Abstract: Recent scholarship on the rural economies of medieval Europe has devoted significant work to exploring changes in rural consumption and living standards. Apart from the evidence coming directly from probate inventories and similar lists of chattels, estimates on real wages and household budget models have occupied a significant place in recent discussion throughout Europe, leading to intense contradictions and discussion. How representative for living standards are real wages in rural societies wherein much of that consumed did not come from the market? To what extent do household budgets adjust to historical reality? Are they unreliable, hardly generalisable historians’ constructs? This paper will explore recent contributions of both analytic variables –real wages and household budgets– on a European scale to assess not only their contributions to the general debate of living standards, but also to what extent these perspectives match with each other.
1. Introduction

How does economic growth translate into welfare? It is hard to deny that this question has become a major concern both for historians and economists, who have been wondering progressively more about the manners in which economic development have contributed to increasing differences in living standards inside and between countries (Johns, 1981; Pomeranz, 2001; Acemoglu and Robinson, 2012; Piketty, 2014). Medieval historians have not neglected the relevance of these debates for the late medieval economy, generally seen as a period of rising consumption and living standards. The rise in urban population and commercial activity, the development of markets, the proliferation of new commerce-oriented crops and the rise of agrarian specialisation are among the many hints supporting the idea of a higher circulation of goods. Impressions from inventories, archaeology and a range of sources also point to the same idea at the level of households, making one imagine a general improvement of material wealth during the fourteenth and fifteenth century (Dyer 1998; 2005; Kowaleski, 2006).

Although explaining why consumption grew requires explanations at the level of particular social sectors and object types, historians have traditionally taken the opinion that societies acquire more goods because they can afford it at a certain moment. Changes in purchasing power have thus been normally synonymous with changes in living standards, and the way to discover and measure them is normally addressed from the calculation and analysis of the so-called ‘real wages’. Real wages, the result of deflating prices to nominal wages, have received a long historiographical consideration since the nineteenth century. They have provided a basic framework so as to interpret the later middle ages as a period of rising living standards since the times of Thorold Rogers to the present day (see, for instance, Kowaleski, 2006, 241). They have also become popular in the last decades to measure pre-modern economic development in the long run as an alternative to the controversial calculations of GDP per capita (Allen, 2001; Pamuk, 2007; Malanima, 2013).

Yet real wages are not exempt from problems. They have been subject to a number of criticisms, not only as far as reasons of method, representativeness or the employed sources are concerned, but also in terms of their implications for rural living standards. Contradictions and confusing evidence have led in recent years to consider peasant household budgets as an alternative that requires working with really scattered data and proves arduous to carry out. Should we still be using real wages or move to alternative indicators such as household budgets? Such a question is not a minor one: the real discussion is the appropriate way to assess and quantify not only rural living standards, but living standards themselves. This paper will review how European historians have compiled, calculated, interpreted and compared medieval real wages in the last few decades, and how recent proposals on household budget calculations have challenged traditional interpretations of living standard dynamics.

2. A hundred years of compilations

It might seem that starting by referring to the nineteenth century goes against the logic of a paper with the words ‘recent scholarship’ in its title. Yet there existed a range of historians who deserve recognition for their early and pioneering works, not only because they were the truth starters of the employment of real wages with a strong preoccupation for measuring living standards, but also because their material is still employed today. Compiling wages and prices was an arduous feat due to the precarious conditions in which many ‘archives’ remained –piles of barely ordered volumes and flyleaves in many cases–. J. Thorold Rogers was among those who took colossal efforts in gathering these data with a conscious aim: to construct a solid scaffold through which historians could develop a history
that could be demonstrated through the force of numbers (Rogers, 1866-1902). The origin of the concern with real wages stays thus in the actual hearth and origins of economic history—it could be said, of scientific history itself. Indeed, the generation of scholars following Rogers’ work undertook an impressive collective project in the first decades of the twentieth century with no parallels. The ambitious International Committee for the History of Prices, created in 1928 by W. H. Beveridge and E. F. Gay, hosted a number of scholars with an educational, professional—and even political—linkage to economics, covering various European areas such as Germany (M. J. Elsas), France (H. Hauser), Austria (A. F. Pribram), the Low Countries (N. W. Posthummus), Poland (F. Bujak) and Spain (E. J. Hamilton) (Cole and Crandall, 1964).

