Do Black Politicians Matter?

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Abstract

This paper exploits the unique history of Reconstruction after the American Civil War to estimate the causal effect of politician race on public finance. Drawing on an extensive review of the historical literature, I overcome the endogeneity between black political leadership and local political preferences, demographics, economic conditions, and political competition using the number of free blacks in the antebellum era (1860) as an instrumental variable (IV) for black political leaders during Reconstruction (1867-1877). While the instrument is well correlated with the number of black officials, I show that it is not related to electoral outcomes, the tenure of black elected officials, nor political competition and voter education campaigns during the Reconstruction era. IV estimates show that a one standard deviation increase in the number of black officials in a Southern county increased per capita county tax revenue by 0.62 standard deviations, a sizable effect. At the end of Reconstruction, however, the effect of black politicians entirely reverses— the same increase (which, after Reconstruction, is a decrease) in black politicians decreases per capita county tax revenue (1880-1870) by 0.86 standard deviations. Finally, I investigate whether the results are consistent with the policy objectives of black political leaders during Reconstruction, where black officials favored higher taxes to establish public education and initiate land reform. While I find no effects of black politicians on land redistribution, estimates show that exposure to black politicians during school age increased black literacy more than 6% and decreased the black-white literacy gap by more than 7%. These results suggest that black political success during Reconstruction is an omitted factor in black human capital acquisition after the Civil War.

JEL classifications: H2, H7, J1, N3, N4, N9, R1, R5

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PRELIMINARY DRAFT

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"You never saw a people more excited on the subject of politics than are the negroes of the South. They are perfectly wild."

- John H. Parrish to Henry Watson, Jr., *August 6, 1867*

"I do not hesitate to assert that the Southern Reconstruction Governments were the best governments those States ever had."

- John R. Lynch, *The Facts of Reconstruction, (1913)*

1   Introduction

What is the effect of politician race on government policy? In standard political models, specific candidate demographics have no effect— policymakers reflect the preferences of the electorate (Downs, 1957). At the same time, politician race may affect the electorate by increasing or depressing turnout, leaving the median voter endogenous to the demographics of the candidates for office (Washington, 2006; Vogl, 2014; Ferreira and Gyourko, 2009). In citizen-candidate models, which allow for politicians to differ from the median voter's preferred policy, there would be a race effect only to the degree that politicians of the same race have the same policy preferences (Alesina et al., 1999). Despite the limited empirical literature on the topic, public policy has adopted mechanisms designed to racially diversify the demographics of elected officials. For example, the Voting Rights Act of 1965 led to the creation of super-majority black congressional districts to insure racial minority representation in Congress. As such, the contemporary literature has focused on the effect of majority-minority districts or the racial composition of officeholders as opposed to the demographics of politicians themselves (Washington, 2012; Shotts, 2003; Friedman and Holden, 2008; Beach and Jones, 2017).

But does the race of the *policymaker* have an effect on policy outside of racial composition and preferences of the electorate? Racial segregation, the geographic concentration of African Americans in cities in regions outside of the South, endogenous incorporation and municipal boundaries, and political districting and redistricting make it difficult to disentangle candidate demographics from the communities they represent (Grofman and Handley, 1989; Ananat and Washington, 2009; Eisenger, 1982; Grose, 2005; Taylor, 1998; Grofman and Handley, 1989; Vogl, 2014). This makes it difficult to estimate the effects of candidate race given concurrent circumstances such as poverty, local racial composition, segregation, political efficacy, and municipal boundaries. The existing literature has

found little evidence of candidate demographics on public finance, and suggest that the racial composition of officials matters more than individual demographics (Beach and Jones, 2017; Ferreira and Gyourko, 2009, 2014).

This paper exploits the unique history of Reconstruction after the American Civil War to estimate the causal effect of black political officeholders on local government finance. From essentially no black political participation in the United States before the Civil War, more than 1,300 blacks held offices ranging from local school boards to Governor from 1866 to 1880 in the South. Black officeholders faced competition for office, created and exploited local black political organizations and voter education efforts, and articulated a platform that was at odds with antebellum Southern institutions. While the conditional correlation between black officeholders and local public finance is inherently interesting, the confounders of political competition, white resistance, and black political mobilization could lead to biased or spurious estimates of the effect of politician race on local tax revenue.

