour as an independent factor, as well as for linking individual agency and collective action,¹³ this

8. Van der Linden, “The Promise and Challenges”, p. 62.

9. I am referring, in particular, to economic historians publishing in economic history journals without much reference to the work done in the field of social and labour history. This work mainly, though not exclusively, has a strong quantitative methodological approach.

10. Leo Lucassen, “Working Together: New Directions in Global Labour History”, *Journal of Global History*, 11:1 (2016), pp. 66–87, there p. 73.

11. Despite the interesting upcoming publications resulting from the Collab project, on, for example, the relationship between labour relations and the state (in *International Review of Social History*, 61, Special Issue 24 (2016)), on labour relations and institutions (ed. by Karin Hofmeester and Pim de Zwart, under review, Amsterdam University Press), and on labour relations and the family/demography (forthcoming, *History of the Family*, 2017), the main objective of these publications is to explain labour relations as a result of these factors.

12. This idea owes much to discussions on GLH with Leo Lucassen in the summer of 2014. He has also suggested this idea in his recent article, Lucassen, “Working Together”.

13. *Ibid.*, p. 87. Such new directions are being pursued now that Leo Lucassen has become Director of Research at the IISH and its GLH programme. As relevant as both qualitative and quantitative migration history is to labour history, I want to point out here that it is equally important to keep engaging with more economic oriented approaches that, through economic

article proposes plucking the fruits of such a connection between global labour and economic history. It aims to answer two, highly related, questions. First: what can global labour historians learn from recent economic historiography, in terms of raising questions, integrating theory, and applying methodologies (or, if you will, empirical strategies)? Second, and equally important: what vital contributions can GLH make to the major debates and explanatory frameworks typically used by economic historians? I will argue that instead of isolating itself in the sphere of “social history”, “labour relations”, and “social movements”, or complaining that economists and economic historians have “hijacked” the issue of labour, GLH should open up to a dialogue with scholars and debates in these fields.¹⁴ GLH has much to gain from recent studies in economic history. In turn, GLH can offer current and future generations of economic historians valuable insights. This argument is illustrated as follows. First, several important debates in recent economic history are identified, highlighting the role labour has played – or should play – in these debates. Second, it is argued that GLH could engage more with economists’ theoretical concepts and traditions. Finally, I point out how global economic historians and global labour historians can learn from each other in terms of empirical strategies. Before engaging with this three-tier argument, I will briefly highlight the merits as well as the pitfalls of GLH in its present stage.

GLOBAL LABOUR HISTORY: ITS MERITS AND BLIND SPOTS¹⁵

The “Old” Labour History, established around the turn of the twentieth century, was inspired by Marxism, trade unionism, and other social activism. Labour historians such as Sidney and Beatrice Webb studied the development of labour organizations, political debates, socialist parties, and strikes. As a result, labour history focused mainly on organized, male, wage labour in the industrializing and industrialized Global North: nineteenth- and twentieth-century Europe, North America, Oceania, and Japan. The rise of the New Social History in the 1960s also entailed a New Labour History.

history journals and book series, generally find a different audience different from that addressed by most migration and social historians.

14. For a similar plea, see Prasannan Parthasarathi, “Global Labor History: A Dialogue with Marcel van der Linden”, *International Labor and Working-Class History*, 82 (Fall) (2012), pp. 108–113. Of course, there are historians trying to connect global labour and economic history. They include Bosma, *The Sugar Plantation*; Tirthankar Roy, “Sardars, Jobbers, Kanganies: The Labour Contractor and Indian Economic History”, *Modern Asian Studies*, 42:5 (2008), pp. 971–998.

15. For reasons of space, my discussion of labour historiography is necessarily brief. For a more elaborate review of developments in the field, as well as constructive criticisms of the concept of GLH, see the *International Labor and Working-Class History*, 82 (Fall) (2012).

Its proponents, such as E.P. Thompson and Eric Hobsbawm, stressed the need to contextualize labour struggles in societal structures and cultural praxes. This approach involved looking beyond political struggles, trade union leaders, and successful strikes, instead examining the actual work and living experiences of “ordinary” members of the working classes – who, incidentally, were not always active members of the labour movement.¹⁶ In the 1970s and 1980s, neo-Marxist and feminist historians, as well as scholars of race and ethnicity, developed this line of research further by including everyday forms of resistance, women, and non-white workers in their analyses.

Despite these advances, however, the “New” Labour history, too, remained predominantly confined to the Global North. From the early 1990s onwards, scholars from the Global South – particularly Latin America and Asia – began to produce histories of labour in colonized societies and developed “subaltern” visions of colonial labour relations. They explored new issues in their labour history and formed new organizations and networks for the study of labour.¹⁷ Such endeavours to come to a less Eurocentric approach to labour history were an important source of inspiration for the emergence of Global Labour History. In 1999, the research directors of the IISH, Marcel van der Linden and Jan Lucassen, introduced the GLH research approach, urging scholars to focus on a more inclusive and transnational labour history.¹⁸ This should include the study of forms other than waged work – for instance, coerced and subsistence labour, groups of workers other than the white male industrial worker, and forms of workers’ organization and resistance other than trade unions. Most importantly, the study of labour *in all parts of the world* as well as in *the pre-industrial period* ought, they argue, to be included in order to allow sensible comparisons and connections over space and time.¹⁹

This broadening of the field of labour history has been worthwhile. It has stimulated many researchers all over the world, and resulted in a number of interesting research projects and publications.²⁰ Despite its merits, however,

16. Marcel van der Linden, “Labour History: The Old, the New and the Global”, *African Studies*, 66:2–3 (2007), pp. 169–180.

17. Van der Linden, *Workers of the World*, pp. 2–3. It must be stressed that economists and economic historians such as Ralph Austen, Stanley Engerman, and David Eltis have been exploring and debating the history of African slavery, slave labour, and the transatlantic slave trade since the 1960s.

18. Van der Linden and Lucassen, *Prolegomena*.

19. Van der Linden, “The Promise and Challenges”, pp. 58–59.

20. Some (far from exhaustive) examples can be found in Jan Lucassen (ed.), *Global Labour History: A State of the Art* (Bern, 2006); Henrique Espada Lima, “Freedom, Precariousness, and the Law: Freed Persons Contracting out their Labour in Nineteenth-Century Brazil”, *International Review of Social History*, 54:3 (2009), pp. 391–416; Christine Moll-Murata and Karin Hofmeester (eds), *The Joy and Pain of Work: Global Attitudes and Valuations, 1500–1650*

there are a number of serious drawbacks in the way GLH has been practised so far, some of which have already been addressed by others.²¹ My main concern is that GLH seems to have drifted away from important debates in global history, as well as from more theoretical insights. Even if the programme, or “area of concern”, as Van der Linden prefers to call it,²² has attempted to engage in the construction of “big data”, the questions and analyses relating to this large collaborative database have hitherto been predominantly inward looking.

As noted in the introduction, the empirical backbone of the GLH approach, the Collab at the IISH, is an impressive collaborative project with many contributors from all over the world. Based on an elaborate categorization of labour relations, in recent years a team of researchers has constructed a big dataset of labour relations worldwide since 1500. While this database has been under construction since 2007, many of the discussions within the collaborative group have remained in the sphere of definitions (how to categorize different types of labour relations) and data problems (gaps in the data, issues of comparability), instead of moving forward to analyses and making sense of the data. Although these exercises have, up to a point, undoubtedly been very useful and necessary, often, when a new participant or dataset joins the project, we have seen such discussions having – at least according to my experience until quite recently – to be reopened, which hampers the project. Moreover, over the past ten years or so there have been relatively few attempts to team up with other constructors of global datasets, to learn from their best practices, and to link the data on labour relations to other large datasets with other explanatory variables.