Even though these efforts were undertaken primarily by northern European or American historians, it is fair to recognise that there were many late nineteenth- and early twentieth-century scholars of the south of Europe who were important compilers. Unlike those of the north, these were mostly palaeographers and archivists, professionals of historical documentation whose direct contact with it led them to transcribe and publish lists of prices and wages that have been frequently worked with thereafter. It is worth mentioning those works on the wages of public officials by Viard (1890) and Mireur (1916-1917) in France, or by Luzzatto (1907), Sapori (1927) and Faraglia (1878) for the case of Italy.

What is crucial is that, regardless of the country and the background of these scholars, they all have resorted to a very similar range of sources, related essentially to building works. Both ecclesiastical and civic constructions were under the auspices of institutions that recorded massively the cash payments of their daily workers. Convents, cathedrals, hospitals, churches and a number of urban buildings were thereby the scenario that opened the window to serial, continuous information on wages. Prices are also found in these records as far as construction materials are concerned. Evidence of key agricultural products such as wheat, meat and fish prices are found in a combination of sources related to the supply of urban centres as well as in occasional normative acts that regulated the maximum price for certain goods. Traditional historians of real wages had a preference for wheat prices to obtain real wages (e.g. Hamilton, 1936). Once trends are taken, both wages and prices are transformed into an index, and the result of dividing one from the other results in the real wages trend, a dynamic expression of purchasing power of society and thus of living standards. Yet to what extent is this reliable?

3. Explanations and limitations: interpreting the evidence without the villagers

The period between the 1960s and the 1990s witnessed essential advances in the field of real wages on the European scale. Not only did the first international comparisons emerge (Van der Wee, 1975), but new medieval evidence was explored for particular southern European regions that needed further attention. Here it is essential to mention those studies of France by Baulant (1968) and Meuvret (1960), as well as those by Vigo (1974) and La Roncière (1982) for Italy. In the case of Spain, Hamilton’s evidence was completed or revisited for the cases of Aragon and Navarre (Zulaica 1995; Malalana and Muñoz, 1992), while first wages and prices from Catalonia were collected and studied by Argilés (1992) and then developed by Gaspar Feliu linking to the early modern period (1991).

It was in England, though, when the first long-term evolution of real wages was reached, the widely referenced index made by Henry Phelps Brown and Sheila Hopkins (figure 1). Its wide-ranging chronology—from the twelfth to the twentieth century!—is certainly behind its usefulness and popularity. The index, based mainly on evidence on building workers of Oxford and Cambridge, supported Thorold Rogers’s proposal of the existence of a ‘Golden Age’ of the English labourer in the fifteenth century. It also provided a sense of magnitude in proposing that the rate of living standards in that period would not be repeated again until the very late nineteenth century, namely the decade of the 1880s. Purchasing power of the day wages of
urban building craftsmen would presumably have doubled between the first half of the fourteenth century and the third quarter of the fifteenth (Phelps Brown and Hopkins, 1981, 19) (figure 1). A recent contribution by Gregory Clark (2007, 107) seems to confirm the magnitude of these changes in purchasing power for agricultural labourers, whose real wages would have increased by more than 160% between 1300–49, reaching a peak between 1440 and 1479 (Hatcher, 2011, 3) (figure 2).

The Phelps Brown-Hopkins index has been profoundly influential as a framework for understanding changes in living standards in the long run, not only in England, but also as a point of comparison with other areas as new evidence has been studied (see for instance Allen, 2001; Pamuk, 2007). This all implies that the sources and social groups that had been explored and taken as the basis for the global ideas of changes in living standards were essentially urban, without much reference to how these changes would affect the peasantry. In this sense, it is fair recognising that there were scholars who followed and took not only the example of Phelps Brown and Hopkins, but also important warnings in interpreting their evidence. And these warnings would be essential to reconsidering the limits of real wages in order to assess peasant living standards.

These first concerns about the limitations of real wages were, therefore, another distinctive characteristic of this historiographical period, which began with the Phelps Brown and Hopkins’ work itself. ‘Nowadays, real wages are commonly estimated by comparing money wages with an index of the cost of living, but there are several reasons why we cannot do that here (...) all we have is the rate of pay for a day, we do not know how many days’ work the builder was getting in the year from time to time, nor what other resources he had (…) and we know little or nothing about some important costs’ (Phelps Brown and Hopkins, 1981, 23). The authors were stressing two problems with real wages: the first one, the need for a deeper insight on consumption that could result in a cost of living index, a basket of consumables to deflate to nominal wages beyond the traditional usage of wheat prices as the main deflator. A pioneering work by La Roncière is a good example (1982).

