1. **Robert Allen – "The Great Divergence in European Wages and Prices"**

Where:

* AIM → Analysing wage differences between Europe and Asia during the pre-industrial period and explaining the economic ‘Great Divergence’ between the West and the rest of the world.
* Wage Divergence → Between 1500 and 1750, there is a significant divergence in real wages between north-western Europe (the Netherlands and England) and the rest of Europe.
* Allen uses nominal wages and price data to construct a comparative overview between different European cities, using a cost-of-living index (‘basket of goods’).
* Quality of Life →  During the 17th and 18th centuries, England and the Netherlands show an improvement in the quality of life and a greater variety of consumer goods, despite falling wages in other European cities.
* Welfare Ratios →  Allen uses the concept of the ‘welfare ratio’ to compare average income with the cost of a basket of goods needed by a household, showing how purchasing power varied between different European cities.

1. **Els Jacobs' *"Merchant in Asia"***

***Labor and Wages in VOC***

* Els Jacobs' analysis reveals the VOC’s hierarchical labor system, showcasing significant wage disparities based on factors like employee rank, skill level, and geographical location of employment (Jacobs, 2000, 112). Workers stationed overseas typically earned more due to the hazardous and unhealthy conditions they faced compared to their counterparts in the Netherlands.

***Wages for Sailors and Soldiers***

* Sailors constituted a significant portion of the VOC workforce and earned modest wages. Many supplemented their income through private trade, known as "ventjagers," which allowed them to buy goods in Asia and sell them in Europe (Jacobs, 2000, 114). Soldiers, tasked with protecting VOC assets, also received low pay but often earned higher wages for serving in particularly dangerous or remote locations (Jacobs, 2000, 116).

***Administrative and Skilled Labor in Asia***

* Higher-ranking administrative positions in Asia offered more substantial salaries and benefits, including housing allowances and provisions (Jacobs, 2000, 118). These positions, particularly those held by upper-level officials, provided opportunities for significant personal wealth through private trade activities beyond their official duties (Jacobs, 2000, 120).

***Labor Exploitation and Wage Inequality***

* The VOC’s labor system was characterized by stark wage inequalities, where high-ranking officials amassed considerable wealth compared to ordinary workers struggling to meet basic needs (Jacobs, 2000, 123). The VOC also exploited local labor in Asia, paying them significantly less than European workers, which enabled the company to maintain lower operational costs while exerting control over its territories (Jacobs, 2000, 125).
  1. **J.L. van Zanden (1999): "Wages and the Standard of Living in Europe, 1500–1800"**
* **Urban vs. Rural Wages**
  + The economic landscape of the Dutch Golden Age highlighted a significant wage disparity between urban and rural workers, with urban centers like Amsterdam and Rotterdam offering much higher wages due to thriving industries such as shipbuilding and international trade (Van Zanden, 2009, 185). Rural laborers often engaged in subsistence farming, earning much less and benefiting less from the VOC’s wealth.
* **Skilled vs. Unskilled Labor**
  + There was a notable gap in wages between skilled and unskilled labor, driven by the VOC’s demand for specialized skills in shipbuilding and maintenance. Skilled workers, such as artisans and craftsmen, commanded significantly higher wages than their unskilled counterparts, whose wages remained stagnant (Van Zanden, 2009, 187).
* **Gender Wage Gap**
  + The gender wage gap was pronounced during this period, as women predominantly occupied lower-paying jobs such as domestic work and textile production. Despite performing similar tasks as men, they were often paid less, reflecting societal norms that undervalued female labor. The male dominance in the VOC workforce further entrenched these disparities (Van Zanden, 2009, 191).
* **Impact of VOC on Wage Inequality**
  + The VOC significantly influenced wage structures in the Dutch Republic, leading to economic growth but also exacerbating wage inequality. High-ranking officials in the VOC often amassed considerable personal wealth through lucrative salaries and opportunities for private trade (Van Zanden, 2009, 198). In contrast, ordinary sailors and soldiers faced harsh conditions and low wages, limiting their economic mobility (Van Zanden, 2009, 200). The economic benefits of VOC trade primarily flowed to wealthy merchants and investors, deepening the divide between the urban elite and working class (Van Zanden, 2009, 203).
* **Long-Term Trends in Wage Inequality**
  + Van Zanden contextualizes wage inequality in the Netherlands within broader European economic trends. The VOC’s trade and capital accumulation were key drivers of the Great Divergence, where Western Europe began to economically outpace other regions (Van Zanden, 2009, 210). This concentration of wealth in the hands of a few elite families, coupled with stagnant wages for the working class, laid the groundwork for future social unrest and economic challenges in the transition to the modern industrial era (Van Zanden, 2009, 215).