To overcome these endogeneity concerns, I use the within-state variation in the distribution of free blacks in 1860 as an instrument for black policymakers during Reconstruction. This instrument is well-motivated by the narrative history of Reconstruction and further substantiated empirically. Free blacks are an appropriate instrument because (1) a disproportionate number of black officeholders during Reconstruction were free blacks, (2) the distribution of free blacks in 1860 is not related to subsequent policy outcomes since as a fraction of the total black population they were quite small, less than 3% of the population, (3) free blacks were not related to Reconstruction political competition nor electoral outcomes due to their small share of the voting population, (4) since no blacks were enfranchised in the South before the Civil War, the distribution of free blacks is not related to antebellum black political capital, (5) since the measure comes from 1860 it is not driven by the movement of Northern whites South after the Civil War (Carpetbaggers), movements of Freedmen after Emancipation, nor political participation by Southern whites sympathetic to black civil rights (Scalawags), and (6) the narrative record establishes that free blacks do not reflect permanent, location-specific preferences for redistribution nor public goods provision.

While well-motivated by the historical literature, I check that this instrument satisfies the exclusion restriction via a number of supplementary empirical test. I establish that the within-state distribution

of free blacks (1) is not related to date of entry of black politicians, (2) is not related to date of exit, (3) is not related to average length of term in office, (4) is not related to Reconstruction-era voting outcomes, and (5) is not related to Reconstruction-era vote shares. Consistent with the narrative record, Reconstruction led to a large, temporary influx of black political leaders.

The conditional correlation between county taxes per capita and the number of black politicians is positive and significant, with each additional black politician correlated with a \$0.09 increase in per capita county tax revenue. IV estimates, however, are twice as large as the OLS estimates, with each additional black politician increasing per capita county revenue bv more than \$0.20 in the most conservative estimate. The IV estimates imply that a one standard deviation increase in the number of black officials increased per capita county tax revenue by 0.62 standard deviations, a remarkably large effect. Results also show that the effect is concentrated in legislative officials. This is consistent with the separation of powers and the concentration of taxing authority in the legislative branch of government.

As an additional check to ensure that the result works through black officeholders and not a community-level preference for redistribution, I measure how local public finance changed after Reconstruction ended. Beginning in the mid 1870s, Southern whites began to restrict the political participation and influence of blacks, known as Redemption. By 1877, a super majority of black officeholders had stopped serving and were replaced by whites. If the tax revenue effect in 1870 is driven by local electoral preferences for redistribution, then the result should be persistent even after black policymakers are out of office. I find that Black policymakers during Reconstruction have no persistent effects on public finance. There is a negative effect of black officeholding during Reconstruction on public finance in 1880. Indeed, the effect of black politicians entirely reverses— the same increase (which, after Reconstruction, is a decrease) in black politicians decreases tax revenue (1880-1870) by 0.86 standard deviations. Put another way, the tax effects of black policymakers left no lasting effects on local pubic finance.

In keeping with the models of citizen candidates (Alesina, 1998; Osborne and Slivinski, 1996; Besley and Coate, 1997), I use the narrative record to show that black politicians had policy agreement on the use of taxes for two specific redistributive purposes– public education and land redistribution.

Black politicians were highly likely to view high property taxes as a means to induce the breakup of large landholdings and to advocate for well-financed public schools. To examine whether they were indeed efficacious, I analyze the effects of black politicians on land reform and education. There is no effect of black politicians on the number of farms, the size distribution of farms, changes in farm value, nor changes in land use. I do find large education effects for both blacks and whites exposed to black politicians. A back-of-the-envelope calculation shows that a one standard deviation increase in black politicians increased black male literacy by two percentage points. Difference-in-difference and DDD estimates (for black literacy and black-white literacy differences, respectively) show that exposure to black politicians increased black male literacy by 6% and closed the black-white literacy gap by 7%. Black officials had a large effect on black educational outcomes during the Reconstruction era.

