

# The Geography of Lynching and Economic Opportunities of Blacks: Evidence from the US South

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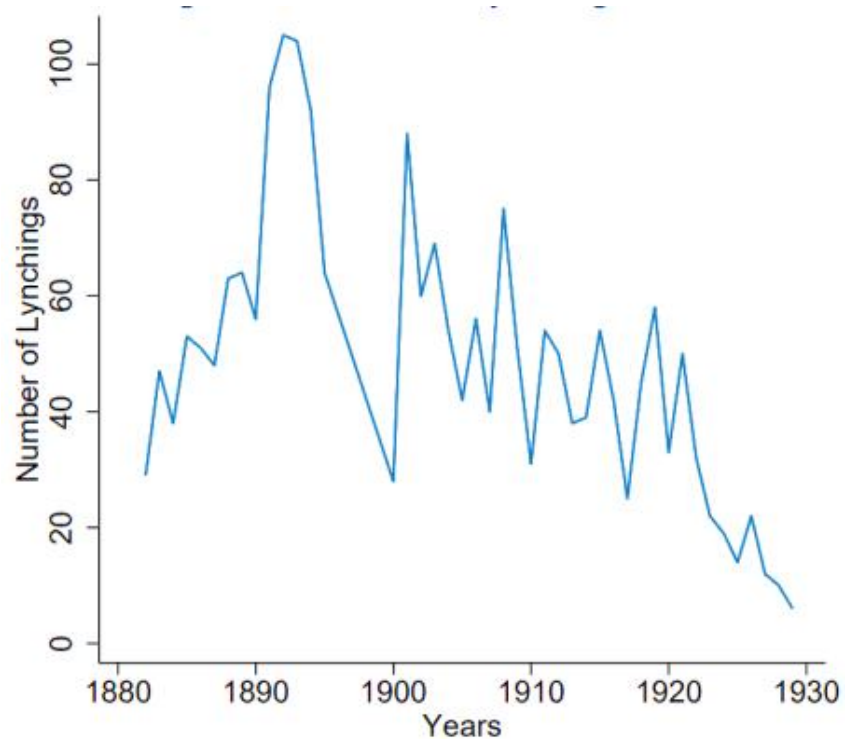
- Could current economic opportunities of Blacks be determined by interracial historical public crime?

- Cook (2014) finds that historical racial violent crime, including lynching, has significantly decreased **innovation rates** among African-Americans.
- Jones et al. (2017) and Williams (2022) find that exposure to lynching activity has had negative and significant effects on **voter turnout rates** and **voter registration rates** for Blacks.
- Christian (2017) suggests that historical lynching has affected **historical Black migration and labor markets** in the US.
- Williams et al. (2021) find a significant relationship between lynching activity and a **range of current political and economic outcomes** including segregation, voter participation, economic security, unemployment, poverty, etc.

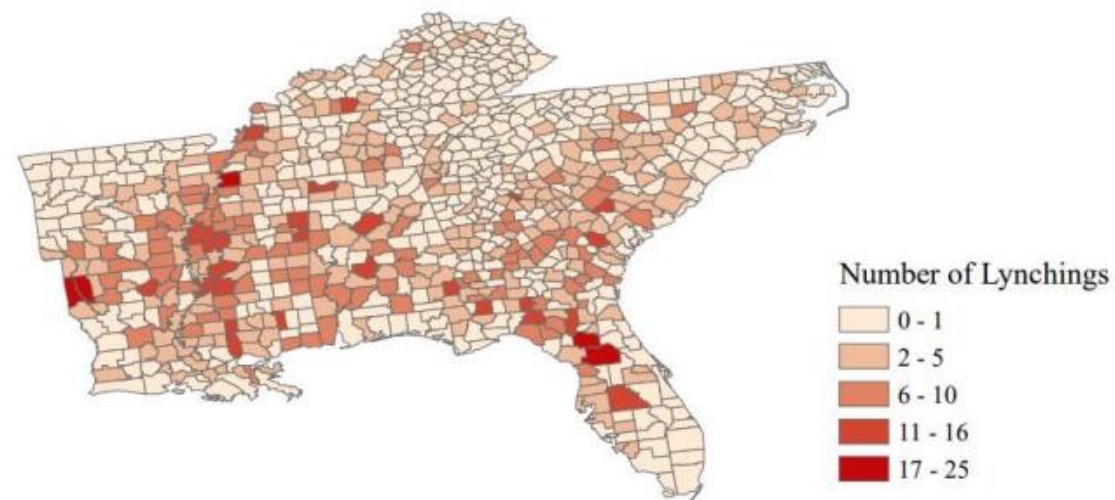
- Our research is different from prior work since our opportunity measure may not only reflect an economic outcome or public policy dysfunction, but also cultural attitudes and social norms related to Black people.

