

Abstracts of Posters Presented at the Annual Meeting

Enlistment Decisions of Southern Civil War Soldiers: Blue or Gray?

The United States Civil War literature and popular culture are awash with stories of why Southerners fought during the Civil War. Regardless of the stories, little statistical analysis has been undertaken to determine why individuals selected to serve in either the Confederate or the Union Army. To provide insight into this question, the army selection decisions of individuals are analyzed utilizing a database consisting of Union and Confederate soldiers from Arkansas. Men whose county of residence was controlled by Union troops were 12.3 times as likely to enlist in the Union Army relative to men whose area of residence was not controlled by Union troops. Finding that the dominating factor of army enlistment decisions was based upon whether or not a soldier with a bayonet was at an individual's door telling him to join the army or die is logical and concurs with economic decision making theories; an individual cannot maximize his utility if he is dead. This result does not take away from previous findings regarding the determinants of Civil War loyalties; it just lessens the impact of items such as community cohesion, cultural/ideological beliefs, and economic interests in the army enlistment decision process.

EDWARD COFFIELD, *University of Utah*

Productive Assets Down Under: The Economics of Italian Prisoner of War Employment in Australia During and After the Second World War

Australia held 18,400 Italian prisoners of war (POWs) during the Second World War. This paper complements the mostly historical literature on the subject by offering an economic viewpoint on the subject; 13,000 Italian POWs worked at peak representing 2 percent of the Australian rural labor force. Despite this small-scale contingent, their value to Australian agriculture was significant. Labor economics aids to analyze new evidence on POW output, productivity, and wages. Also the interplay between the market for coerced POW labor vis-à-vis the free labor market for civilians is analyzed and put into comparative context with POW employment in Britain. It will be shown that Italian POWs were valued highly by farmers and that POW productivity was higher than previously assumed given low POW returns following a POW wage increase. This paper concludes that Italian POWs were a productive asset and blessing in disguise for Australian wartime agriculture.

JOHANN CUSTODIS, *London School of Economics*

Constraints on Local Governance: Historical Legacies on Native American Reservations

Native Americans living on reservation are among the poorest groups in the United States today, but there is huge variation in economic outcomes across reservations. This research asks whether Native American tribes whose reservations are politically more centralized than the tribes' pre-reservation political structure fare economically worse today. To answer this question, I employ anthropological data on traditional tribal structures and historical information on the process of reservation formation to construct a constitutional mismatch variable as the difference in the degree of political centralization of a reservation and degree of pre-reservation tribal political centralization.

Exploring both cross-tribal variation in the level of pre-reservation political centralization and cross-reservation variation in the degree of present-day political.

CHRISTIAN DIPPEL, *University of Toronto*

After It Was Over, Over There: World War I Veterans and Interwar Labor Markets

Despite the political importance of unemployed World War I veterans' protests in influencing the structure of future veteran compensation regimes, little is known about the labor market outcomes of World War I veterans vis-à-vis their nonveteran peers during. Although military service may have provided some individuals with a valuable chance to accumulate skills and access new information networks, less civilian work experience and education; discontinuities in work experience and education; absence from the tight wartime labor market; physical, social, and psychological dysfunction; and negative selection of draftees and volunteers may have inhibited their labor market mobility. To test whether World War I service positively or negatively affected subsequent labor market outcomes relative to non-service, my dissertation uses a new and unique longitudinal subsample that links individuals from the IPUMS 1930 population census one percent sample to their 1917 World War I Selective Service records. Multinomial logistic regressions estimate the average effect of veteran status on occupational choice, while controlling for preservice work experience, stature and build, race, residence, and personal characteristics. Logistic regressions estimate the effect of veteran status on occupational and geographic mobility. The hypothesis that effect of military service differed between white and black veterans is also tested.

ETHAN DOETSCH, *University of Utah*

Elites and Personal Network Structures in Twentieth-Century Belgium: Efficiency, Entrenchment, or Path Dependency?