This paper makes several contributions to the literature. First, the results here add to the growing literature on policymaker demographics and political outcomes (Beach and Jones, 2017; Ferreira and Gyourko, 2009, 2014). Scholars have analyzed gender and race on contemporary political outcomes, but this analysis shows the effects extend well into the past with a different institutional and political structure. Second, this work leverages the historical record to determine the specific areas of policy agreement among black officeholders during Reconstruction, which allows me to analyze whether specific policy goals were achieved. Third, this paper speaks to the literature on Southern politics, schooling, and institutional development. The majority of existing Reconstruction studies focus on specific states or biographies of specific leaders, not the broad policies advocated by black political leaders. Similarly, little analysis in economics has focused on schooling during Reconstruction, when the public school system in the South was established and when black political participation made public education a priority. The political gains by African Americans had real effects in a region of the country with traditionally low investment in public goods and human capital. The results here show that black political involvement is an important and omitted factor in the history of black human capital gains in the nineteenth century.

2 The Political Ideology of Black Policymakers

The enfranchisement of black males in the South began in 1867 when Congress ordered Southern states to form new governments under suffrage laws that were racially neutral. This lead to a considerable number of African Americans holding office during Congressional Reconstruction.[1] While over 260 African-American delegates were elected to state constitutional conventions which marked the beginning of Congressional Reconstruction, the rest of the period, using the conventionally cited 1876 as the end date, saw sixteen black Congressmen, six lieutenant governors, four state superintendents of education, eight secretaries of state, and over 600 black state representatives elected to office. Though black officeholding was extensive, in proportion to population it still marked underrepresentation for African-Americans. Only in one southern state, South Carolina, was there ever truly a black majority in the state legislature. Nevertheless, the widespread voting and election of southern African-Americans, many of whom were enslaved mere years before was a striking revolution in both American and global political history.

Given the similarly in racial relations between Jim Crow and the antebellum era and the relative lack of labor mobility until the Great Migration, many scholars have not studied the effects of Reconstruction as an event which could have led to substantial changes in local institutions. Reconstruction, as noted by Foner (2014); DuBois (1935); Franklin (1961); Williamson (1965) was not a brief aberration from antebellum institutions, but a dramatic change in political, economic, and social relations in the South. Although relatively brief, the political activity of blacks during this time was one of the most momentous changes of the nineteenth century. Despite this change, there has been remarkably little economic analysis of the effects of black political participation on public finance, public schooling, land reform, and a host of additional factors which could have been influenced by black political leadership.

The economic history of the post-bellum South has not extensively studied the Reconstruction era. While Alston and Ferrie (1999); Naidu (2012); Kousser (1974); Wright (2006, 1986); Margo (1990); Ransom and Sutch (2001); Pritchett (1985, 1989) and others have detailed the links between political disenfranchisement and public goods after Reconstruction, few have considered the role of

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[1]See the Appendix for a brief history of Reconstruction.

black politicians during Reconstruction. For example, Margo (1990); Pritchett (1989) concentrate on schooling after Southern whites seized control of school boards and consolidated school financing at the state level in the South. Naidu (2012); Kousser (1974) concentrate on voting restrictions which were enacted after widespread voter intimidation limited black political participation. Alston and Ferrie (1999); Ransom and Sutch (2001) focus on labor contracts in periods where blacks lacked access to organizations such as the Freedmen's Bureau to negotiate contracts. Ager (2013) considers the persistence of the political power of wealthy landowners from the antebellum to postbellum eras, but the role of black political success during the Reconstruction is not directly addressed in the existing scholarship.[2]

Part of this neglect may reflect the shifting historiography of Reconstruction, most recently described by Foner (2014). The earliest histories of Reconstruction were heavily influenced by the Dunning School, which held that Reconstruction was a failure, that black political participation led to incompetent leadership, and that federal influence in the former Confederacy was unwarranted and ultimately unsuccessful (Dunning, 1907). While this perspective was first challenged by DuBois (1935) and followed by several scholars in African American history (Bennett, 1962, 1967; Franklin, 1961), the perspective on Reconstruction and black policymakers has only recently been added to the mainstream historical narrative (Hahn, 2005; Rabinowitz, 1982; Lynch, 2012; Foner, 1996, 2014; Woodward, 1971). The current consensus is that the Reconstruction governments were not as incompetent as previously believed. The efficacy of these governments, however, has not been documented quantitatively.