- Persistent immigration by Blacks after the end of Reconstruction in 1877 increased the low-wage labor supply in the cotton industry, affecting both the wages and wealth of Whites.
- The fluctuation in cotton prices triggered lynching activity, either to maintain the repression of the Black labor force or by threatening its surplus.
- Emergence of political parties and White supremacist hate movements, such as the Ku Klux Klan, which promoted anti-Black public tension (Glaeser, 2005).
- In the late 19th century, legislatures in the US South passed discriminative laws between Blacks and Whites (Jim Crow).
- Beck & Tolnay (1990) suggest a psychological foundation for lynching.

- We conduct our main analysis at the county level. There are 3,243 US counties. We focus on the 875 counties in 12 Southern American States: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee. 534 of 7 these counties experienced at least 1 (and maximum 25) lynching cases against Black people.
- We collect data from the CSDE Lynching Database (2015), which is based on the work of Bailey and Tolnay (2015). This dataset provides 2,129 place-identified lynching cases related to Black people in the Southern States from 1882 until 1929. We then find the total number of lynchings in each county following several studies (Cook et al., 2018; Williams et al., 2021a; Williams, 2021b)



Source: Authors' elaboration using Bailey and Tolnay (2015)



- Regarding economic opportunities at the local level, we use data from Chetty et al. (2018). Our preferred economic mobility variable is the mean household income rank of children of a given race who grew up in a county with parents who belonged at the 25th percentile in the national income distribution.
- This rank-rank approach is also called (upward) economic mobility. The estimates are provided for children who were born in the years 1978–1983 when they are between the ages of 31-37 years-old.



- To estimate whether there is a relationship between historical lynching activity and economic mobility rates for Black people, we first employ the Ordinary Least Squares (OLS) estimation, with standard errors clustered at the county level.

$$Y_i = \alpha \times \text{LynchingActivity}_i + \beta_2 \times N_i + \eta_s + \varepsilon_i$$

- Regarding causal estimations, we follow several studies that use cotton suitability as an instrumental variable for lynchings (Christian; 2017, Williams et al.; 2021b)

OLS Estimates-Historical Lynching and Intergenerational Mobility

The dependent variable is Intergenerational Mobility for Blacks

	(1)	(2)	(3)
Lynching Activity	-0.0747*** (0.0214)	-0.0719*** (0.0216)	-0.0618*** (0.0232)
Latitude		-0.1637 (0.1010)	-0.2233* (0.1193)
Longitude		0.0675 (0.0781)	0.0980 (0.0867)
Slaves Per Capita 1860			-0.1102 (0.3187)
Slaveholders Per Capita 1860			0.2253 (0.5234)
Fraction of Black HH 1880			-1.3121* (0.7078)
Segregation 1880			0.6306 -14957
Proportion of small farms 1860			-0.5085 (0.6498)
State Fixed Effects	Yes	Yes	Yes
R-squared	0.080	0.086	0.085
Observations	760	760	633

2SLS Estimates-Historical Lynching and Intergenerational Mobility

The dependent variable is Intergenerational Mobility for Blacks

	(1)	(2)	(3)
First stage estimates:Panel A			
Cotton Suitability	6.80***	7.03***	5.44***
2SLS estimates:Panel B			
Lynching Activity	-0.3931** (0.1734)	-0.4185** (0.1660)	-0.4667** (0.2345)
Geographical Variables		✓	✓
Historical Variables			✓
State Fixed Effects	✓	✓	✓
F-Statistics	30.24	31.50	15.04
Observations	755	755	629