But more importantly, the authors wondered about other resources building craftsmen might attain. This was because wages were not the only source of income, and so cannot be taken fully as a pure indicator of purchasing power nor living standards. As Van Zanden has observed, ‘the first generation of students of prices and wages, the members of the International Scientific Committee on Price History and their followers, did not pay much attention to the complex relationship between real wages and the standard of living. Implicitly, they equated wage with family income’ (Van Zanden, 1999, 177). Wages can only show a day’s payment by a particular institution. They tell nothing about the income coming from other wealth assets – land, credit or other waged labour–, nor the contribution from the other members of the household –wives and children.1

In spite of all these theoretical problems, real wages dynamics are still acknowledged to be a good indicator of living standards. As Van Zanden has argued, if households attempted to keep their level of consumption despite a decrease in the purchasing power expressed in real wages, they would have had to diminish their time allocated to leisure and increase that allocated to work (1999, 178). Either way, one can see how by the end of the 1990s the use of real wages as a means of measuring living standards had gone somewhat out of fashion, as Van Zanden asserts, in favour of other indicators such as the study of height and, above all, the evidence on material culture coming from probate inventories (1999, 178-9). The scope of discussion, sources and interpretation still had essentially an urban character.

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1 Although it is outside the scope of this paper to assess how this problem has been addressed by early modern historians, it is necessary to refer to Jan de Vries’s works on the ‘industrious revolution’, re-allocations of family work and market-oriented production that brought seventeenth-century Dutch society to acquire more goods despite declining real wages (De Vries, 1994; 2008).
Figure 1: Changes in the equivalent of the wage rate of a building craftsman expressed in a composite physical unit of consumables in Southern England (1284-1954)


Figure 2: Real agricultural day wages (1209-1869)

4. How to measure rural living standards? A turn to the peasantry

Thinking about the extent to which changes in living standards affected medieval rural society has made historians not only reflect on the limits of representativeness of real wages, but also to consider alternative approaches. Reconstructions of household budgets among some historians of medieval England have created a vibrant discussion that challenges the traditional interpretation of the evolution of late medieval living standards. It is clear that rural historians have consciously addressed with caution interpretations coming from real wages. Even though they have been taking them as an index of global transformations in purchasing power, it seems obvious that for most medieval rural societies daily wages were not the source of all income nor the market the source of all subsistence, and that women and children were an active part of the peasant farm with economic consequences for household incomes (Furió, 2009, 149-151). As John Hatcher has recently noted, ‘the long-term course of the real incomes of whole societies cannot be represented by any particular group, since shifts in key indices such as population, prices and wages affected different groups in markedly different and often contrary ways (...) the huge shifts that took place in the distribution of land and resources over time could be at least as important as fluctuations in wage rates’ (Hatcher, 2011, 23).

Alternative approaches to peasant living conditions have been particularly prolific among British historians, who have considered a variety of indices such as population, acreage of land, agricultural output, productivity, crop types, household size and many other factors. Historians such as Titow, Langdon, Howell and Bailey provided essential local information that was key for the making of some famous household budgets, especially those by Christopher Dyer (1992, 109-150; 2005, 128-138) and especially Harry Kitsikopoulos (2000). As the latter asserts, ‘abstract by definition, this approach seeks to collate pieces of the fragmented evidence regarding the basic variables that defined the material standards of a fictional household; in doing so, it has to ignore regional particularities and extreme temporal variations. The final product provides a testing ground for the grand theories of medieval growth and development, albeit by sacrificing a certain degree of realism’ (Kitsikopoulos, 2000, 237).

It is really hard to find other examples of this sort of approach in other places of Europe, certainly because budgets are normally calculated for very specific purposes. For instance, Antoni Furió has made some estimates concerning peasants from medieval Valencia in order to assess the incidence of taxation for the household economy, recently refined by Pau Viciano (Furió 1997, Viciano 2012, 211-212).