More importantly, the Collab’s main aims are to address the following questions: “What shifts in labour relations took place, and when?” and, in its second phase, after having collected much of the data, the more analytical question of “How can we explain these shifts in labour relations?” Despite the validity of these questions, they are not ambitious enough. We can, and should, bring GLH much further, by engaging in current debates in economic history that have, over the past fifteen years, greatly affected the historical discipline and even present-day policymaking. To quote Prasannan Parthasarathi: “To truly advance th[eir] agenda, global labor historians must pose new questions or provide new answers to

(Cambridge, 2011); Christian De Vito (ed.), *New Perspectives on Global Labour History*. Special Issue of *Workers of the World: International Journal on Strikes and Social Conflicts*, 1:3 (2013).

21. See, for example, Franco Barchiesi, “How Far from Africa’s Shore? A Response to Marcel van der Linden’s Map for Global Labor History”, *International Labor and Working-Class History*, 82 (Fall) (2012), pp. 77–84; Dorothy Sue Cobble, “The Promise and Peril of the New Global Labor History”, *International Labor and Working-Class History*, 82 (Fall) (2012), pp. 99–107; Parthasarathi, “Global Labor History”.

22. Van der Linden, “Labour History”, p. 173.

longstanding problems”.²³ In economic history, labour on a global scale has been central in several debates, theoretical approaches, and research methodologies. Often, these historians seem unaware of, or uninterested in, the developments in GLH. Although this can partly be attributed to the blind spots these economic historians have, there is also a responsibility on the part of global labour historians, who seem to be directing their work towards different audiences and addressing quite different research questions.²⁴ There would be much to gain from more communication, or even integration, of the results from both disciplines.

While the importance of social relations for the study of labour is evident, the lack of attention paid to the “economic” in current GLH is seriously disturbing. By focusing predominantly on labour relations and social movements, the relationship to other factors of production in the various regions of the world that are under study, such as land and capital, are generally overlooked. Moreover, issues of wages and income, labour productivity, and skill, important indicators of the *quality* of labour, are mostly discarded. These elements do feature prominently in many recent studies and debates in global economic history, as I will show. In what follows, I will establish what global labour historians may gain from including these studies and engaging in the debates, theories, and empirical strategies of economic historians. At the same time, I will assess what benefits the GLH approach may offer economic historians, especially regarding a much more careful inclusion of varieties of labour relations in their analyses, as well as a level of detail and fine-grained historization of the generally coarsely painted picture of economic development provided by economic historians.

DIVERGENCE AND CONVERGENCE: DEBATES IN ECONOMIC HISTORY ABOUT THE ROOTS OF GLOBAL INEQUALITY

Just as most social historians are ultimately interested in describing and explaining social inequality,²⁵ many economic historians are preoccupied with tracing and explaining the roots of economic inequalities. Obviously, social and economic inequality are closely related, and can be established and analysed on multiple levels (the household, the village, the region or nation, and worldwide). In this section, I will focus on global inequality in

23. Parthasarathi, “Global Labor History”, p. 109.

24. This is partly because, despite its much more inclusive conception of labour, GLH remains firmly grounded in the tradition of Marxian labour history and the history of social movements. Van der Linden, “The Promise and Challenges”, *passim*. For criticisms see Barchiesi, “How Far from Africa’s Shore?”, p. 82, and Parthasarathi, “Global Labor History”, p. 112.

25. Lucassen, “Working Together”, pp. 67, 72–78.

terms of economic development, and the debates pertaining to this theme that have been prominent in economic history over the past fifteen years. These debates deal primarily with the divergence (or convergence) of different regions of the world in terms of economic growth, and the mechanisms underlying such processes of divergence and convergence. Whereas labour plays a prominent role in some of these debates, from which labour historians can draw inspiration, in other strands of the literature labour is either taken as a given or is not problematized, presenting an opportunity for labour historians to enter the stage.

Probably the most debated theme in economic history over the past fifteen years has been the “Great Divergence”, and the timing of, and the mechanisms behind, the diverging economic trajectories of the “West” and the “Rest”.²⁶ Since around 2000, economic historians of Asia have argued – in contrast to what scholars from Max Weber to David Landes have contended – that the conditions for economic development in Asia and Europe did not differ significantly before c.1800.²⁷ It was not until around the turn of the nineteenth century that the two parts of the world started to diverge. An important explanation was that Europe – especially Britain – resorted to the availability of coal and colonies to solve the problem presented by the increasing scarcity of natural resources and land.²⁸ Other scholars have refuted the timing of this divergence and argued that Europe, most notably its north-western parts, had already achieved a much higher level of economic development long before 1800. The proponents of this opposing “European exceptionalism” view offer a range of explanations to argue that the foundations of self-sustained economic growth, in terms of market orientation, knowledge, and technology and institutions, had already been laid in the pre-industrial period.²⁹ Some of these historians even referred to a “little divergence” within Europe, ultimately leading to economic development in north-western Europe, but not in other parts of Europe.³⁰

26. Although the actual comparison usually focuses on “West” and “East”, Africa and Latin America are often only implicitly taken on board in this equation.

27. Andre Gunder Frank, *ReORIENT: Global Economy in the Asian Age* (Berkeley/Los Angeles, CA, 1998); Pomeranz, *Great Divergence*; Jean-Laurent Rosenthal and R. Bin Wong, *Before and Beyond Divergence: The Politics of Economic Change in China and Europe* (Cambridge, MA, 2000); Prasannan Parthasarathi, *Why Europe Grew Rich and Asia Did Not: Global Economic Divergence, 1600–1850* (Cambridge, 2011).

28. Pomeranz, *Great Divergence*, p. 23.

29. See, for example, Jan de Vries, *The Industrious Revolution: Consumer Behavior and the Household Economy, 1650 to the Present* (Cambridge/New York, 2008); Joel Mokyr, “Cultural Entrepreneurs and the Origins of Modern Economic Growth”, *Scandinavian Economic History Review*, 61:1 (2013), pp. 1–33; Allen *et al.*, “Wages, Prices, and Living Standards”.

30. See, for example, Jan Luiten van Zanden, “The ‘Revolt of the Early Modernists’ and the ‘First Modern Economy’: An Assessment”, *Economic History Review*, 55:4 (2002), pp. 619–641; Robert Allen, “The Great Divergence in European Wages and Prices from the Middle Ages to the First World War”, *Explorations in Economic History*, 38:4 (2001), pp. 411–447; Stephen Broadberry

Remarkably, labour plays a pivotal role in many of the discussions, often in relationship to other variables, such as other factor endowments or institutions. For instance, Ken Pomeranz argues that, before 1800, the use of both labour and land in China “conformed to the principles of ‘market economy’ at least as well as it did in Europe and likely somewhat better”.³¹ Ultimately, however, his argument revolves around divergence in the availability of other production factors, most notably “coal” and “colonies”; labour largely remains in the background. Other proponents of the Great Divergence thesis have mentioned the price of labour as a decisive factor. For instance, Rosenthal and Wong have argued that, for pre-1800 China, comparing real wages with Europe results in serious distortions, as the economic activities of all members of the predominant extended household generated income beyond wages, and have to be taken into account when making comparisons.³² And Parthasarathi has claimed that, until 1800, Indian spinners and handloom weavers were able to outcompete Europeans due to their much lower nominal wages, while their real wages were similar or even higher.³³ Interestingly, accounts of the price of labour (nominal as well as real wages) in Europe and Asia have, at the same time, been utilized to argue that there was already a “high wage economy” in pre-industrial Europe, which formed the incentive for its industrialization from the eighteenth century onwards. This literature instead places the “great divergence” much further back in time.³⁴ Within Europe, too, wages and labour relations have been adduced to explain the divergence between north-western Europe and other parts of the continent. Robert Allen, for instance, sees the high wage economy of Britain, and the relative scarcity of labour, as the key element in explaining technological advances leading to industrialization.³⁵ Others have explained the economic rise of north-western Europe by pointing to the importance of wage labour in the region, related to institutions that were relatively egalitarian (for instance between the sexes and generations), favouring small families, late marriage, and public poor relief.³⁶

et al., “British Economic Growth, 1270–1870: An Output-Based Approach”, *Studies in Economics*, 1203 (2011).

