



Political Economy and Wages

Date Apr 24, 2025

Main Arguments

- Chapter 3. Sustainable improvement in workers' conditions requires a combination of personal development and structural changes that expand employment opportunities
- Chapter 4. Differences in wages across occupations arise from a range of factors, including the nature of the work, the level of skill required, job stability, and the degree of responsibility or risk involved.

Why is this important?

- Mill's analysis continues to influence the way in which global labor markets work today. His analysis of how wages vary depending on skill level, job risk, social prestige, and institutional access helps explain why workers from lower-wage countries often seek employment in higher-wage countries.
- Mill's attention to structural barriers—like lack of education or systemic exclusion (e.g. of women)—resonates with how migrants today face unequal access to

opportunities.

- Mill gives us an early framework for understanding labor mobility not just as a market phenomenon, but as something shaped by broader inequalities.
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Questions

- In which ways might differences in wages affect migration from a global and a regional perspective?
- What role would you imagine that migration policies could play in intervening in the way in which wages are currently distributed across sectors, genders, and geographical regions?
- How does the nature of the work influence salaries, and how can this affect the type of sectors in which we find more migrant workers?