



Suffrage, labour markets and coalitions in colonial Virginia



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ABSTRACT

We study Virginia's suffrage from the early-17th century until the American Revolution using an analytical narrative and econometric analysis of unique data on franchise restrictions. First, we hold that suffrage changes reflected labour market dynamics. Indeed, Virginia's liberal institutions initially served to attract indentured servants from England who were needed in the labour-intensive tobacco farming but deteriorated once worker demand subsided and planters replaced white workers with slaves. Second, we argue that Virginia's suffrage was also the result of political bargaining influenced by shifting societal coalitions. We show that new politically influential coalitions of freemen and then of small and large slave-holding farmers emerged in the second half of the 17th and early-18th centuries, respectively. These coalitions were instrumental in reversing the earlier democratic institution's. Our main contribution stems from integrating the labour markets and bargaining/coalitions arguments, thus proving a novel theoretical and empirical explanation for institutional change.

1. Introduction

What drives institutional change? One theory holds that events described as critical junctures—such as colonisation by different European powers—interacted with differences in geography and factor endowments to determine paths of institutional evolution across countries. For example, high settler mortality, along with the dominance of labour-intensive activities such as mining or sugar growing, may have prompted European colonisers to adopt extractive institutions (Acemoglu et al., 2001). Once in place, such institutions persisted even after independence (Acemoglu et al., 2001; Engerman and Sokoloff, 2000). A second strand of the literature has instead emphasised the role of structural factors. The quality of political regimes has been linked to redistribution pressures arising from income inequality (Acemoglu and Robinson, 2006; Boix, 2003), income per capita (Boix, 2011; Limongi and Przeworski, 1997) and financial openness (Freeman and Quinn, 2012).

Both strands of research imply that fixed or slow-moving variables such as initial conditions or the income distribution determine institutions. How and why then do representative institutions change? No consensus exists concerning whether politicians or ruling elites only extend the suffrage—one proxy for representative institutions—when they face a revolutionary threat by the masses or rather whether they may do so voluntarily. While Acemoglu and Robinson (2006), Aidt and Jensen (2014) and Aidt and Franck (2015) support the former view, Llavador and Oxoby (2005) emphasise that ruling politicians with divided economic interests may willingly adopt democratisation to influence industrial policies, such as developing legal institutions or education.¹ A rise in the value

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¹ An extensive and related literature, such as Dougherty and Heckelman (2008) and Grubb (2003) examines the link between economic interests and constitution-making.

of public goods relative to transfers (Lizzeri and Persico, 2004) or war (Hicks, 2013) may also prompt elites to embrace democratic institutions even when the probability of uprising is low.

In this paper, we offer yet another argument for institutional change. Specifically, building on Nikolova (2017), we hold that elites extend the suffrage to attract scarce migrant labour, an argument also made by Congleton (2011). We extend and address the shortcomings of Nikolova's elite versus labourers perspective by borrowing insights from Congleton's (2011, 2012) constitutional bargaining and coalition-building framework. Specifically, we outline a concrete political mechanism—bargaining among politicians representing economic interests—which leads to franchise law changes. We further propose that the extent of the bargain in turn depends on different societal coalitions, whose formation is prompted by labour market dynamics.

Our analysis focuses on Virginia in the period from the early-1600s until the American Revolution and uncovers an interesting puzzle. Starting with the first elections in 1619, all adult males could vote (Chandler, 1901, pp. 9–10, Hatch, 1965, p. 4).² While this generous suffrage regime survived for nearly forty years, its decline began in the second half of the 17th century. Current servants were the first to become disenfranchised. Subsequently, in 1657–8, only tax-paying freemen who were residents of the colony could vote.³ In 1670, the franchise was further limited to householders and freeholders, excluding many former servants who had been unable to acquire land. The arrival of slavery in the late-17th and early-18th centuries—which allowed planters to substitute white workers with blacks—coincided with an even further deterioration in representative institutions. In addition to restricting the suffrage to freeholders, regulations related to religion, race and the re-introduced residency restriction substantially limited the number of eligible voters.⁴ We explore why this happened.