31. Pomeranz, *Great Divergence*, p. 106.

32. Rosenthal and Wong, *Before and Beyond Divergence*.

33. Prasannan Parthasarathi, “Rethinking Wages and Competitiveness in the Eighteenth Century: Britain and South India”, *Past and Present*, 158 (1998), pp. 79–109.

34. See, for example, Stephen Broadberry and Bishnupriya Gupta, “The Early Modern Great Divergence: Wages, Prices and Economic Development in Europe and Asia, 1500–1800”, *Economic History Review*, 59:1 (2006), pp. 2–31; Allen *et al.*, “Wages, Prices, and Living Standards”.

35. Robert C. Allen, *The British Industrial Revolution in Global Perspective* (Cambridge, 2009).

36. Tine De Moor and Jan Luiten van Zanden, “Girl Power: The European Marriage Pattern and Labour Markets in the North Sea Region in the Late Medieval and Early Modern Period”, *Economic History Review*, 63:1 (2010), pp. 1–33.

However, most of these analyses suffer from the flaw of focusing mainly on *wage labour* in the formal sector. Although wage labour may have been on the rise, it did not constitute the only (or the most important) labour relation in most regions of the world in the pre-industrial and industrializing period. As labour historians have recently argued, the development of capitalism, also in the West, coincided with many varieties of labour relations, including forced labour and subsistence labour.³⁷ Moreover, much of the “real wage” literature focuses on *male* labour, thus disregarding the income generating activities of women or children.³⁸ Here, the insights of GLH, with its much more inclusive definition of labour, ranging from subsistence agriculture to self-employment, and embracing the importance of women’s and children’s contributions to household income, as well as non-monetary forms of compensation for work, such as food and boarding, or payment in kind,³⁹ can help to avoid the rather short-sighted and deterministic reasoning of many economic historians.⁴⁰ One example is mapping and modelling the variety of labour relations by gauging the degree to which individual household members were actually

37. Van der Linden, *Workers of the World*; Sven Beckert, *Empire of Cotton: A Global History* (New York, 2015).

38. See, for example, for Europe: Allen, “Great Divergence”; *idem*, *British Industrial Revolution*; Africa: Pim de Zwart, “South African Living Standards in Global Perspective, 1835–1910”, *Economic History of Developing Regions*, 26:1 (2011), pp. 49–74; Ewout Frankema and Marlou van Waijenburg, “Structural Impediments to African Growth? New Evidence from Real Wages in British Africa, 1880–1965”, *The Journal of Economic History*, 72:4 (2012), pp. 895–926; Asia: Allen *et al.*, “Wages, Prices, and Living Standards”; Pim de Zwart and Jan Luiten van Zanden, “Labor, Wages, and Living Standards in Java, 1680–1914”, *European Review of Economic History*, 19:3 (2015), pp. 215–234. A notable exception is Jane Humphries and Jacob Weisdorf, “The Wages of Women in England, 1260–1850”, *The Journal of Economic History*, 75:2 (2015), pp. 405–447. It should be noted, though, that Allen *et al.* do give some information on women’s wages in China (p. 30), but their general comparison concerns male wages.

39. See, for example, Elise van Nederveen Meerkerk, “The First ‘Male Breadwinner Economy’? Dutch Married Women’s and Children’s Paid and Unpaid Work in Western European Perspective, c.1600–1900”, in Marcel van der Linden and Leo Lucassen (eds), *Working on Labor: Essays in Honor of Jan Lucassen* (Leiden, 2012), pp. 323–352; Jane Humphries, “The Lure of Aggregates and the Pitfalls of the Patriarchal Perspective: A Critique of the High Wage Economy Interpretation of the British Industrial Revolution”, *Economic History Review*, 66:3 (2013), pp. 693–714.

40. There are, of course, good examples of economic historians – of both East and West – taking into account female, child, and non-wage labour. See, for example, Sarah Horrell and Jane Humphries, “Women’s Labour Force Participation and the Transition to the Male-Breadwinner Family, 1790–1865”, *Economic History Review*, 48:1 (1995), pp. 89–117; Cristina Borderías, “Women’s Work and Household Economic Strategies in Industrializing Catalonia”, *Social History*, 29:3 (2004), pp. 373–383; Osamu Saito, “The Stem Family and Labour Markets: Reflections on Households and Firms in Japan’s Economic Development”, *The History of the Family*, 16:4 (2011), pp. 466–480; Bozhong Li, “Chinese Economic History in a New Perspective: Focusing on the Late Imperial Rural Economy in Jiangnan”, *Pacific Economic Review*, 13:3 (2008), pp. 308–319.

involved, with an eye to the fact that there were often simultaneously multiple labour relations, and shifts over the life course. This research should consist of both quantitative and more qualitative analyses of the work allocations of households, using a variety of sources extending beyond the national census.⁴¹ An additional method involves estimating what contributions various household members made to the household budget in terms of monetary wage, in-kind payments, or foregone expenses as a consequence of self-provisioning. While this is a daunting task, recent research shows that it is possible to produce reasonable estimates of such forms of income.⁴² Below, I will elaborate on this further, but first let us explore two other debates related to global economic divergence: on the colonial roots of inequality, and on labour-intensive industrialization.

Certainly, the debate on the colonial roots of inequality goes back as far as the immediate postwar era, when neoclassical economists and dependency theorists discussed their quite opposing – and highly ideologically-laden – views on the stagnating development of the “Third World”. Labour implicitly played a role in this debate, in terms of a lack of productivity owing to lagging industrialization and “backward” work ethics/culture.⁴³ In the 1970s, a more historical dimension was added to the debate by the “World Systems Theory” (WST), coined by Immanuel Wallerstein, who explicitly linked socio-economic inequality to the extension of capitalism since the sixteenth century. According to this theory, the capitalist (north-western) European “core” extended its power by systematically exploiting the world’s “periphery” through unequal trade relations, with the latter mostly providing raw materials for high value-added economic activities in

41. See, for example, Horrell and Humphries, “Women’s Labour Force Participation”; Danielle van den Heuvel, *Women and Entrepreneurship: Female Traders in the Northern Netherlands, c.1580–1815* (Amsterdam, 2007); Jane Humphries, *Childhood and Child Labour in the British Industrial Revolution* (Cambridge, 2010); Jane Humphries and Carmen Sarasúa, “Off the Record: Reconstructing Women’s Labor Force Participation in the European Past”, *Feminist Economics*, 18:4 (2012), pp. 39–67; Ariadne Schmidt and Elise van Nederveen Meerkerk, “Reconsidering the ‘First Male Breadwinner Economy’”. Long-term Trends in Female Labor Force Participation in the Netherlands, c.1600–1900”, *Feminist Economics*, 18:4 (2012), pp. 69–96.

42. Corinne Boter and Elise van Nederveen Meerkerk, “Colonial Extraction and Living Standards: Household Budgets, Women’s Work and Consumption in the Netherlands and the Dutch East Indies, ca.1860–1940”, unpublished paper presented at the XVIIth World Economic History Conference, Kyoto, 3–7 August 2015; Michiel de Haas, “Measuring Rural Welfare in Colonial Africa: Did Uganda’s Smallholders Thrive?”, *Economic History Review* (forthcoming 2016).