2.1 Black Policymakers and Reconstruction Politics

One key issue facing any policymaker during Reconstruction was public finance. The tax base in some Southern states circa 1865 was predicted on slavery. In Louisiana, for example, slaves accounted for between one-third and one-half of the tax base. The decline of the cotton system, falling agricultural

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[2]Ager (2013) does analyze violence against black officeholders after Southern Redemption and finds it more likely in counties with more skewed antebellum wealth distributions. One complication is that the violence begins after Redemption starts, and another is the question of how such persistent political power coincided with black officeholding, which should be less common in areas with a persistent ruling elite. Cook et al. (2016) find no effects of black political leadership on lynchings in the Jim Crow era.

prices, and decline in black labor supply were only part of the problem. Given that the majority of the battles were fought in the South, there was infrastructure repair that placed additional demands on public finance. Even more, the humanitarian needs of the newly emancipated slaves were not fully addressed at the federal level and required local public support.

Bond (1938) argues that tax rate increases were driven by two factors between 1860 and 1870– a decrease in the value of assessed property and increased spending during Reconstruction. Low tax rates were common in the antebellum era and were even a problem for financing the Confederacy– it was difficult to pass levies in support of the war effort. Another issue was slavery itself– farm value was inversely related to the extent of slaveholding (Wright, 2006). The self assessment of property values came to an end with Reconstruction, where administrative offices were established to asses property values and where tax rates increased to finance an increasing range of public goods including infrastructure, education, and public assistance.[3] Lynch (2012) details several officials whose duties included assessing taxes or collecting taxes at the local level. There was variation in the duties and the degree to which local officers could influence tax revenue under regulatory authority, but for the first time blacks held these positions and/or otherwise held positions which would influence tax levels. Such titles included levee commissioner, collector of taxes, internal revenue assessor, auditor of the treasury, and tax assessor in addition to offices which had legislative authority to tax.[4]

In models of citizen-candidates, politicians are concerned about specific outcomes and they cannot credibly commit to moderate policies, and in these cases there will be policy divergence depending on which candidates are elected (Alesina, 1998; Osborne and Slivinski, 1996; Besley and Coate, 1997). While contemporary surveys show that blacks have greater preferences for distribution than whites (Beckman and Zheng, 2003), the ideology of black policymakers during Reconstruction must be established. Before turning to empirical estimates of the effect of black politicians it is important to detail their political preferences and to highlight areas where they held broad agreement. There were two key issues that black political leaders thought most important– public education and land redistribution. This is not to say that all politicians shared these concerns, but these have been established

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[3]The lower levels of taxes in the South continued and are evident when the first income taxes were filed in 1913 (Woodward, 1971).

[4]Foner (2014) gives additional positions at the local level with assessment or collection duties. He finds that blacks were increasing in their positions in the roles until the Depression of 1873.

in the literature as the two issues where disparate agendas were most often united (DuBois, 1935; Foner, 2014; Hahn, 2005; Rabinowitz, 1982; Williamson, 1965).[5]

2.2   Black Policymakers and Public Education

The key issue for education was creating and financing a public education system that would serve both black and white students. While population growth in the North reflected demand for public education (Wright, 2006), the South did not invest as heavily in human capital. A public education system could have been a setting for social integration, but this was never brought to fruition due to white resistance and black ambivalence about the advantages of integrated schooling (Foner, 2014). Black policymakers rarely advocated for desegregated education, and as such the educational system established after the Civil War was one segregated by race in nearly all localities. Although Federal Freedmen's Bureau schools have received more historical attention, they educated relatively few black students– the public school system was far more important (Margo, 1990).

As noted by DuBois (1935) and others, public education necessitated a drastic change in public financing in the South, which had substantially lower levels of public goods provisions until after the Civil War. Estimates from historians suggest that one-fifth of local taxes were used to fund public education (DuBois, 1935). Attempts to use federal funds to finance public education were futile, although Senator Charles Sumner repeatedly attempted to have federal assistance for public schools. James Rapier, a Congressman from Alabama, sought to provide more aid to schools in states with the highest illiteracy rates (Rabinowitz, 1982), but was unsuccessful. While some advocated the sale of federal lands or unclaimed Civil War bounties to finance education, the use of poll taxes and property taxes proved more amenable to finance local public schools (Rabinowitz, 1982; Lynch, 2012; Marszalek, 2008; Foner, 2014; Williamson, 1965). Since these were administered at the county level, the county became the canonical boundary for Southern school districts.[6]

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[5]There were areas of disagreement among black politicians as well. Foner (2014); Williamson (1965) describe the debates surrounding railroad finance, where black politicians disagreed. Testing these policies is difficult, however, as railroad finance was a state issue and whites disagreed on the policy as well. As such, there is not a clear distinction along racial lines in the policy space.