Very recently a few historians of medieval England have reflected upon the equivalence between real wages and household budgets. If, according to the real wages, changes in post-plague living standards can be regarded as the ‘Golden Age’ proposed by Thorold Rogers, budget models revisited and refined by John Hatcher depict far less revolutionary transformations. According to Hatcher, who compares various peasant strata between the mid-fourteenth and the mid-fifteenth century, there would have been little gain in domestic disposable income among all the peasantry. In his view, such an increase in income in fourteenth-century rural English society, wherein half of the population lived off no land or farms on the edge of subsistence, could hardly generate any ‘consumer revolution’, but would likely have had a repercussion on consumption of better food and drink, and in the disposable leisure time. For him it is unclear whether non-necessary, manufactured commodities were acquired far more after the plague than before, since ‘there is nothing to indicate that there was a revolutionary expansion of consumption’ (Hatcher, 2011, 21).

The final suggestion is that real wages evidence exaggerates the true social consequences of the post-plague period for most of population, that is the rural population. In his opinion, it is more likely that the rise in purchasing power followed a progressive, continuous upward movement uninterruptedly during the late middle ages and the early modern period,
something that agrees with recent studies on alternative indices such as calculations of GDP per head (Hatcher 2011, 23) (figure 3).

**Figure 3: Real GDP per head, England (1270-1700) and Great Britain (1700-1870)**

![Graph showing Real GDP per head](image)

**Notes:** Log scale 1700=100

**Source:** Broadberry, S; Campbell, B. M. S; Klein, A; Overton, M; Leeuwen, B. (2015), *British economic growth: 1270 – 1870*, 206.

These arguments need to be understood in the context of recent assertions that, perhaps, might have overstated late medieval changes in consumption. ‘The early modern ‘consumer revolution’ actually began in the late middle ages’, M. Kowaleski has recently noted (2006, 239). Other scholars have taken this and other processes from that period to make completely positive re-assessments of the post-plague period as ‘A Consumer Economy’, ‘A New Middle Ages’, ‘A Golden Age of Prosperity, ‘An Age of Ambition’ and so on (Hatcher 2011, 2). It is likely that some of these epithets are rash if one bears in mind how much quantification needs to be carried out to assess the extent of such changes, as the real wages versus household budget discussion itself reveals. Yet underestimating the importance of changes in late medieval rural consumption would be premature. As Christopher Dyer has recently acknowledged, even though there might be some exaggeration in terms such as the ‘Golden Age’ itself, there is a good deal of evidence showing that consumption increased significantly, evidence that go beyond the scope of real wages and household budgets. The proliferation of sumptuary laws and literary references, alongside the impressions coming from inventories and archaeology suggest a true ‘self-motivation’, a conscious will, a consumer behaviour on the part of the lower classes to improve their material living standards (Dyer, 2015, 194).

Dyer suggests this for the wage earners, but the argument can also be applied to the villagers. There is a large amount of material evidence suggesting new standards of comfort for the late medieval peasantry, both in England and other countries. Yet the impossibility of quantifying consumption through probate inventories in most countries by 1500 makes it hard to understand how far these changes went.
5. Conclusion

Generation after generation, medieval historians have resorted to real wages as a convenient framework in which to contextualise economic and social change and living standards. Their very long, generational usage should leave no doubt about its reliability and the careful work in collecting data that scholars, both of the north and south of Europe, undertook more than a hundred years ago, even though historians of the north and particularly the British have reflected more upon their limitations and implications. It is clear that the representativeness real wages can have for the purchasing power of rural populations is by definition limited, and that many other elements could model the peasant disposable income, such as land output and agricultural prices, as well as of course household size. Peasant household budgets, a proposal that again emerges as a developed method from the north and from England, take into account this and many other factors. They collect a number of scattered data and attempt to recreate a medieval peasant household in detail to test our preoccupations on rural living standards. It can be argued that they are theoretical and lack geographical or chronological scrupulosity, but they are also a construction made with the expertise and evidence collected from a number of rural historians, whose work deserves the same degree of scientific validity as that of the real wages evidence – are they not both, after all, academic constructs?

So then, real wages or household budgets? The suitability of the latter for the study of rural history seems clear, although real wages provide the general context of the waged earners that needs consideration. However, the true problem in studying living standards is not only how purchasing power evolved, but what repercussions this had in rural consumption. Whether the late medieval peasantry experienced a rise in real income is an important question, but discovering whether this was used to acquire new goods and improve their living conditions is a fundamental one. Whether peasants lived materially better in the course of the later middle ages is something that requires a serial and quantitative exploration of inventories and similar lists of goods. We need to know how different peasant strata benefited from post-plague economic changes, and how this provoked processes of income divergence or inequality. Only after providing insights on these matters will we be closer to understanding the social –historical– implications of changes in rural living standards.
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