43. See, for example, W.W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge, 1960); David Landes, *The Unbound Prometheus: Technological Change and Industrial Development in Western Europe from 1750 to the Present* (Cambridge, 1969); P.T. Bauer, *Dissent on Development: Studies and Debates in Development Economics* (Cambridge, MA, 1976), versus Andre Gunder Frank, “The Development of Underdevelopment”, *Monthly Review*, 18:4 (1966), pp. 17–31; Walter Rodney, *How Europe Underdeveloped Africa* (London [etc.], 1972).

the core. An intermediate category of countries constituted the *semi-periphery*, which have mixed characteristics of core and periphery, and can rise or fall in the hierarchy of development.⁴⁴ Despite its highly criticized (while deterministic) worldview, WST has nevertheless inspired Global Labour History, because of its roots in Marxist thinking, and its ideas on the global divisions of labour that emerged with the spread of capitalism after the early modern period.⁴⁵

More recently, the colonial origins of inequality have been studied by economists and economic historians, a literature that unfortunately has not yet been picked up by most global labour historians, perhaps due to their more indirect links to the history of labour and labour relations. In a number of publications, for instance, Acemoglu, Johnson, and Robinson (AJR) have argued that the current divide between poor and rich countries can be directly related to the fact that, around 1500, Europeans set up or maintained “extractive institutions” in those overseas areas where they did not settle in large numbers themselves, whereas they implemented “inclusive”, and thus growth-benefiting, institutions in colonies such as North America and Oceania, where whites did eventually settle.⁴⁶ Another approach has been taken by Jeff Williamson, who argues that globalization, induced by the transport revolution in the early nineteenth century, deepened existing commercial specialization, leading to a worldwide division of labour. This was driven by movements in terms of trade, favouring a focus on tropical export commodities – and thus “deindustrialization” – in what he calls the “poor periphery”, whereas the “core” industrialized and specialized in the global provision of highly valued and more price-stable goods and services.⁴⁷ While Williamson’s thesis seems to bear a relationship to WST, using terms such as “core” and “periphery”, it actually adopts a much more neoclassical economic stance, because it takes market forces, rather than power imbalances, to have been the driving mechanisms behind this development since 1800. In his model, he takes a similar neoclassical approach to labour, seeing it as fully employed, as substitutable between sectors (thus disregarding, for instance, skill or a gendered division of labour), and as being completely competitive between countries.

44. Thomas Klak, “World-Systems Theory: Centres, Peripheries and Semi-Peripheries”, in Vandana Desai and Robert B. Potter (eds), *The Companion to Development Studies* (London, 2002), pp. 107–111, there pp. 108–110.

45. See van der Linden, *Workers of the World*, pp. 287–318.

46. Daron Acemoglu, Simon Johnson, and James A. Robinson, “The Colonial Origins of Comparative Development: An Empirical Investigation”, *American Economic Review*, 91:5 (2001), pp. 1369–1401; Acemoglu and Robinson, *Why Nations Fail*.

47. Jeffrey G. Williamson, “Globalization and the Great Divergence: Terms of Trade Booms, Volatility and the Poor Periphery, 1782–1913”, *European Review of Economic History*, 12:3 (2008), pp. 355–391; *idem*, *Trade and Poverty: When the Third World Fell Behind* (Cambridge, MA/London, 2011).

Global Labour History is perfectly suited to advancing such economic studies on the colonial roots of development and underdevelopment. Firstly, the study of labour and labour relations worldwide helps us to investigate changes in the short run, which may be vital to explain different developments between regions and between periods, something overlooked by the broad strokes of scholars such as AJR. A good example of this is the work of Gareth Austin, who has convincingly argued against AJR's "compression of history" by showing that, for Africa (but it might well be applied to other regions), it is important to take into account the "time-specific interaction between resources and political economy"⁴⁸ in order to come to a much more dynamic, and far less linear, picture of economic development. This more nuanced and historically grounded approach involves, for instance, taking into account the economic effects on Africa in its shift from a traditionally labour-scarce to (more recently) a labour-abundant continent. Also, looking at how, over the past 500 years, different African societies have responded to the challenge of labour scarcity may help explain the paradox of why Africans became actively involved in the Atlantic slave trade, even under labour-scarce conditions. Moreover, it enlightens us on particular choices in labour-productivity-enhancing technology in specific African contexts, which helped advance certain pre-colonial (for example, before the late nineteenth century) African economies, whereas others developed quite differently.⁴⁹ Another example is the recent work by Rossana Barragan on the silver mines in Potosí. Barragan offers a detailed analysis of labour relations in the mines, and shows how the distinctions between free and unfree labour should be regarded as blurred. This nuances, Barragan argues, the degree of extractiveness that AJR ascribe to the Spanish colonial regime compared with what the British did in their colonies. It shows how scrutinizing labour relations at a micro or meso level can shed new light on debates on institutions and property rights.

In another respect, GLH can reveal important linkages between the macro and the micro, as Van der Linden has justly noted.⁵⁰ As I show in a recent article, Williamson's deindustrialization thesis should be seriously questioned, at least when it concerns colonial Java. Supplementing the macro picture of international trade statistics with regional sources and more qualitative evidence reveals that local producers – often overlooked indigenous women, performing part-time weaving and cloth-printing – responded quite flexibly to the textile imports of the Dutch colonizer. For instance, Javanese households began to reallocate women's time-consuming

48. Gareth Austin, "The 'Reversal of Fortune' Thesis and The Compression of History: Perspectives from African and Comparative Economic History", *Journal of International Development*, 20:8 (2008), pp. 996–1027, 1021.

49. *Ibid.*, pp. 1004–1006.

50. Van der Linden, "The Promise and Challenges", p. 62.

spinning labour into the more efficient hand weaving, using factory-made imported yarns. Moreover, the research points to the importance of specific traditions in skills of indigenous labourers, who grasped the opportunity to develop niches of high-quality and much-demanded textiles by Javanese consumers. This refutes the Ricardian assumption made by Williamson of perfect competition in international labour markets.⁵¹

These observations lead us to another relevant recent contribution to the divergence (or convergence) debate in economic history, which highlights the importance of paths towards development other than the North Atlantic trajectory, namely the concept of “labour-intensive industrialization”. As Austin and Sugihara have forcefully argued, particularly East Asia, but also other parts of Asia, Latin America, and Africa, utilized labour instead of capital or land to compete in the world market, most notably in industrial production.⁵² Very important in this competitiveness were not only the relatively low wages, but also the comparatively high *quality* of labour in certain parts of the world. Especially in East Asia, a distinct tradition of skill formation, often derived from artisanal and other small-scale modes of work organization, developed in combination with a particular labour discipline. This led many economies in Asia to grow along pathways different from those seen in Western Europe, and may even go a long way in explaining the success of some “growth economies” in the Global South today.⁵³ It is clear that issues such as the quality of labour and labour discipline appeal to the – often more qualitative – approach to work and labour relations that many global labour historians embrace. At the same time, it might be good if GLH, in turn, were to include on its agenda important quantitative measures of skill formation and productivity, as the quality of labour may indeed be an important key to explaining economic development and divergence in global history, as well as to explaining shifting labour relations.

EXPANDING GLH’S THEORETICAL HORIZON: INFLUENTIAL ECONOMIC THEORIES ON LABOUR

Underlying the above debates are implicit and explicit theoretical frameworks that I will now address. From its onset, Global Labour History has refrained from any strong involvement with theory. In fact, in their

51. Elise van Nederveen Meerkerk, “Challenging the De-Industrialization Thesis: Gender and Indigenous Textile Production in Java under Dutch Colonial Rule, ca.1830–1920”, *Economic History Review* (forthcoming 2017).

52. Gareth Austin and Kaoru Sugihara, “Introduction”, in *idem* (eds), *Labour-Intensive Industrialization in Global History* (London/New York, 2013), pp. 1–19, there pp. 1–2.

53. *Ibid.*, p. 7; Kaoru Sugihara, “Labour-Intensive Industrialization in Global History: An Interpretation of East Asian Experiences”, in Austin and Sugihara, *Labour-Intensive Industrialization*, pp. 20–64, there pp. 57–58.

Prolegomena of 1999 the only instance of the word is when the authors refer to Marx's theory on wage labour.⁵⁴ In his 2012 position paper, Van der Linden explicitly states that GLH "is *not* a 'theory' in its own right", but he does not go on to elaborate how this field of interest relates to theory in any way. Nevertheless, it is very important to engage with theory, for at least two reasons. First, theoretical frameworks enable the formulation of grand hypotheses and research questions, leading to influential academic debate. Second, it allows us to test certain assumptions, and revise or nuance them from the perspective of empirically informed quantitative and qualitative research on labour and labour relations, thus bringing labour in as an important explanatory variable in more universal hypotheses on socio-economic development and inequality over space and time.

