This course explores how the economic and political institutions governing the lives of African-Americans evolved from 1867 through 1950. As such, it is organized around an historical narrative that begins with a discussion of Reconstruction. Ostensibly designed to integrate recently emancipated slaves into American society as complete and equal participants alongside whites, the central institutional innovations of Reconstruction included the 13th Amendment (prohibiting slavery in the United States); the 14th Amendment (guaranteeing all Americans equal protection of the laws and due process of law); and the 15th Amendment (prohibiting state governments from denying citizens the right to vote). These Amendments, so long as they were enforced by federal authorities, had a profound effect on the lives of African Americans. Blacks, for example, came to enjoy a modicum of economic advancement, and for the first time, were able to effectively exercise the right to vote and influence political outcomes throughout the South. At the peak of Reconstruction during the 1870s, legislatures at the state, federal, and local levels often included black politicians and representatives.

Soon after federal troops were removed from the South in 1877, however, whites regained control of the political apparatus, and gradually disenfranchised African Americans, undoing most all of the progress won through Reconstruction. By around 1900, disenfranchisement was nearly complete, and black voter participation rates approached zero throughout the South. While it is often argued that disenfranchisement was driven by formal institutions such as poll taxes and literacy requirements, evidence presented in the course suggests that informal mechanisms such as violence, voter intimidation, and fraud were more important factors. Disenfranchisement was also associated with a long wave of anti-black legislation that, among other things, denied blacks equal access to schools, transportation networks, parks, and host of other public and private venues.

Blacks tried to circumvent these Jim Crow laws by appealing to the courts and by migrating out of the countryside and into the cities. In the short run, these strategies were, at best, only partially successful. The courts, for example, put limits on the ability of Southern legislatures to totally ignore the African Americans in the construction public projects and the distribution of public monies, but at the same time they also enshrined the bankrupt notion of separate-but-equal. By the same token, while migration to urban spaces, especially northern ones, often created new economic opportunities for blacks, racially-motivated violence and political oppression were not limited to the countryside or the Klan dominated South.

But in the longer-term, the efforts of African-Americans to challenge the resurgence of white legislative power laid a foundation for the modern Civil Rights Movement. Of particular
importance in this regard, was a demographic transformation that saw African Americans move from being an overwhelmingly rural population to a predominantly urban one. As we will explain in the course, this proved a fortuitous shift that allowed blacks to overcome a collective action problem that had long privileged the organizational efforts of white racists. This, in turn, made it possible for blacks after World War II to mobilize as an effective political force—something they probably could not have done had they remained in the Southern countryside where they were isolated by both geography and a mob-like protection racket run by white elites.

Economic Models and Concepts

In explaining how and why institutions evolved the way they did, we will appeal to models from labor economics, economic history, and political economy. Examples include the following:

- Models of collective action that explain why some social groups can effectively organize themselves as a political force while other groups cannot. We will give particular attention to the work of Mancur Olson;

- Alston and Ferrie’s model of paternalism, whereby rural elites in the Postbellum South used the threat of violence to inhibit black economic mobility and slow the rise of the American welfare; we will also juxtapose Alston and Ferrie’s framework with that of Charles Tiebout, who long ago highlighted the importance of jurisdictional sorting in shaping the provision of local public goods;

- Models of judicial independence and decision making. In considering these models we will be particularly interested in understanding why judges often had preferences and adopted positions in conflict with legislators and why legislators would sometimes defer to judicial preferences in cases of conflict;

- Models of statistical and preference based discrimination. Economists typically argue that, because preference-based discrimination is costly, competitive markets should undermine it. Alternatively, because statistical discrimination is often a profit-maximizing strategy, competition would promote it. These competing models can help us understand black economic progress as well as political change.

