

Segregation and the Initial Provision of Water in the United States

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Abstract

We develop a theoretical model to illustrate how segregation affects investment in waterworks infrastructure. Data from over 1700 cities and towns match the key empirical predictions of our model: waterworks were built earlier in larger and more segregated cities as well as cities with smaller black shares. In the context of our model, these results are consistent with blacks in segregated cities being excluded from water provision. Analysis of health outcomes further supports this interpretation. Segregated cities experienced smaller health improvements following the construction of a waterworks and were much slower to eliminate waterborne diseases. This suggests that, by facilitating the exclusion of black households, segregation also served to undermine the city's ability to eliminate waterborne diseases for all residents.

Too Small to Not Fail: African-American Banks in Virginia, 1916-28

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Abstract

Using a new dataset of declassified Virginia bank examinations, this paper provides the first in-depth comparison of banks owned and operated by African Americans before World War II to white banks. This comparison shows that African-American banks were smaller, less profitable, and held fewer securities. African-American banks were more vulnerable to downturns in the real estate market. An analysis of the final fate of the banks in the data set show that African-American banks were more likely to fail, in part due to a reluctance of white banks to acquire African-American banks. Linking the employees, owners, and some customers of one African-American bank to city directories and the census of population shows that every employee, director, and borrower, save one, was African American. This provides evidence that African-American banks in Virginia faced a separate market than white banks faced.

**Self-selection of Mexican migrants in the presence of random shocks:
Evidence from the Panic of 1907**

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Abstract

Using height, as a proxy for physical productivity of labor, this paper estimates the selection of Mexican migration to the United States in the beginnings of the flow (1906-1908), and it exploits a natural experiment of history to evaluate the impact of random shocks on short-run shifts in selection into migration. The results suggest that the first Mexican migrants belonged to the upper ranks of the height distribution of the Mexican working class. Additionally, the financial crisis of 1907, an exogenous labor demand shock in the United States, significantly modified local migrant self-selection. Before the crisis, migrants were positively selected relative to the military elite of the time. During the crisis, migrants became negatively selected, but returned to a stronger positive selection after the crisis. The shift to a less positive selection was influenced by the absence of the *enganche*, an institution that neutralized mobility and job-search costs. The stronger positive selection in the post-crisis was partially driven by persistent droughts in Mexico that increased the population at risk of migration.

Importing Crime? The Effect of Immigration on Crime in the United States, 1880-1930

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New data on arrest rates by type of crime for 30 of the largest United States cities were compiled from archival sources and are presented for 1880 to 1930. This information is used to analyze the effect of immigration on urban crime, focusing separately on serious violent and property crimes as well as public order offenses and on immigrants from different countries of origin. Modern studies in the economics literature have not reached a consensus regarding the causal effect of immigration on crime. This paper presents evidence from the first global era when immigrant inflows were substantial and almost wholly unregulated and concludes that, controlling for endogenous immigrant location, immigration did not cause a substantial increase in either violent or property crimes and may even have decreased crime levels. We find that a 1 percentage point increase in the foreign-born share shift-share proxy is associated with a 2% reduction in the total arrest rate, but document a large heterogeneity for different countries of origin and depending on time spent in the US.

The Determinants and Impacts of Historical Treaty-Making in Canada

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Abstract

For nearly three centuries, Europeans and Indigenous peoples within the borders of present-day Canada engaged in historical treaty-making. These treaties provided the basis for the colonization of lands and formalized the relationship between European settlers and Indigenous peoples. We combine spatial, archival, anthropological and modern census data to understand the determinants of signing a treaty, the content of its terms, and how historical treaty-making has shaped the path of development for Indigenous communities throughout the country. We show that treaties were most likely to be signed in communities that experienced a deterioration of their bargaining power through resource depletion, while the likelihood of signing a treaty was reduced when the transaction cost associated with signing a treaty was larger. Unconditionally, historical treaties are associated with greater economic development today, but this result is eliminated once we account for the relevant historical determinants of treaty making. This result suggests that either treaties were not enforced or that the institutions established through treaty making were ineffective at promoting long-run economic growth.