Here, global economic history can be of great value to GLH, as it tends to have a more explicit tradition of engaging with theory and formulating hypotheses. Most important in these respects for the study of labour in recent years have been theories of Factor Endowments, New Home Economics (in particular, Becker's theory of time allocation), and New Institutional Economics. This is not to say that other (or non-economic) theories are insignificant or should be ignored, but a selection had to be made, and these have – implicitly or explicitly – been particularly influential in recent debates in global economic history in relation to labour.

The theoretical framework of factor endowments links up labour to other factors of production, but also to economic development and global inequality. For instance, with regard to the Little and Great Divergence debates, it has been argued that Western Europe experienced a relatively early development of factor markets, which may explain its rise to economic hegemony in world history.⁵⁵ But there are more opportunities for linking economic and labour history within this framework. The notion of the relationship between the relative scarcity of labour to land has, for instance, been influential in theoretically explaining the occurrence of forced labour relations for over a century now, and is also known as the Nieboer-Domar thesis. In brief, this thesis states that under conditions of relative land abundance and labour scarcity slavery or other forms of bonded labour were economically more viable than alternative forms of labour relations.⁵⁶

While the Nieboer-Domar thesis has not remained uncontested, Stanley Engerman and Kenneth Sokoloff elaborated on it in the 1990s. They applied a somewhat broader definition of factor endowments (because they

54. Van der Linden and Lucassen, *Prolegomena*, p. 11.

55. Bas van Bavel, Tine De Moor, and Jan Luiten van Zanden, "Introduction: Factor Markets in Global Economic History", *Continuity and Change*, 24:1 (2009), pp. 9–21, there p. 18.

56. H.J. Nieboer, *Slavery as an Industrial System: Ethnological Researches* (The Hague, 1900); Evsey D. Domar, "The Causes of Slavery or Serfdom: A Hypothesis", *The Journal of Economic History*, 30:1 (1970), pp. 18–32.

included the endowment of natural resources, such as tropical cash crops) and expanded the thesis by including the importance of institutions in shaping factor endowments. Although, according to Engerman and Sokoloff, institutions may have been important in shaping factor endowments and their redistribution in a given society, the initial factor endowments were crucial for the development of such institutions in the first place. This may explain why societies with an abundance of natural endowments and forced labour, thus with huge inequalities, such as Brazil, had far fewer incentives to develop and sustain democratic and growth-inducing institutions than, say, the United States.⁵⁷ Here, the study of factor endowments, labour relations, and economic development come together nicely in a framework that deserves further research in other parts of the world using the more refined historical analysis that GLH can offer. Good examples include more recent studies by Gareth Austin and Erik Green, who pay due attention to the *seasonality* in demand for labour, thus explaining both the coexistence of various types of labour relations (slave labour and contract labour for example) and of agricultural and non-agricultural economic activities in different parts of Africa.⁵⁸

Apart from merely focusing on labour as an important factor of production, global labour historians would do well to link up with the development of factor markets for land and capital. So, for instance, the control over landownership, and the degree to which people are allowed to acquire land, directly relate to labour, in the sense that the latter dictates “the mechanisms by which a population can be made to work for others”.⁵⁹ On another note, capital-intensive production could be stimulated by the relatively high price of labour in a given society, as Robert Allen has argued in the case of Britain for instance.⁶⁰ In contrast, Engerman and Sokoloff have argued for the US that productivity growth was not necessarily bound to capital-intensive industries, but that improvements in technology were advanced much more broadly, due to relative equality among the population in relation to their access to markets. This stimulated productivity increases within smaller

57. Stanley L. Engerman, “Coerced and Free Labor: Property Rights and the Development of the Labor Force”, *Explorations in Economic History*, 29:1 (1992), pp. 1–29, there p. 20; *idem* and Kenneth L. Sokoloff, “Factor Endowments, Institutions and Differential Paths of Growth Among New World Economies: A View from Economic Historians of the United States”, in Haber, *How Latin America Fell Behind*, pp. 260–304.

58. Gareth Austin, “Resources, Techniques, and Strategies South of the Sahara: Revising the Factor Endowments Perspective on African Economic Development, 1500–2000”, *Economic History Review*, 61:3 (2008), pp. 587–624; *idem*, “Factor Markets in Nieboer Conditions: Pre-Colonial West Africa, c.1500–c.1900”, *Continuity and Change*, 24:1 (2009), pp. 23–53; Erik Green, “The Economics of Slavery in the Eighteenth-Century Cape Colony: Revising the Nieboer-Domar Hypothesis”, *International Review of Social History*, 59:1 (2014), pp. 39–70.

59. Engerman, “Coerced and Free Labor”, p. 16.

60. Allen, *The British Industrial Revolution*.

farms and firms that were based not so much on capital-intensity, but rather on labour-intensity.⁶¹

Engerman and Sokoloff's interpretation bears a remarkable resemblance to the concept of the "industrious revolution". This term, which Akira Hayami coined in 1977 to describe the rise in pre-industrial labour-intensive productivity in East Asia, was adopted and made famous by Jan de Vries in explaining economic development in north-western Europe before industrialization – economic development based less on capital input than labour. De Vries assumes that between about 1650 and 1850 households intensified their labour input – not out of necessity, but because of their changing consumptive desires. This growing industriousness involved a reallocation of the available time of all household members: male workers shifted from leisure to more work, and women and children became increasingly involved in working for the market. De Vries's industrious revolution thesis – which empirically is still very much debated, especially with regard to the underlying mechanism of a consumer revolution⁶² – is inspired by the theoretical framework of "New Home Economics" that has been developed since the 1960s. The work of Jacob Mincer and Gary Becker has been particularly influential in many of the empirical and theoretical models adduced by economists since then. A central principle of these models is the importance of the decision-making process at the micro (household) level, especially regarding the allocation of men's and women's time.⁶³ It is assumed that the household is a utility-maximizing unit that bases its decisions regarding time allocation on the opportunity costs of labour of the different family members.⁶⁴

Over the years, the assumptions behind Becker's time-allocation household model have encountered fierce criticism. For one thing, it focuses too much on the household as a unitary decision-making entity instead of applying a bargaining model assuming diverging interests between the different household members, with an outcome stemming from unequal

61. Engerman and Sokoloff, "Factor Endowments", pp. 282–284.

62. See, for example, Elise van Nederveen Meerkerk, "Couples Cooperating? Dutch Textile Workers, Family Labour and the 'Industrious Revolution', c.1600–1800", *Continuity and Change*, 23:2 (2008), pp. 237–266; Sheilagh Ogilvie, "Consumption, Social Capital, and the 'Industrious Revolution' in Early Modern Germany", *Journal of Economic History*, 70:2 (2010), pp. 287–325; Robert Allen and Jacob Weisdorf, "Was There an 'Industrious Revolution' Before the Industrial Revolution? An Empirical Exercise for England, c.1300–1830", *Economic History Review*, 64:3 (2011), pp. 715–729.

63. Jacob Mincer, "Labor Supply, Family Income, and Consumption", *The American Economic Review*, 50:2 (1960), pp. 574–583; Gary S. Becker, "A Theory of the Allocation of Time", *The Economic Journal*, 75:299 (1965), pp. 493–517; Gary S. Becker, "Human Capital, Effort, and the Sexual Division of Labor", *Journal of Labor Economics*, 3:1 (1985), pp. S33–S58.

