

Swedish workers among Europe's best-paid in late 1800s

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In 19th-century Sweden, workers' wages rose faster than in other European countries. By 1900, they were among the highest in Europe, and the steepest rise of all had been for those who earned least. This is



shown by new research at Uppsala University: a study published in he *Journal of Economic History*.

"Historians often describe Sweden in the late 19th century as a poor country. Our results show the need for a more nuanced view. Although poverty did exist, of course, great changes were under way, and unskilled laborers seem to have been among those who benefited most from the upward trend."

The speaker, Johan Ericsson, is a researcher at the Department of History, Uppsala University. He and his colleagues have surveyed Swedish pay trends in the building and construction industry in the period 1831-1900. By using such sources as wage statistics from the Board of Public Buildings (the precursor to the National Property Board Sweden) and published research on the subject, they were able to compile figures on wages for four categories of construction workers: handymen, carpenters, bricklayers and the draft-horse drivers who transported the materials.

The results show that wage rates were increasing throughout Sweden, and pay differentials among occupational categories were shrinking. During the period, unskilled handymen's real wages rose most rapidly: by 176 per cent.

For corresponding workers in cities like Amsterdam, Antwerp, Paris and London, wages increased by between 40 and 90 per cent in the same period. This meant that the Swedish handymen's wages at the century's end were some 30 per cent higher than those of their counterparts in Paris, Amsterdam and Antwerp. Wages in London, which were the highest in Europe, were some 12 per cent higher than those of average laborers in Sweden.

This international comparison was feasible once the researchers had



recalculated wages in terms of welfare ratios. In brief, this meant working out the quantity of certain products that an individual <u>wage</u> could purchase.

The researchers' conclusions are that a labor market with <u>high mobility</u>, combined with mass emigration to America that reduced the supply of unskilled labor, can explain why Swedish pay rates rose so rapidly.

"One intriguing observation is that workers' wages increased faster than average incomes in society. These days, there's a lot of talk about how globalization and technological development are making the workers' situation relatively worse. However, our findings show that this is no natural law. On the contrary, it seems that Swedish workers in this period were favored by trends like that," says Jakob Molinder of the Department of Economic History at Uppsala University.

More information: Johan Ericsson et al, Economic Growth and the Development of Real Wages: Swedish Construction Workers' Wages in Comparative Perspective, 1831–1900, *The Journal of Economic History* (2020). DOI: 10.1017/S0022050720000285

Provided by Uppsala University

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