**Hardly Worth Chaining Up? The Effect and
Cost-Effectiveness of Welfare Reform in England, 1857-85.**

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Abstract

Between 1601 and 1948 the English Poor Law was a kind of “welfare state in miniature.” It provided working-class men, women, and children with a vital, if meagre, guarantee of support in the event that they sustained a negative income shock. According to many contemporaries, it also encouraged indolence. In the late 1860s and 1870s, objections to any guarantee of support grew more vocal and more politically formidable. Some localities began to relieve a significantly greater proportion of welfare recipients in workhouses—deliberately disagreeable dwellings intended to disincentivize welfare reciprocity. This movement was, in effect, a de facto, decentralized welfare reform. In this paper, I use variation in the change in the proportion of welfare recipients relieved in workhouses between 1865 and 1880 across English localities to estimate the effect of workhouse use on the rate of welfare reciprocity. First, I introduce a new panel dataset of Poor Law unions—local geographical units that administered the Poor Law, of which there were approximately 600. Second, I employ a difference-in-differences model to estimate whether and to what extent the workhouse affected the rate of welfare reciprocity. I find that approximately three in four welfare applicants to whom the workhouse was offered as a “test” refused the offer. I also find that this “workhouse effect” was insufficiently large to meaningfully reduce the costs associated with the workhouse. Third, I employ a triple-difference model to estimate whether welfare applicants to whom the workhouse was offered were more likely to reject the offer if the workhouses in which they would be relieved were deficient in ventilation, water supply, general sanitation, or diet. I find that they were not.

Explaining Inequality: Wealth Mobility, Inheritance, and Extinction in Rural Japan 1685-1872

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Abstract

Pre-industrial Japan, 1650-1870, had a landholding peasantry unlike contemporary Western Europe dominated by landless laborers. This paper shows the vastly different outcomes partly stemmed from the practice of adoption in Japan which guaranteed heirship and reduced demographic risk. I use uniquely detailed data on household landholding in 38 villages linked across generations to examine how landholdings and inequality was transmitted across generations. I find that poor households went extinct at rates of 20%, reducing inequality. The rich households did not go extinct due to the existence of adoption in absence of an heir. Combined with a regression towards the mean and partible inheritance, large landholdings were gradually broken up across generations. In contrast, the rich in England went extinct at rates of 20% and wealth was amalgamated by close relatives leading to greater inequality. A simulation shows differences in demographic institutions resulted in a 0.2 reduction in Gini coefficients.

Bullet or Magnet? Rail and Ireland's Post-Famine Economic Development

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500-word abstract for Clio 2019

This paper examines the effect on economic outcomes, in particular population density, of the introduction of rail infrastructure in Ireland, between the Great Famine of the 1840s and the Great War of the 1910s. To do this, two spatially granular datasets are used: a map of all rail stations in Ireland, with year of opening (and closure); and standardized Census data for each of Ireland's 3,430 electoral divisions in 1851 and 1911. Exploratory results highlight simultaneity concerns, with the greatest correlation between rail and growth in areas that were more densely populated to begin with or that got access to rail earlier, potentially for market access reasons. A propensity-weighted regression suggests a positive but relatively modest impact of rail on population density. Our results suggest that, in a country where population fell significantly between 1851 and 1911, population in areas that got access to rail fell by 10 percent points less, over six decades, than in similar areas that did not.