Throughout the twentieth century, big business in Belgium was characterized by close-knit networks of politicians, bankers, and aristocrats holding multiple directorships. What was the value of these personal networks? Did those overlapping directorships really enhance the performance of Belgian business, or did they perhaps hamper it as well? The literature lists three main arguments for the emergence and persistence of personal network structures: first, their efficiency for connected firms; second, path-dependent corporate structure choices and structural embeddedness; third, elite control, entrenchment, and interest protection. The main downsides of economies relying on personal network structures include conflicts of interests, anticompetitive behavior, lock-in, and economic stagnation. To gauge long-term changes in the contribution of personal network structures to the Belgian economy, our project charts the evolution of business networks from the mid-nineteenth century to the end of the twentieth century. We combine data on the board composition of the top 200 biggest Belgian companies, multiple directorships, and board seats held by politicians and bankers, with the financial performance of those companies (growth opportunities, survival probability, financial and risk indicators). With those data, we plot the emergence of such networks, the position of particular companies in them, and the probable advantages derived from them. We also examine the crucial question of why personal network structures persisted as corporate governance mechanisms while their economic contribution declined.

LIVIA GHITA, *University of Antwerp*

Swedish-Belligerent Trade in the Second World War

Swedish-belligerent trade during the Second World War remains underexamined; since the end of the Second World War, scholars have focused narrowly on trade questions posed during the war: most notably whether limitations in Swedish exports would have been sufficient to hinder the German war effort. This paper examines Swedish-belligerent trade and determines it is closely linked to both Swedish and belligerent wartime survival. The belligerents needed Swedish iron ore and ball bearings for their war economies; the Swedes wanted the belligerents to ensure her political and economic survival. This paper will build a new comprehensive picture of Swedish trade with the two belligerent blocs; it will first show the Swedish government used a simple pragmatic approach to the diplomatic negotiations held through the wartime period. Then it uses both nominal and real prices to show actual changes in trade, including a complete catalogue of all illicit trade. Sweden maintained exports at levels in vast excess of the agreed levels with both belligerents and despite large declines in import volumes. It will ultimately show Swedish trade supported one belligerent over another, but this depended on the period of relative power. Furthermore, it will demonstrate Sweden did not profit, but rather paid the belligerents for her independence by providing discounts on some export products while paying high prices or imports.

ERIC GOLSON, *London School of Economics*

Taking Technology to Task: The Skill Content of Technological Change in Early-Twentieth-Century United States

This paper uses new data and a new approach to answer the question of how technological change in the first half of the twentieth century affected the American labor force. The main technological change of interest is the electrification of the factory. The paper presents a new and unique data set which describes the tasks performed within each occupation—this includes information on the extent to which raw strength, numerical skills, and people skills are used in a particular job. I assume that there are three broad types of tasks which can be performed in the economy—manual tasks (which are performed by low-skilled blue-collar workers); dexterity tasks (which are performed by high-skilled blue-collar workers) and managerial/clerical tasks (which are performed by white-collar workers). The tasks data set is combined with information on individuals from the 1880–1940 population censuses and information on electricity usage in the manufacturing sector from the manufacturing censuses 1900–1940. The combined data set is used to investigate the effect of electrification on the demand for white-collar workers relative to both types of blue-collar workers combined, as well as the demand for high-skilled blue-collar workers relative to low-skilled blue-collar workers. The provisional findings reveal that early-twentieth-century technological change favored white-collar workers overall, but that, on the factory floor where only blue-collar types worked, technological change was unskilled biased, meaning that manual workers saw their demand increase relative to that for higher-skilled dexterity-task specialists.

ROWENA GRAY, *University of California, Davis*

Industry Clusters, Trade, and Growth: Evidence from Nineteenth-Century Britain

This paper seeks to understand the relationship between trade and growth in economies characterized by clusters of related industries using evidence from an exogenous trade shock to the nineteenth-century British economy. By related industries I mean industries that share such things as buyer-supplier connections, technological spillovers, or labor market pools, as suggested by Marshall (1920). My focus will be on two questions. First, can trade shocks be transmitted between related industries? Second, can these temporary trade shocks transmitted between related industries have long-run effects? Preliminary results suggest that those industries more closely related to the cotton textile industry suffered as a result of the shock caused by the Civil War. Furthermore, these results are still apparent in data from 1891, more than two decades after the end of the shock, and there is some evidence that the changes caused by the shock may actually be larger in 1891 than just after the end of the shock in 1871. In other words, these preliminary results offer evidence that trade shocks are transmitted between related industries and that these transmitted trade shocks can have persistent effects.

