

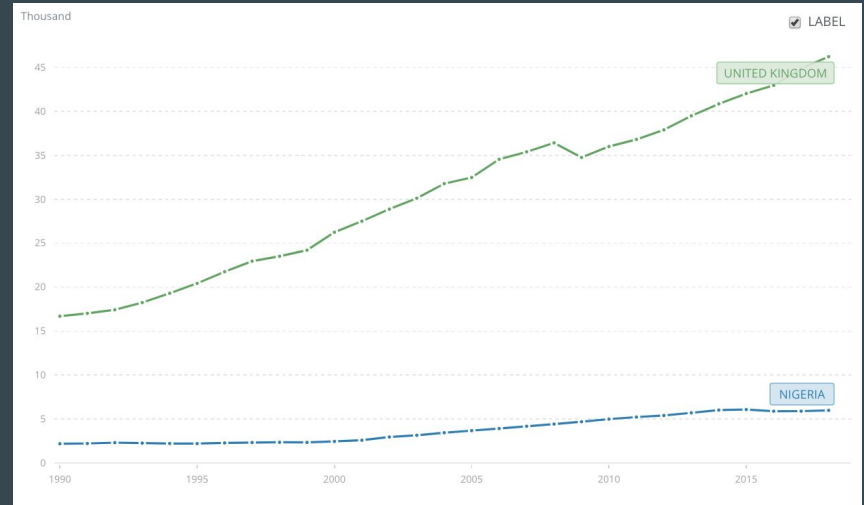
# Why Do Development Paths Differ? The Impacts of Forced Labor on Historical Persistence of Culture



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# Why are some countries richer than others?

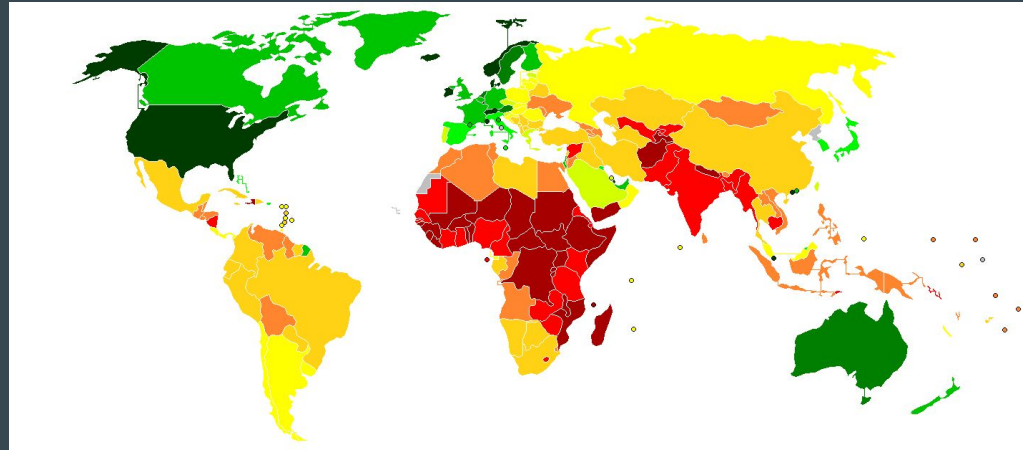
- Clearly some countries are rich and some are poor. Why?
- Fundamental question in economics and political science
- A fairly popular explanation is that “history matters”.
- But what do we mean by “history matters” - and what does that mean for how we choose policy?



World Bank GDP per capita

# “History Matters”

- This can be a trivial statement, but what history matters and why does it matter?
- Broad patterns seem obvious: “the West” has done well for the last 200 years, while much of the rest of the world has done less well.
- (Political, economic) institutions are built to be persistent (Acemoglu)