Our research adds to a growing literature on the long-run spatial impact of transport technology, a literature that straddles economic history, new economic geography, and other fields such as trade. These long-run effects include higher incomes in India, higher land values in the US, industrialization and urbanization in Japan, greater economic activity in Ghana and Kenya, and the more recent decentralization of industrial activity in China. The emerging consensus in the literature focused on Europe is that rail had a substantial causal effect on urbanization and agglomeration. For example, Berger & Enflo (2017) examine the impact of rail in Sweden, using both difference-in-differences and instrumental variable (IV) methods. They find early access to rail was associated with substantial relative increases in population, largely at the expense of other towns and that these effects persisted. Hornung (2015) examines the impact of rail in Prussia, using propensity score matching, IV and fixed-effects estimation techniques, and finds an average effect of two percentage points. Lastly, evidence from Britain is that all transport infrastructure, but in particular rail, has had a positive effect on a locality's population growth since 1841 (Bogart et al, 2018).

We see this paper as contributing to the literature in a number of related ways. This is the first study of the impact of rail on economic activity in Ireland. This has broader relevance given the intensity of treatment and the country's unique demographic history. Firstly, Ireland had more kilometers of rail track per person than almost any other country in the world, by 1911. Secondly, Ireland's population fell rapidly 1851-1911, meaning it can act as a something of an external validity check to studies so far, which focus on countries with rapidly growing populations. The final contribution is more methodological. Given how the rail network developed, we do not believe the traditional least-cost IV is either relevant or valid, in Ireland and arguably elsewhere also. Therefore, we use doubly-robust propensity-weighted regressions, with and without iteratively trimmed samples, to give results that can, we believe, be interpreted causally.

Novel Ideas: The Effects of Carnegie Libraries on Innovative Activities

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We show that the historical rollout of public libraries increased the innovation output of recipient towns. Between 1886 and 1919, Andrew Carnegie donated \$34.5 million (approximately \$1 billion in 2019 dollars) to fund the construction of more than 1,500 public libraries across the United States. Drawing on a new data set based on original historical records, we identify cities that qualified to receive a library grant, applied for the program, received preliminary construction approval, but ultimately rejected Carnegie's offer. Using the rejecting cities as a control group, we estimate the effects of Carnegie library formation on patenting activity. We provide evidence that the trends in the patenting activity in the two groups are indistinguishable before the construction of the libraries and then diverge. Cities that received grants experienced both short- and long-run gains in patenting activity. We show that plausible mechanisms behind the results that we observe are increased access to information and collaboration opportunities.

Marriage and the Intergenerational Mobility of Women: Evidence from Marriage Certificates 1850-1910

Gregory Niemesh, Miami University

The literature finds a high degree of economic mobility for men in the 19th century in comparison to today. However, due to data limitations, changes in female economic mobility over time are not well understood. Using a set of marriage certificates from Massachusetts over the period of 1850-1910, we link men and women to their childhood and adult census records to obtain a measure of occupational standing across two generations. Intergenerational mobility for women is higher than for men during 1850-1880. Between 1880 and 1910, men's mobility increases to converge with that of women. We also find evidence of assortative mating based on the correlation in occupational income score and real estate wealth between the husband's and wife's fathers. The strength of assortative mating increased from 1850 to 1910. Consequently, mobility of women in the 1880-1910 cohort might have been higher than observed if they faced the lower level of assortative mating of women in the earlier 1850-1880 cohort.

Confederate Streets and Black-White Labor Market Differentials

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Using a unique dataset, this paper examines the extent to which streets named after prominent Confederate generals reflect an area's racial animus toward blacks and are related to black-white labor market differentials. The analysis shows that Confederate streets are positively associated with a proxy for historical racial animus. Specifically, I show that areas that experienced more historical lynchings have more streets named after prominent Confederate generals today. Examining individual-level data show that blacks who reside in areas that have a relatively higher number of Confederate streets are less likely to be employed, more likely to be employed in low-status occupations, and have lower wages compared to whites. This relationship holds after accounting for levels of educational attainment and race-specific quality of education. I find no evidence that geographic sorting explains these results. Investigating whether these results extend to other groups show that Confederate streets are associated with employment, occupational status, and wage differentials between other minorities and whites.