WILLIAM WALKER HANLON, *Columbia University*

State Banks and the National Banking Acts: A Cautionary Tale of Creative Destruction

The National Banking Acts and their supporting legislation led to 303 state bank closures and 879 conversions between 1863 and 1869. This paper constructs the first complete bank-level census that is able to measure and analyze this sudden reorganization. The data suggest that the national capital requirements prevented many existing banks from converting to a national charter, whereas a tax on state bank notes was responsible for the large number of closures. Moreover, the requirements also prevented new national banks from replacing closed state banks. The legislation thus concentrated capital in developed cities, leaving rural areas without the banking services they had previously enjoyed.

MATTHEW JAREMSKI, *Vanderbilt University*

The Legacies of Forced Freedom: China's Treaty Ports

Although it is obvious that treaty ports in China have developed better than other cities today, little is known about their development paths in history and no previous study has attempted to estimate the effects of being forced to open, mainly due to the selection problem and lack of historical data. This paper focuses on places on the coastal line or Yangtze River and gives a picture of their development dynamics along China's closedness-openness-reclosedness-reopeness process. The differences-indifferences results for population sizes during 1776–1953 show that places with treaty ports developed better. However, this advantage was very much restricted in the closed period between 1949 and 1978. After the big economic reforms in 1980s, the places with treaty ports took advantage of the opening much better. The paper also documents that human capital and social norms, compared with geography and tangible institutions, play a more important role in this context of history and development.

RUIXUE JIA, *Stockholm University*

A Dam Problem: Tennessee Valley Authority's Fight Against Malaria, 1926–1951

The Tennessee Valley Authority (TVA) has long been held in high esteem for being the responsible for the reduction in malaria mortality and morbidity rates in the Southeast following its establishment in 1933. Given the recent increase in river system management projects around the globe and a recurring malaria problem, TVA provides insight to the problems associated with large scale water management. I find, using county-level panel data, that the TVA increased the malaria morbidity and mortality rates following its construction.

CARL THOMAS KITCHENS, *University of Arizona*

Do Social Norms Reduce Civil Conflict? An Empirical Analysis of Confucianism on Banditry in Late Imperial China, 1644–1910

Social conflicts are perennial features of human societies. Compared to the effects of economic shocks, the role played by social norms and values in mitigating conflicts remains little understood. By employing a panel data set (circa 1644–1910) uniquely constructed from a north Chinese province with a strong tradition in banditry—a social organization that involves not only resistance to established social order but also is deeply ingrained with an ethos of social justice, we examine the role of Confucian values—an ideology that promotes social harmony and pacifism—on the intensity of banditry. Using educational attainment—the principal mechanism by which Confucian values were diffused—as the main proxy, we exploit the exogenous variations in the imperial examination quotas allocated by the emperors for identifying the causal effect of Confucianism on banditry. The results show that Confucianism significantly reduces the incidence of banditry as well as attenuates the effect of economic shocks. These may help to explain why Confucianism had been promoted as the state religion throughout the Chinese dynasties.

CHICHENG MA, *Hong Kong University of Science and Technology*

The Disappearance of the Poor Man's Bank: The Parisian Mont-de-Piété in Ireland, c. 1830–1860

Attempts to imitate Parisian style Monts-de-Piété, charitable pawnbrokers, in Ireland in the early nineteenth century, despite enthusiastic support, were a failure. In a petition to the U.K. Parliament in 1838, Sir Matthew Barrington, a lawyer and philanthropist, stated that “success has been most complete” in the attempt to establish a Mont-de-Piété in the city of Limerick. Less than 20 years later, there was no record of any such institutions in Ireland. This paper will analyze the introduction and failure of Parisian style Monts-de-Piété in Ireland by first, comparing them to the institution which they aspired to imitate, the Parisian Mont-de-Piété; and also with another failed institutional imitation: that of German Raiffeisen co-operatives introduced in the late nineteenth century. The cross-country and intertemporal comparative analysis used in this paper will illustrate how each institution functioned and how important market factors are to the survival, or indeed success, of institutional imitation.

EOIN MCLAUGHLIN, *National University of Ireland*

Mortality and Business Cycles: What Can History Tell Us?