64. Becker, "A Theory", p. 512.

power relations between the sexes and the generations.⁶⁵ Moreover, the model has been criticized for departing too much from the assumption of rational (economic) choice, thus not paying attention to social and cultural forces determining household behaviour and the allocation of time spent on work, reproductive tasks, consumption, and leisure.⁶⁶ Despite such criticisms, the models of New Home Economics may have a major advantage for the study of labour. Not only do they include the labour time allocated among the different household members, they also place production, reproduction, and consumption in the same analytical framework, and they include foregone earnings of goods and services (such as care and cleaning). This all fits with GLH's more inclusive approach to work. At the same time, GLH can add to the models of New Home Economics by the historical inclusion of household behaviour and labour relations in non-Western societies, and by highlighting the social and cultural aspects influencing household labour relations in the past.⁶⁷ Introducing power relations – between the sexes, the generations, social classes, and the different regions of the world – and the institutions underpinning such power relations is an important aspect of the contribution GLH can make.

This brings me to the final theoretical framework I wish to highlight in this article: New Institutional Economics (NIE). NIE arose in the late 1960s, with, as its most important proponents, Douglass North and Oliver Williamson, who were discontented with the standard neoclassical approach of perfectly functioning markets. Instead, they proposed that institutions (in brief: rules and norms shaping human economic behaviour⁶⁸) are highly important in stimulating or hampering the functioning of markets, for instance through the extent to which they safeguard property rights, information exchange, or contract enforcement. A set of institutions favouring such preconditions for market exchange leads to a greater degree of trust and to lower transaction costs, which explains why in some contexts markets are more developed than in others.⁶⁹ Many economists, as well as economic historians, have been inspired by the

65. For a good overview, see Elizabeth Katz, "The Intra-Household Economics of Voice and Exit", *Feminist Economics*, 3:3 (1997), pp. 25–46.

66. See, for example, Robert A. Pollak, "Gary Becker's Contributions to Family and Household Economics", *Review of Economics of the Household*, 1:1 (2003), pp. 111–141, there p. 114.

67. For instance, Austin, "Resources, Techniques, and Strategies"; Hofmeester and Moll-Murata, *Joy and Pain of Work*; Boter and Van Nederveen Meerkerk, "Colonial Extraction and Living Standards"; Van Nederveen Meerkerk, "Challenging the De-Industrialization Thesis".

68. A.G. Hopkins, "The New Economic History of Africa", *Journal of African History*, 50:2 (2009), pp. 155–177.

69. Douglass C. North, *Institutions, Institutional Change and Economic Performance* (New York, 1990). For a good overview article, see Oliver E. Williamson, "The New Institutional Economics: Taking Stock, Looking Ahead", *Journal of Economic Literature*, 38 (2000), pp. 595–613.

institutional approach, as it has brought history into economic theory, in the sense that it has allowed for more historically contingent “path dependent” explanations of divergent economic developments. For instance, the above-mentioned research on the colonial origins of global inequality by Acemoglu *et al.* heavily emphasizes the importance of “extractive” institutions in the persistent underdevelopment of large parts of the globe into the present.⁷⁰

As much as it has been praised, NIE has also been severely criticized. Firstly, the institutional approach remains grounded on the idea of rational choice (or “methodological individualism”): the *homo economicus* makes deliberate decisions that favour a most efficient outcome in terms of cost reduction. Secondly, and related to this, this presupposes the a priori existence of markets, whereas, as some critics have suggested, markets ought to be seen “as a consequence, not the cause of historical development”.⁷¹ Thirdly, by suggesting that economic development is sustainable only through “open-access”, democratic, institutions, it ventures a neo-liberalist, deterministic approach that suggests that *the* blueprint of “Western” capitalist societies is also the path to follow for the rest of the world, moreover denying alternative paths to growth such as that witnessed for Communist China in recent decades.

Finally, many institutional economists, though acknowledging the importance of historical developments, often fail to map and explain the process of *institutional change* over time – stressing instead the persistence of particular institutions.⁷² This was exactly the critique ventilated by Gareth Austin on AJR’s thesis of the “Reversal of Fortune”, which assumes that the institutions set up around 1500 are still relevant for today’s economic performance, thus neglecting historical as well as regional differentiation in the intermediate five centuries.⁷³ Part of this unrefined approach to the past stems from the methods AJR and other proponents of NIE generally use: cross-country regression analyses that often compare two points in time, usually with a gap of centuries, in which the changes between the start and the end are usually neglected. Moreover, especially for very early periods, the data used in such regressions is often “shaky” and presented with much more statistical confidence than the – often scattered and backward-projected – evidence allows for.⁷⁴

70. For example, Daron Acemoglu, Simon Johnson, and James A. Robinson, “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution”, *Quarterly Journal of Economics*, 117:4 (2002), pp. 1231–1294.

71. Daniel Ankarloo and Giulio Palermo, “Anti-Williamson: A Marxian Critique of New Institutional Economics”, *Cambridge Journal of Economics*, 28:3 (2004), pp. 413–429.

72. Richard N. Langlois, “The Institutional Approach to Economic History: Connecting the Two Strands”, *Journal of Comparative Economics* (2016, early online view), pp. 1–12.

73. Austin, “The ‘Reversal of Fortune’ Thesis”.

74. Hopkins, “The New Economic History”, pp. 164–167.

Why and how, despite such notable and relevant criticisms, should labour historians engage with the institutional approach? First, the hypotheses posed by NIE are sweeping and inspiring to verify or falsify, or at least nuance, using the fine-grained temporal and regional analyses that historians have to offer. So, even though, as Hopkins has so appropriately put it, “[h]istorians know as well as economists that it is much easier to be right about small matters than to be illuminating about big ones”,⁷⁵ it is the big questions and statements of approaches such as NIE that are worthwhile testing. Second, and this relates to the “how” question, it is in the *combination* of various strands of theory that labour historians can play a role. For instance, the relationships and interplays between factor endowments and institutions can offer new and more refined explanations.⁷⁶ So, labour historians can make comparisons over time that *do* involve the question of how changing labour relations led to changes in institutions, and why they differed in various parts of the world in terms of timing and effects. Also, they can bring “informal” institutions such as values and ideologies into the picture. For instance, an ideology of “free labour” may help explain why, in certain societies and periods, despite the occurrence of wage labour, self-employed farming and artisanship were preferred over factory labour, such as in the United States in the nineteenth century.⁷⁷ Also, including racialized and gendered norms into our analyses will help us better understand why some institutions and rules, such as protective labour legislation, came into being in some parts of the world, and not in others, even if they were administered by the same (imperial) government.⁷⁸ The way to achieve this is to *integrate* quantitative and qualitative methods, and to bring non-economic factors shaping power relations into the analysis, which brings us to some examples of empirical strategies that GLH might want to explore.

INTRODUCING POWER RELATIONS: EMPIRICAL STRATEGIES IN GLOBAL ECONOMIC HISTORY AND GLOBAL LABOUR HISTORY

Living standards are an important indicator of economic development. At the same time, they are directly connected with labour, as the majority of the world’s population derives – and historically has derived – its income,

75. *Ibid.*, p. 177.

76. See, for example, Engerman and Sokoloff, “Factor Endowments”; Austin, “Resources, Techniques, and Strategies”; van Bavel *et al.*, “Introduction”.

77. Engerman, “Coerced and Free Labor”, p. 8.

78. See, for example, Elise van Nederveen Meerkerk, “Grammar of Difference? The Dutch Colonial State, Labour Policies, and Social Norms on Work and Gender, c.1800–1940”, *International Review of Social History*, 61:S24 (2016), pp. 137–164.

whether in money or in kind, from the fruits of labour. Economic historians have long engaged in constructing series of real wages in order to measure the development of living standards over time.⁷⁹ Until now, the most sophisticated method of measuring living standards was that developed by Robert Allen, who relates nominal wage data in a given period to the assumed consumption patterns of households by composing a basket of (minimally) consumed goods. This way, one can calculate the so-called welfare ratio, i.e. the number of consumption baskets that a household can buy from the male wage at a given time, with one basket equalling the subsistence ratio. This method has two major advantages: firstly, it can be compared over space and time; secondly, it can account for both changing wages and consumer preferences in different regions and periods, thus allowing one to consider relative living standards – the historian has only to change the composition of the basket.⁸⁰ This method has recently been applied by many economic historians in order to calculate welfare ratios in different parts of the globe.⁸¹ Nevertheless, Allen's method makes a number of assumptions that do not conform much to historical reality. For one thing, such studies are based on collections of wages of men, assumed to have been employed throughout the year in construction or agriculture. With some exceptions,⁸² the income-generating activities of other members of the household are disregarded, whereas the male breadwinner ideal has been an “exception in history”.⁸³ Moreover, in many parts of the world, up until today, income from wages has been far less important than income from subsistence agriculture or in-kind payments, which are totally disregarded by the welfare ratio method.

