THE UNIVERSITY OF ADELAIDE FACULTY OF THE PROFESSIONS SCHOOL OF ECONOMICS

ESSAYS ON SLAVERY, INTERGENERATIONAL MOBILITY AND THE PERSISTENCE OF DISTRUST AND INEQUALITY

a thesis

by

JACKY S. CHARLES

Submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy

Declaration

I certify that this work contains no material which has been accepted for the award of any other degree or diploma in my name, in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text. In addition, I certify that no part of this work will, in the future, be used in a submission in my name, for any other degree or diploma in any university or other tertiary institution without the prior approval of the University of Adelaide and where applicable, any partner institution responsible for the joint-award of this degree.

I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying, subject to the provisions of the Copyright Act 1968.

I also give permission for the digital version of my thesis to be made available on the web, via the University's digital research repository, the Library Search and also through web search engines, unless permission has been granted by the University to restrict access for a period of time.

Jacky S. Charles		
SIGNATURE	DATE	

Dedication

To My SON

Acknowledgements

During my three-year stint of writing this PhD Dissertation there are several persons who provided assistance and encouragement. The journey has been long with a mixture of good and difficult periods. The continuous support of family, friends and colleagues have made this a meaningful journey, and I am grateful to them all. I would like to take the time to specifically thank some of those individuals.

Firstly, I would like to thank my Principal Supervisor Professor Richard Pomfret. Your guidance and support throughout this journey has been valuable, and I am greatly appreciative of your helpful comments and suggestions throughout the period of writing my dissertation. To my Co-Supervisors Professor Kym Anderson and Dr Nicholas Sim, your support, guidance and encouragement have been valuable. Dr Sim, I would like to thank you for sharing your knowledge and expertise in the field of econometrics, it has been truly beneficial to my research agenda. Professor Anderson, I would like to express gratitude for always lending a listening ear when I needed one, and for useful advice when I needed it.

Next, I would like to thank other colleagues who provided support and guidance. Dr Florian Ploeckl and Associate Professor Mandar Oak, I am greatly appreciative for your comments on my research, it has been beneficial. To other colleagues and friends, I thank you wholeheartedly for your support and encouragement throughout this long journey, and especially when the 'going got tough.'

To my mom, dad and siblings thank you for your support throughout my journeys. To my family members at home in Saint Lucia, the United States and elsewhere, I am grateful for your support. To my fiancé, Michael, parents-in-law and other in-laws thank you for your encouragement and support. I am eternally grateful to you all. Finally, and most importantly, I would like to thank the Almighty God for seeing me through.

Table of Contents

Declarationii
Dedicationiii
Acknowledgementsiv
Table of Contentsv
List of Figures viii
List of Tablesix
Chapter 1 Introduction1
Chapter 2 A Brief History of Slavery in the Americas6
2.1 Slavery, Abolition and Freedom6
2.1.1 Pre-18006
2.1.2 Abolition and the Demise of Slavery13
2.2 Demographic Impact of Slavery and Slave Family Life
2.3 Beyond Freedom
Chapter 3 Slavery and Comparative Long-run Development in the Americas: How
important are Initial Conditions?24
3.1 Introduction24
3.2 Theory and Relevant Literature
3.3 Data Sources and Description
3.4 Cross Country Examination of the Relationship between Slavery
and Economic Development
3.4.1 Empirical Strategy
3.4.2 Empirical Results
3.5 Evidence from the United States41
3.6 Conclusion 47

Chapter 4 Slav	very and the Colonial Origins of Distrust in the Americas	48
4.1	Introduction	48
4.2	Theory and Relevant Literature	52
4.3	Testing the Reduced Form Relationship between Slaves	ry and
Trust: Look	king Across the Americas	55
4.	2.3.1 Data and descriptive statistics	55
4.	3.2 Empirical Strategy	61
4.	-3.3 Empirical Results	61
4.4	Testing the Reduced Form Relationship between Slaver	ry and
Trust: Look	king Within the United States	65
4.	.4.1 Data and descriptive statistics	65
4.	.4.2 Empirical Strategy	71
4.	-4.3 Empirical Results	72
4.	.4.4 Robustness Checks	76
4.5	Conclusion	81
Chapter 5 Inter	erracial Marriages, Inequality & Social Mobility: An Empirica	l Study
of Racial M	Minorities in the United States	83
5.1	Introduction	83
5.2	Historical Background	85
5.3	Theoretical Framework	89
5.4	Data Description	91
5.5	Interracial Marriage and Socioeconomic Status	93
5.	5.5.1 Empirical Strategy	93
5.	5.5.2 Empirical Results	99
5.6	Interracial Marriage and Social Mobility	110
	Interracial Marriage and Social Mobility	
5.		110