- Models of coalition formation, especially William Riker’s notion of minimum-winning coalitions. These models are explain how blacks, for a short time, gained political traction by forming a coalition with Republicans.
The Tools of Applied Microeconomics

One part of the course will be dedicated to introducing you to the tools of applied microeconomics. In practical terms this will involve a series of lectures discussing STATA (a statistical/econometrics program) and the basics econometrics, including how to code and organize data for econometric analysis, elementary plots and analysis of central tendency and dispersion, ordinary least squares, and difference-in-difference estimation. With these tools, you will be able to test competing theoretical explanations of the historical narrative sketched out above.

Grading

Your course grade will be determined by your performance on three margins: homework and class participation (30 percent); a midterm (30 percent); and a final, team-produced research paper (40 percent). There will be homework assignments and class presentations nearly every week. The class presentations involve preparing short PowerPoint presentations of articles. The homework assignments will sometimes involve working with primary source documents. Depending on our progress, the midterm will be sometime in mid-October. After the midterm, we will divide the class up into small research groups (about 3 people per group). Each group will produce a high-quality final paper of 20 to 30 pages using the econometric tools described in the previous section. In late-October and November, we will give lectures on how to write a research paper in economics. These lectures will cover the entire writing process, beginning with how to identify a tractable research question, organizing and structuring your paper, and writing up and presenting empirical results in the clearest, more effective ways possible.
Part 1. Course Overview

Lecture 1. Introduction to Course, Historical Timeline, and the Failed Architecture of Freedom

Lecture 2. Student Papers and Open Questions
   4. “School Funding in Louisiana, 1884-1907,” by Jeremy Brown and Robert Snyder
   7. “Renaissance Occupations in Northern Cities During the Great Migration,” by Charles Elliot, James Kane, and Gloria Oke

Part 2. Markets and Minorities in Theory and Practice

Lecture 3. Why Markets Should Undermine Discrimination, But Mostly Did Not

Lecture 4. Residential Segregation
   Buchanan v. Warley
Werner Troesken and Randall Walsh, “Jim Crow on the Block: The Political Economy of Municipal Segregation Ordinances.”

Lecture 5. The Great Migration

Part 3. Legal and Political Institutions With An Emphasis on the Judiciary

Lecture 6. African Americans and (the Ideals of) the Constitution
The Constitution
James Madison, *Federalist Papers* No.’s 10 and 51.

Lecture 7. African Americans and the Judiciary: An Introduction

Lecture 8. The Civil Rights Cases of 1883
*The Civil Rights Cases of 1883*
Lecture 9. Plessy, Separate-But-Equal, and Educational Funding

Plessy v. Ferguson


Lecture 10. The Dunning School, the Slaughter-House Cases, and the Evolving Political Economy of Substantive Due Process


Part 4. Informal Institutions

Lecture 11. Formal and Informal Mechanisms of Political Disenfranchisement

Williams v. Mississippi


Lecture 12. Jim Crow and the Logic of Collective Action


Richard H. McAdams, “Cooperation and Conflict: The Economics of Group Status Production


Lecture 13. The Crop Lien System, Share Cropping and Paternalism


Part 5. Analyzing Data and Producing a Quality Research Paper

Lecture 14. STATA

- Introduction to STATA
- Organizing and coding data for statistical work
- Exploring the data for preliminary analysis: plotting data, measures of central tendency and dispersion; and elementary transformations (logs, levels, and polynomials)
- Ordinary least squares: intuition, mechanics, and implementation in STATA.
- Difference-in-difference estimating strategies: motivation (the problem of unobserved heterogeneity), intuition and examples, and implementation in STATA.

Lecture 15. Writing and Organizing a Research Paper

- How to write a research paper (examples)
- Group paper research abstracts due
- Referee reports on abstracts
- Making your topic and paper tractable
- Organizing and structuring research papers
- Writing up data and results

Last Two Weeks of Class

- Paper draft due
- Everyone referees another group’s draft
• Then have in-class discussions

Last Week of Class
• No class
• Individual meetings with instructors

Final’s Week, Meet on Wednesday, December 16, 12:00 to 1:50 pm
In class presentations of final paper; and final papers due.