GDP per capita

# Culture As Vehicle For Institutions

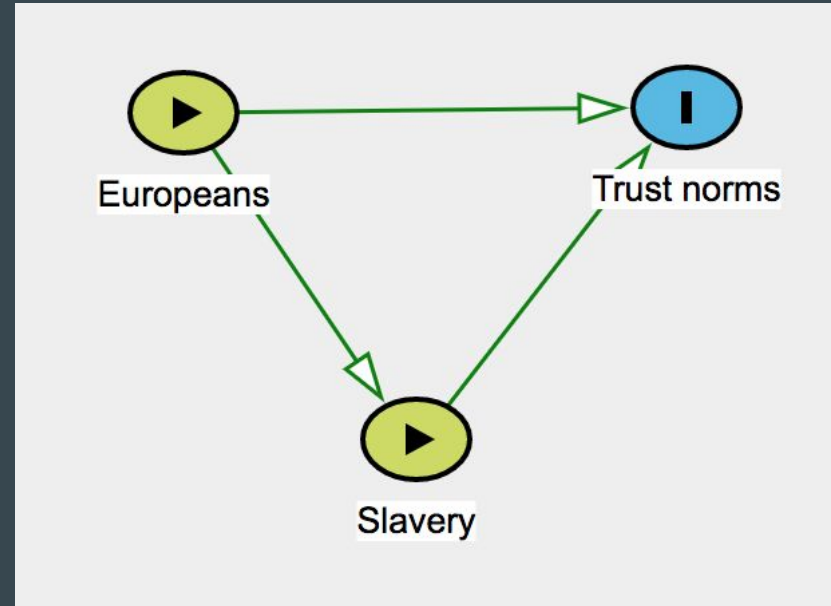
- But institutions don't exist in a vacuum or perpetuate themselves
- Institutions are perpetuated by culture
- So what is culture?
- Culture is based on interpersonal interactions and norms, and these are shaped by the interactions that are likely to occur. These are, in turn, shaped by historical events.
- This is our theoretical channel for historical events impacting the present day - historical events shape how people expect interactions to occur, and that shapes how their future interactions occur.
- Evidence for this on a shorter time-scale - e.g. Great Chinese Famine (Chen and Yang 2016)

# Historical Persistence in the Colonized World

- Much of the literature on “bad” historical institutions is written about the colonized world (most famously AJR 2001)
- Slavery is perhaps the “worst” and most obvious “bad” institution; “slavery/forced labor isn’t great for long-term development” seems relatively uncontroversial
- Relatively good evidence that use of forced labor within a colonial context had long-term detrimental impacts in the Americas (Dell 2010, Acharya, Blackwell and Sen 2016, Bruhn and Gallego 2008)
- Colonization and forced labor also appear to have impacted cultural norms - Nunn and Wantchekon 2011 shows that areas where slave raids were conducted in W Africa still have lower trust norms today

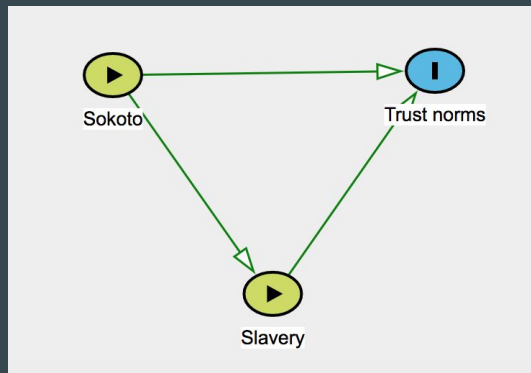
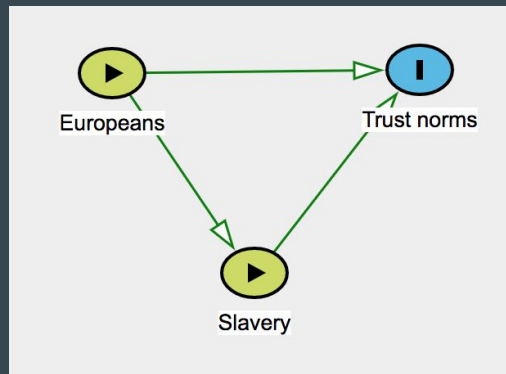
# Bundled Exposure Variables In Historical Data

- But we have a causal inference problem
- If the European colonization has impact on economic outcomes through any channel other than slavery, we cannot draw causal conclusions about the impact of slavery (or other forced labor).
- We cannot randomly assign slavery; there is no way to conduct an RCT in history.
- So...



# Isolating the Impact of Forced Labor

- Europeans didn't invent slavery
- Empirical question: does the negative impact of slavery on trust hold when considering other contexts?
  - “Self”-imposed slavery vs. “other”-imposed slavery
- Not perfect causal identification either, but if both European and non-European slavery have the similar impacts, this suggests the causal channel is indeed the slavery.