Historical Lynching and Intergenerational Mobility: Omitted Variable Bias

	Baseline Specification coefficient $\hat{b}$ (1)	Identified Set ( $b, \hat{b}(R_{max}, \Delta=1)$ ) (2)	Exclude Zero (3)	Absolute Delta ( $\delta$ ) (4)
Lynching Activity	-0.0618***	[-0.0618, -0.0551]	✓	4.5 > 1
Geographical Variables	✓	✓		
Historical Variables	✓	✓		
State Fixed Effects	✓	✓		
Observations	633	633		

- Seminal work by Olzak (1990) shows that urbanization due to large-scale immigration and infrastructure expansion around the turn of the 19th century was a significant factor for the variation of lynching activity in the Southern US.
- Wood (2011, 2018) confirms that lynching activity against Black individuals was a consequence of urbanization and industrialization, which took place from 1880 onwards.

- In order to examine the above hypothesis, i.e., that the lynching activity was a dynamic consequence of urbanization, we first construct a historical index of urbanization.
- By using the shapefiles provided by Sequeira et al. (2020) we find the total kilometres of railways in each county for several periods between 1876 and 1921.

$$\mathit{LynchingActivity}_{it} = \alpha \times \mathit{Rail Expansion}_{it} + \beta \times \mathit{GeoHistContr}_i + \zeta_t + \eta_s + \theta_{st} + \varepsilon_i$$

OLS Estimates-Historical Urbanization and Lynching

The dependent variable is the Lynching Activity

	(1)	(2)	(3)
Railways Expansion	0.0393*** (0.0077)	0.0385*** (0.0077)	0.0331*** (0.0084)
Latitude		-0.0388 (0.0237)	-0.0603* (0.0311)
Longitude		-0.0564*** (0.0146)	-0.0612*** (0.0164)
Slaves Per Capita 1860			0.1155 (0.0743)
Slaveholders Per Capita 1860			-0.2087* (0.1128)
Fraction of Black HH 1880			0.8096*** (0.1594)
Segregation 1880			-0.1019 (0.1998)
Proportion of small farms 1860			-0.3237** (0.1621)
State Fixed Effects	✓	✓	✓
Year Fixed Effects	✓	✓	✓
State × Year Fixed Effects	✓	✓	✓
R-squared	0.084	0.090	0.129
Observations	4375	4375	3685

2SLS Estimates-Historical Urbanization as Channel

The dependent variable is Intergenerational Mobility for Blacks

	(1)	(2)	(3)
First stage estimates:Panel A			
Railways Expansion	0.825***	0.793***	0.762***
2SLS estimates:Panel B			
Lynching Activity	-0.221** (0.0938)	-0.213** (0.0979)	-0.232** (0.1135)
Geographical Variables		✓	✓
Historical Variables			✓
State Fixed Effects	✓	✓	✓
F-Statistics	32.75	30.74	27.66
Observations	760	760	633

OLS Estimates-Historical Lynching and Racial Bias Variables

	OLS	IV	OLS	IV	OLS	IV
	The dependent variable is:					
	IAT scores	IAT scores	Hist. Univ/College	Hist. Univ/College	Isolation 1940	Isolation 1940
Lynching Activity	-0.0176*** (0.0045)	-0.1258*** (0.0284)	0.007** (0.003)	0.0252*** (0.0078)	0.0059*** (0.0014)	0.0198*** (0.0056)
State Fixed Effects	✓	✓	✓	✓	✓	✓
R-squared/F-Statistics	0.231	32.22	0.032	48.05	0.091	48.05
Observations	635	624	875	863	874	863

- In this paper, we investigate of the effects of historical lynching in the Southern United States of America on economic opportunities of Blacks.
- We find that counties that experienced higher lynching activity, Blacks are experiencing lower economic opportunities.
- We show that early urbanization was a parameter of lynching.
- We provide suggestive evidence that segregation and discrimination are important links between historical lynching and current opportunities of Blacks.



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Thank you!