This study investigates the relationship between economic conditions and mortality by extending Ruhm (2000)'s analysis back to 1939. I collect state-level mortality rates for total deaths and ten specific causes of death for a 68-year period covering 1939 to 2006. Linear panel methods are used to estimate the cyclical relationship of mortality rates and state-level nonfarm employment. Results indicate that mortality is procyclical in all periods of the twentieth century. However, the cyclical nature of mortality weakens as time passes. I decompose the cyclical portion of total mortality into that caused by external and internal causes. The weakening link between economic activity and mortality seems broad-based in the sense that all causes of death experience a weakening.

GREGORY NIEMESH, *Vanderbilt University*

Wells Fargo: From Infrastructure to Hyperstructure

The poster looks at online banking as a moment that transforms a bank's space into a constantly available, immaterial continuum. In the mid-1990s, when most large banks were merging into coast-to-coast behemoths to confront an overabundance of banks and competition from nonbank financial institutions, California-based Wells Fargo became the first bank to offer services over the World Wide Web. Wells Fargo also reconceived its service space by implementing a series of alternative delivery channels: 730 tiny branches in supermarkets and gas stations in California, outsourcing of its mortgage business, and loan solicitation by direct mail. These new delivery channels came on the heels of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, which finally lifted all restrictions against interstate banking. They were instrumental in expanding Wells Fargo's client-base nationally. Precedents for these practices are found in the bank's early history. The poster analyzes Wells Fargo's modern alternative delivery channels to illustrate how banks reconceptualized the use of existing infrastructure—not necessarily their own.

OLGA PANTELIDOU, *National Technical University of Athens*

Satisfied with the Crumbs No Longer: The Role of Group Size in Political Mobilization

My dissertation focuses on the political economy of immigration to the United States in the late nineteenth and early twentieth century. I propose to present my chapter on the incorporation of these newcomers into the voting public at the EHA poster session. In this paper, I investigate the experience of Polish, Italian, Russian, Czech, Greek, and Hungarian immigrants clustered in American industrial cities and provide evidence of how these groups eventually acquired political clout. Using a panel of consistent wards over the 1900–1920 period, I show that immigrants from a relatively larger group in their city ward are more likely to be naturalized citizens or have initiated the naturalization process. Furthermore, I show that this relationship is nonlinear. The propensity to obtain citizenship increases sharply and then levels off after one's group share reaches approximately 10 percent. These findings suggest that groups needed to reach a certain relative mass within the local electorate before becoming politically mobilized. This result holds regardless of the ethnicity of the majority group in the ward. My current work focuses on identifying the mobilization mechanism that generates the pattern in the data.

ALLISON SHERTZER, *University of California, Los Angeles*

Social Networks and Entrepreneurship: The British Merchant Community in Uruguay, 1830–1875

Social networks, forged within communities through links of kinship and shared identity, play a key role in economic development. They can be effectively used to help solve the problems faced by businesses, helping entrepreneurs obtain information, mitigate risks, access resources, and locate trustworthy agents. This poster describes the British merchant community of Montevideo during the mid-nineteenth century, an economically elite minority who, from their origins in international commerce, developed into dynamic and diversified entrepreneurs. Their transformational role as investors, managers, and importers of technology is evident in many sectors, including commerce, banking, agriculture, infrastructure, and industry. This poster presents examples of both family and international trading networks using key merchants and firms, including Samuel Lafone and Anderson Macfarlane and Co. It also describes how conditions in Uruguay made these networks essential to successful entrepreneurship.

PETER SIMS, *London School of Economics*

The Legacy of Slavery on Human Capital Accumulation in Africa

Why is Africa's current level of human capital low? Can this be explained in part by its involvement in the slave trade between 1400 and 1900? Using data on slave exports from Nunn (2008) I study this hypothesis, finding a strong negative relationship between the number of slaves exported and the subsequent accumulation of human capital. To tackle the issue of causality, I use a new instrumental variables approach based on a gravity model of trade applied to slave exports. Then, by exploiting habitat diversity as an exogenous source of variation, I identify two possible channels through which this relationship could operate: an increase in ethnic fractionalization and a negative effect on political institutions. The evidence suggests that the slave trade greatly reduced the ability of African countries to accumulate human capital, particularly through its negative impact on institutional development.

FEDERICO TADEI, *California Institute of Technology*