Here, global labour historians and the Collab project can make a huge contribution by placing the (male, monetary) real-wage approach in a more nuanced and historically accurate perspective. It can, for instance, pay explicit attention to the different income-generating activities caused by wage labour relations other than self-employed labour, reciprocal labour, and subsistence agriculture, by modelling different constellations of labour

79. E.H. Phelps Brown and Sheila V. Hopkins, “Seven Centuries of Building Wages”, *Economica*, 22:87 (1955), pp. 195–206; Peter Lindert and Jeffrey G. Williamson, “English Workers’ Living Standards During the Industrial Revolution: A New Look”, *Economic History Review*, 36:1 (1983), pp. 1–25; Gregory Clark, “Farm Wages and Living Standards in the Industrial Revolution: England, 1670–1869”, *Economic History Review*, 54:3 (2001), pp. 477–505.

80. Allen, “Great Divergence”; *idem*, *The British Industrial Revolution*.

81. See, for instance, Allen *et al.*, “Wages, Prices, and Living Standards”; De Zwart, “South African Living Standards”; Frankema and Van Waijenburg, “Structural Impediments”; De Zwart and Van Zanden, “Labor, Wages, and Living Standards”.

82. S. Nicholas and D. Oxley, “The Living Standards of Women during the Industrial Revolution, 1795–1820”, *Economic History Review*, 46:4 (1993), pp. 723–749; Humphries and Weisdorf, “The Wages of Women”.

83. Van Nederveen Meerkerk, “The First ‘Male Breadwinner Economy’?”, p. 323.

relations over space and time and by gauging the share of household income contributed by such labour relations. For this, we need to look beyond series of wage data, and use, for instance, household surveys with budget data, which often explicitly or implicitly refer to the income-generating activities of different household members, and often quite accurately report consumption data.⁸⁴ This empirical strategy allows us to historically apply Becker's concept of the allocation of labour, even if the sources do not always tell us the exact duration spent by households on the different activities (though sometimes they do). Moreover, household surveys also often provide information on landholding and household savings, which offers opportunities to analyse work activities in the wider framework of combined factor endowments: labour, land, and capital.

With regard to studying factor endowments, another approach recently adopted by global labour historians can be quite enriching and complementary for economic history. This is the "Global Commodity Chain" (GCC) approach, which looks at how commodity production, from raw material to end product, comes about and moves across the globe.⁸⁵ The approach was coined in 1977 by Hopkins and Wallerstein as a way of explaining how the international division of labour emerged with the spread of capitalism in the modern world system since about 1500. A number of studies appeared analysing the "creation, cultivation, and transportation" of particular commodities as a chain that moves over the globe. In the process, value is added to the product, which inevitably leads to unequal returns to labour in these activities, contributing to a stratified world system and increasing global inequality.⁸⁶ The advantage of the GCC approach is that labour relations can be analysed from a micro or meso (for example, regional, firm-level) perspective, but in relation to the globalized economy. This allows for a differentiation of labour relations across the world – along the "value chain" – and will thus not only shed light on power relations leading to specific labour relations at particular places in particular periods in relation to globalization, but also tell us how labour contributed to economic development in different parts of the globe.⁸⁷

Many of the studies applying the GCC approach have used it to explain the occurrence of the "New International Division of Labour" (particularly the rise of East Asia) since the 1970s, and have also been enthusiastically

84. See, for example, Boter and van Nederveen Meerkerk, "Colonial Extraction and Living Standards"; de Haas, "Measuring Rural Welfare".

85. Van der Linden, "The Promise and Challenges", p. 68.

86. Jennifer Bair, "Editor's Introduction: Commodity Chains in and of the World-System", *Journal of World-Systems Research*, 20:1 (2014), pp. 1–10, there p. 1.

87. Matthew C. Mahutga, "Global Models of Networked Organization, the Positional Power of Nations and Economic Development", *Review of International Political Economy*, 21:1 (2014), pp. 157–194.

taken up by international organizations such as the WTO and the World Bank.⁸⁸ It is only recently that some historians have tried to adopt this approach to analyse GCCs further back in time, for instance for sugar,⁸⁹ diamond,⁹⁰ rubber,⁹¹ and cotton production.⁹² A collaborative project on tropical agricultural commodities over the past few years has also followed this approach, the results of which will be published soon.⁹³ Apart from industry and agriculture, the idea of a GCC has also recently been adopted for the service sector, to explain international divisions of labour in domestic and caregiving work.⁹⁴ These studies do indeed show that, often, unequal power relations existed through which multinational companies, colonial governments, or even rich households in the West could employ cheap labour in “peripheral” parts of the world, including enforcing institutions of coerced labour,⁹⁵ whereas the higher-valued production processes were allocated to “core” regions. Nevertheless, these studies also point to the danger of drawing too linear conclusions about power relations. For instance, they stress the role of indigenous parties gaining considerable agency (for instance local firms, or labour intermediaries),⁹⁶ and they assert that, historically, major regional shifts have taken place in terms of the location of higher-value production processes and skilled labour.⁹⁷

A future step might involve connecting such studies on the movement of labour and labour relations along commodity chains, and asserting the similarities and differences per commodity.⁹⁸ In undertaking such an endeavour, global labour historians may want to follow what Van der

88. See, for example, Gary Gereffi, “International Trade and Industrial Upgrading in the Apparel Commodity Chain”, *Journal of International Economics*, 48:1 (1999), pp. 37–70; Mahutga, “Global Models”; Bair, “Commodity Chains”, p. 2.

89. Ulbe Bosma and Jonathan Curry-Machado, “Two Islands, One Commodity: Cuba, Java, and the Global Sugar Trade (1790–1930)”, *Nieuwe West-Indische Gids*, 86:3–4 (2012), pp. 237–262.

90. Karin Hofmeester, “Les diamants, de la mine à la bague: pour une histoire globale du travail au moyen d’un article de luxe”, *Le Mouvement social*, 241 (Oct.–Dec. 2012), pp. 85–108.

91. Felipe Tâmega Fernandes, “Commodity Chains: What Can We Learn From a Business History of the Rubber Chain? (1870–1910)”, Harvard Business School Working Paper 10–089, available at: <http://www.hbs.edu/faculty/Publication%20Files/10-089.pdf>, last accessed 3 January 2017.

92. Beckert, *Empire of Cotton*.

93. Willem van Schendel (ed.), *Embedding Agricultural Commodities: Using Historical Evidence, 1840s–1940s* (New York, 2016).

94. See, for example, Rhacel Salazar Parreñas, *Servants of Globalization: Women, Migration, and Domestic Work* (Stanford, CA, 2001). For a good overview see Nicola Yeates, “Global Care Chains: A State-Of-The-Art Review and Future Directions in Care Transnationalization Research”, *Global Networks*, 12:2 (2012), pp. 135–154.