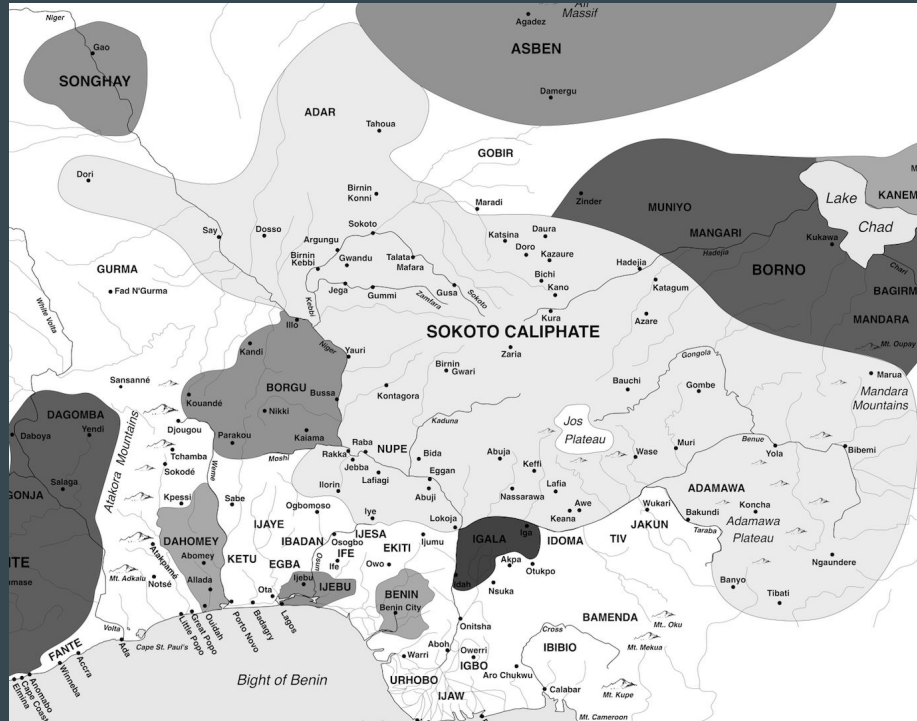
# Sokoto Caliphate (northern Nigeria, 1809-1903)

- Existed independent of European colonial system; (mostly) post-abolition of slavery in British empire
- Population of >10 million; 3-5 million enslaved people
  - Enslaved population between Brazil and southern US
- Slavery imposed with political system





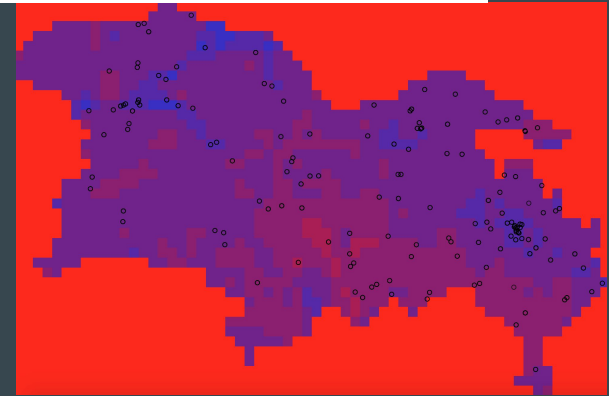
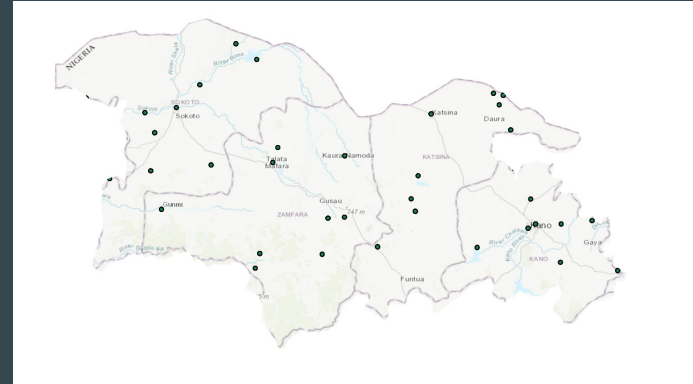
# Sokoto Caliphate



- Slavery religious/ethnic rather than racial (non-Muslim, non-Hausa people)
- Most slaves were agricultural
- Cotton plantations were particularly common; strong (local) textile industry
- In plantation/textile centers, population could be >80% enslaved people

# Empirical Strategy

- Main question: does slave population in Sokoto Caliphate → lower interpersonal trust in 2019?
- Borrowing from Acharya, Blackwell and Sen 2016, using cotton suitability as proxy for slave population
- Trust data from Afrobarometer (1665 surveyed individuals 2006-2018)



# Extremely Preliminary Answer: Yes.

- Intense use of slavery appears to be correlated with lower trust measures, even hundreds of years later.
- Ordered logit (with controls for age, education, gender, urban area):

$$\text{trust} = \text{slave intensity} + \vec{X} + \epsilon$$

	Coefficient	Error	T value
Trust in president	-0.182893	0.0593290	-3.08270
Trust in national assembly	-0.216629	0.0604026	-3.58642
Trust in military	-0.1254524	0.0655933	-1.9126

# Future Work + Questions

- This is a simple regression model; it *does not* account for spatial autocorrelation. Results may yet vanish!
- Is cotton suitability a good (enough) measure of enslaved population?
  
- Questions?