Our argument rests on two propositions. First, following Nikolova (2017), we argue that changes in Virginia's franchise laws can be explained by labour market dynamics. Specifically, in the 1620s, Virginia adopted a liberal suffrage regime to entice much-needed immigrant labour. Unlike in South America, where colonisers quickly acquired wealth through exporting gold, Virginia's settlers generated profit from the labour-intensive tobacco production. The initially high mortality among the predominantly white English settlers generated an enormous labour demand, which was first addressed by bringing white indentured servants from England and later on by slave labour. In the spirit of previous work by Acemoglu and Robinson (2006), Congleton (2011, 2012) and North and Weingast (1989), we argue that in this early period representative institutions were a credible commitment mechanism ensuring that labour-deprived Virginian planter elites would keep their promises made to poor English migrant workers. Liberal suffrage regimes prevented migrant exploitation by guaranteeing the fair enforcement of indenture contracts and the payment of freedom dues once the servant term was completed. Following a decline in settler mortality (which led to an increase in labour supply) and the passage of tobacco trade restrictions by England (which led to a reduction in labour demand) in the second half of the 17th century, the franchise was curtailed. Representative institutions—as proxied by suffrage laws—crumbled completely once Virginia's planters were able to replace white workers with slaves in the late-17th and early-18th centuries.⁵

However, labour dynamics only explain one part of the puzzle, namely that liberal suffrage laws were adopted in the early-17th century to entice white immigrants from England. Nevertheless, this argument has several shortcomings. First, it is unclear how exactly landholders' economic interests related to labour market issues translated into political outcomes concerning suffrage laws. Second, the labour market proposition fails to clarify why those from whom the franchise is taken away would not rebel and demand their rights back. Finally, while the overall suffrage restriction trends are consistent with the labour market story, franchise laws became more liberal on several occasions, which suggests that representative institutions are volatile and reversible, or possibly driven by factors other than labour issues.

Our second proposition directly addresses the limitations of the labour market hypothesis. First, we argue that suffrage law changes were due to bargaining among political actors representing economic interests. Bargaining occurred within the elected chamber of Virginia's government (the Assembly), as well as among the Assembly, the governor—representing the King—and the governor's council, each of whom had a stake in Virginia's economy. Second, the success and extent of the bargaining depended on the political clout of coalitions formed in society, an argument in the spirit of Stasavage (2002). We identify three strategic coalitions. In the early-17th century, when labour demand was high, the tobacco planters—who needed workers to generate profits—sided with migrant labourers seeking legal protection from exploitation, resulting in a suffrage regime whereby both freemen and servants could vote. The mid-17th century saw a decline in labour demand due to increased life expectancy and the imposition trade restrictions, leading to the rise of a new politically influential coalition of larger planters and former servants who were able to acquire land. Facing a subsided pressure to attract migrant labourers, these two groups joined forces to push for restrictions that excluded indentured servants from voting. The arrival of slavery gave rise to a new alliance of large- and small-slaveholding farmers in the late-17th and early-18th centuries, which was instrumental in further reversing the earlier democratic institutions. Although larger farmers also prospered, smaller planters not only kept inequality low but also influenced decision-making through their increased bargaining power. Catering to the demands of this group prompted political representatives—many of whom were planters

² Since no women or slaves could vote, in this paper we consider suffrage extensions or contractions among different classes of mostly white males. Note that the liberal institutions in Virginia took root despite the high mortality, which contradicts Acemoglu et al.'s (2001) prediction that such environments would lead to extractive institutions.

³ Note that the term “freemen” refers to Virginian settlers who did not come as indentured servants but rather paid for their own passage and were usually landholders (Wertenbaker, 1922, p. 36, p. 40, p. 73). After serving their terms, former indentured servants became freemen.

⁴ Note that despite the restrictions, the Virginian suffrage regime was unusually broad and much more liberal than what it would be in Europe until the 19th century (Congleton, 2011, p. 522). For a detailed summary of the evolution of suffrage restrictions in Virginia, see McKinley (1905, pp. 17–47) and Brown and Brown (1964, pp. 125–135).

⁵ We show that white and black labourers were close substitutes.

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