95. For example, Beckert, *Empire of Cotton*, esp. chs 4 and 5.

96. Fernandes, “Commodity Chains”.

97. For example, Hofmeester, “Les diamants”.

98. Bair, “Commodity Chains”, p. 5.

Linden and Lucassen have baptized “the collective model”,⁹⁹ which leads me to my third and final empirical strategy for “doing” GLH. Research projects following this collective model aim to bring together expertise on labour history from all over the world in order to present truly systematic comparative labour histories. In the first stage of the project, regional experts are asked to write papers based on a systematic framework of comparable research issues and questions, and in the second stage comparative papers are written on specific themes that have been selected as important from the regional papers and the secondary literature. Over the past fifteen years, several such projects have been organized around dockworkers, textile workers, and sex workers.¹⁰⁰ Bringing together the results of such sectoral studies, for instance by placing them within the framework of the “big data” gathered in the “Collab” project on global labour relations, would really advance our theoretical and empirical understanding of shifts in these labour relations over past centuries, and might simultaneously enable us to introduce more historically grounded generalizations about the importance of labour, and in particular of workers’ varieties of labour relations, into economic history.

CONCLUSION

This article aims to encourage labour historians to engage more actively in ongoing debates in economic history, and to apply and contribute to economic theory. It is thus a plea to pursue a more ambitious research agenda, without losing sight of detail and nuance. There are many ways in which labour and labour relations have been a crucial explanatory variable in the historical development of social and economic inequality, and labour historians are excellently geared to demonstrate this. Firstly, they are capable of providing fine-grained (often, but not exclusively, qualitative) historical analyses that can complement and refine the more sweeping but often less historically precise statements of many economists and economic historians, who, in their regression analyses, tend to compress time and make rigid assumptions about the functioning of labour markets. Secondly, GLH has shown that the development of capitalism has not led to a unilinear move towards wage labour, and that a variety of labour relations

99. Van der Linden and Lucassen, *Prolegomena*, p. 21.

100. Sam Davies et al., *Dock Workers: International Explorations in Comparative Labour History, 1790–1970*, 2 vols (Aldershot [etc.], 2000); Lex Heerma van Voss, Els Hiemstra-Kuperus, and Elise van Nederveen Meerkerk (eds), *The Ashgate Companion to the History of Textile Workers, 1650–2000* (Aldershot [etc.], 2010); E.J. Zürcher (ed.), *Fighting for a Living: A Comparative History of Military Labour 1500–2000* (Amsterdam, 2014); Rodríguez García, Elise van Nederveen Meerkerk, and Lex Heerma van Voss, *Selling Sex in World Cities, 1650–2000* [forthcoming, Leiden, 2017].

have been, and are, in place. This may lead to a totally different understanding of what have historically been the underlying mechanisms driving economic growth. Thirdly, global labour historians have a rich tradition of working collectively on particular themes and topics, which can be explored further and even more comparatively by linking up more explicitly to economic theory and recent debates in economic history.

One result of such a collaborative project has been the global team effort to collect and make sense of data on labour relations worldwide since 1500. The integration and linkage of this “Collab” database with other datasets all over the world, for example on human development, economic inequality, and demography, would constitute a huge contribution to the field of economic history. It would, for instance, be a tremendous advance to be able to link the available information on labour relations with our increasing knowledge on comparative wage trends, or, even more relevant, to the growing volume of data being gathered on *family income*. Another contribution might be to nuance the tendency of economic historians to think in binaries when it comes to categories of free and unfree labour. But as much as GLH has to offer economic history, it can also learn from it, in the sense that its theories and hypotheses may be highly inspirational, as well as challenging to nuance or reject. Moreover, its debates – whether relating to drivers of economic development, processes of divergence, or the role of institutions – force labour historians not only to think of labour and labour relations as variables interesting to explain in themselves, but also to consider their wider explanatory power for historical economic development and global inequality.

TRANSLATED ABSTRACTS FRENCH – GERMAN – SPANISH

Elise van Nederveen Meerkerk. *Grandes questions et megadonnées. Le rôle du travail et des relations de travail dans l'histoire économique mondiale récente.*

Cet article soutient que l'histoire mondiale du travail (GLH) et l'histoire économique mondiale ont beaucoup à offrir l'une à l'autre. La GLH ferait bien de poser des questions fondamentales – par exemple sur les origines de l'inégalité mondiale –, de s'engager davantage dans la théorie et d'utiliser de plus en plus des méthodes quantitatives. Au lieu de considérer le travail et les relations de travail comme des phénomènes historiques qui doivent être expliqués, ils peuvent servir de *variables explicatives* importantes dans les analyses historiques du développement économique et de la divergence. À leur tour, les historiens économistes ont beaucoup à apprendre des perspectives récentes des historiens de l'histoire mondiale du travail. La GLH propose une utilisation plus inclusive et variable du concept du travail, abandonnant comme elle le fait la focalisation parfois étroite sur le travail salarié masculin dans les

analyses des historiens économistes. En outre, la GLH permet de dépasser la réflexion par catégories binaires, telles que le travail “libre” et le travail “non libre”. Finalement, les deux domaines tireront parti d’un engagement dans des débats et des théories communs, et d’une collaboration dans la collecte et l’analyse des “megadonnées”.

Traduction: *Christine Plard*

Elise van Nederveen Meerkerk, *Große Fragen und Big Data. Die Rolle der Arbeit und der Arbeitsbeziehungen in der jüngeren globalen Wirtschaftsgeschichte.*

In diesem Beitrag wird die These vertreten, dass die globale Arbeitsgeschichte und die globale Wirtschaftsgeschichte einander viel zu bieten haben. Die globale Arbeitsgeschichte wäre gut beraten, weitreichende Fragen zu stellen – etwa bezüglich der Ursprünge globaler Ungleichheit –, sich stärker mit Theorie zu beschäftigen und sich vermehrt quantitativer Methoden zu bedienen. Anstatt Arbeit und Arbeitsbeziehungen als historische Phänomene zu begreifen, können sie auch als wichtige Erklärungsvariablen in historischen Analysen wirtschaftlicher Entwicklungen und Divergenzen dienen. Wirtschaftshistoriker können wiederum viel lernen von den jüngeren Einsichten der globalen Arbeitshistoriker. Die globale Arbeitsgeschichte bietet einen inklusiveren und variableren Gebrauch des Arbeitsbegriffs, gibt sie doch den oftmals beschränkten Fokus auf männliche Lohnarbeit auf, den man in den Analysen von Wirtschaftshistorikern findet. Hinzu kommt, dass die globale Arbeitsgeschichte dazu beiträgt, das Denken in binären Kategorien wie etwa “freie” und “unfreie” Arbeit zu überwinden. Letztlich werden beide Disziplinen davon profitieren, sich gemeinsamen Debatten und Theorien zu öffnen, zusammenzuarbeiten und “Big Data” zu sammeln und zu analysieren.

Übersetzung: *Max Henninger*

Elise van Nederveen Meerkerk. *Grandes cuestiones y grandes bases de datos: el papel del trabajo y de las relaciones laborales en la reciente historia económica global.*

En este artículo se analiza que tanto la historia global del trabajo (HGT) como la historia económica global (HEG) tienen mucho que ofrecerse una a otra. La HGT haría bien en plantear algunas cuestiones de gran amplitud – como, por ejemplo, sobre los orígenes de la desigualdad global – relacionadas con el ámbito teórico y, cada vez más, haciendo uso de métodos cuantitativos. En lugar de considerar el trabajo y las relaciones laborales como fenómenos históricos que deben de ser explicados, ambos pueden servir como *variables explicativas* importantes en los análisis históricos del desarrollo económico y de sus divergencias. De otro lado, los historiadores económicos tienen mucho que ganar de los recientes planteamientos de los historiadores globales del trabajo. La HGT ofrece un uso más inclusivo y variable del concepto de trabajo, poniendo a un lado el, a menudo, estrecho enfoque en el análisis de los historiadores económicos que lo asocia a trabajo asalariado masculino.

Además, la HGT contribuye a superar los razonamientos basados en categorías binarias como, por ejemplo, trabajo “libre” y “no libre”. Por último, ambas disciplinas se beneficiarán de involucrarse en debates y teorías conjuntas y de la colaboración en la recopilación y análisis de grandes bases de datos.

Traducción: *Vicent Sanz Rozalén*