5.8	Conclusion	118
Chapter 6 Con	clusion	120
Appendix A.	1830 Slavery and 2000 GDP	122
Appendix B.	Demographic Data	128
Appendix C.	Distribution of Trust survey responses	132
Appendix D.	Additional Robustness Checks – Slavery and Trust	135
Appendix E.	Miscegenation and mobility	142
Appendix F.	Data Sources and Description	148
Bibliography		152

List of Figures

Figure 3.1: Proportion of Slaves in 1750 vs. GDP per Capita in 2000- Cross
Country
Figure 3.2: Proportion of Slaves in 1860 vs. Income per Capita in 2000- $U.S.\ .41$
Figure 4.1: Average Levels of Generalized Trust in the Americas, by Country 56
Figure 4.2: Average Levels of Generalized Trust in the Americas, by Country and
Ethnicity/Race
Figure 4.3: Average Levels of Generalized Trust in the U.S., by State68
Figure 4.4: Average Levels of Generalized Trust in the U.S., by State and
Race/Ethnicity69
Figure 4.5: Current Map of the United States Depicting Slavery Status across
States in 186070
Figure 5.1: U.S. States by Year of Repeal of Anti-miscegenation Laws86
Figure 5.2: Percentage of Persons in 2000 Married to Someone of a Different Race
87
Figure 5.3: Interracial Marriage Trends by Race and Gender- 2000 census88
Figure 5.4: Exogamous Marriages and Year of Birth-1920s Cohort- First Stage
97
Figure 5.5: Occupational Income Score by Year of Birth-1920s Cohort- Reduced
Form
Figure 5.6: Exogamous Marriages and Year of Birth-1930s Cohort- First Stage
98
Figure 5.7: Occupational Income Score by Year of Birth-1930s Cohort- Reduced
Form98
Figure 5.8: The Great Gatsby Curve: More Inequality less Social Mobility across
Generations
Figure 5.9: The Relationship between Income Inequality and Intermarriage in
2000

List of Tables

Table 2.1: Timeline-Abolition of the Atlantic Slave Trade and Slavery
Table 2.2: African Origins
Table 2.3: Sex Ratios of African Slaves by Birthplace: Saint Lucia, Trinidad and
Berbice
Table 3.1: Historical Slave Populations of the Americas, 1750 and 183030
Table 3.2: Descriptive Statistics- Cross Country Data
Table 3.3: Descriptive Statistics- United States County Level Data34
Table 3.4: Descriptive Statistics- United States-State Level Data35
Table 3.5: OLS Regressions of the Impact of Slavery on Income- Country Level
Data40
Table 3.6: Relationship between Slavery in 1830 and Income in 2000- State Level
Data44
Table 3.7: Relationship between Slavery in 1860 and Income in 2000- State Level
Data45
Table 3.8: Relationship between Slavery and Current Income-County Level Data
46
Table 4.1: OLS Estimates of Individual Determinants of Trust: Cross-Country 63
Table 4.2: Relationship between Historical Slavery and Individual Trust in the
U.S. – OLS Estimates74
Table 4.3: Using Selection on Observables to Assess the Bias from Un-
Observables77
Table 4.4: Logit Estimates of the Determinants of Trust - Cross-Country78
Table 4.5: Logit Estimates of the Determinants of Trust – U.S. Data79
Table 5.1: Individual Determinants of Socioeconomic Status-1970 Census100
Table 5.2: Individual Determinants of Socioeconomic Status-2000 Census (OLS)
101
Table 5.3: Determinants of Exogamous Marriage among Racial Minorities-
Individual Data (OLS)

Γable 5.4: Selected Results of Determinants of Exogamous Marriage by Race
Individual Data10
Table 5.5: 2SLS Estimates of the Determinants of Socioeconomic Status -
Aggregate Data108
Table 5.6: Wald Estimates of the Determinants of Socioeconomic Status -
Aggregate Data
Table 5.7: Intergenerational Transmission of Occupational Income Score from
Father to Son
Table 5.8: Intergenerational Transmission of Occupational Income Score from
Father to Son