[6]Lynch (2012) sketches the geography where school districts and counties were mapped one-to-one for efficient collection and distribution of taxes. Constitutional conventions in some states, such as Louisiana, advocated one public school per parish. It is not clear whether this was for population density concerns or simply reflecting the reality that

This system of taxation was not instituted by whites during Presidential Reconstruction. Indeed, Presidential Reconstruction continued the antebellum practice of low property taxes and high poll taxes, which prohibited the establishment of schooling (Franklin, 1961; Foner, 2014). The initial public schools established in Presidential Reconstruction were whites-only (Franklin, 1961). DuBois (1935) argues that the creation of a public education system caused drastic change in the state and local tax systems.[7] Southern property owners complained about the progressive nature of the taxes, in particular since public schools, which primarily educated poor children, were being funded by property taxes which were paid disproportionately by wealthy landowners. North Carolina's case typified the situation. Public schools were ended during Presidential Reconstruction by Governor Worth to avoid educating black students. North Carolina did establish local school boards charged with the task of raising funds to support local schools during Congressional Reconstruction. The poll taxes and local levies proved insufficient, due to conservative resistance to local taxation. State funds had to be used for additional revenue. It is difficult, however, to parse the effect of schooling on local debt since infrastructure projects, favored by landowners, were also financed through a combination of state and local tax revenue (Franklin, 1961).[8]

The specific policy mechanisms advanced by black politicians for public education varied by state– in Alabama a property tax, in Texas the sale of public lands, in Maryland changes to the state tax code to allow local taxation, in South Carolina Murray suggested that unclaimed Civil War bounties could be used, and in North Carolina the O'Hara administration suggested a specific consumer tax for education. Gillette (1982) has argued that the prospects of federal land sales to finance education was an impetus for the Civil Rights Acts passed during Reconstruction. Harrison Reed's plan in Florida was to increase land assessments to fund public goods, and this model was followed in other Southern states by black political leaders (Current, 1988). Fitzgerald (2007) notes that property tax increases were the key drivers of tax revenue in Mississippi and Louisiana, while Valelly (2004) also shows that poll taxes played a critical role. Rabinowitz (1982) details the case of Richmond, VA, where black city council members built a school for black students and poll tax payments were required for continual

most public goods were provided at the county level, which is also the level at which taxes were assessed.

[7]Litwack (1979) cites several examples where Freedmen could not afford the tax on schools.

[8] In official federal records these were not disaggregated until after Redemption.

support. It was common during Congressional Reconstruction that state taxes were supplemented with local tax revenue. As Williamson (1965) notes, "each county taxed its property owners for the administration of regular county affairs and for special purposes such as new buildings and roads. Furthermore, the school tax was often quoted separately" (pp. 150-151). When white Democrats petitioned Congress over the issue of increased tax rates, South Carolina's Governor instructed State Treasurer Francis Cardozo to issue an itemized response which listed state and normal school expenses as two of the four largest categories of expenditure accounting for the growth in government outlays (Williamson, 1965; Sterling, 1994). In general, the contemporary historical record has documented the primacy of education in black policymaker decisions and as a key source of consensus.

2.3   Black Policymakers and Land Reform

Southerners of both races noted that the low taxes in the antebellum era encouraged the acquisition of unimproved land by wealthy landowners (Foner, 2014). While land productivity was high in the antebellum South, more than two thirds of Southern farmland was unimproved in 1860 (Fogel and Engerman, 1974). During Reconstruction, black policymakers sought to use tax policy to induce the sale of unimproved land (Foner, 2014). The basic idea was not to use taxes on land to seize property for non-payment of taxes, but rather to alter the opportunity costs of large landholding. The goal was to create a class on yeomen black farmers in the South, and to increase the number of white yeomen farmers as well. Most states designed policy where land seized for taxes was to be sold in small lots, similar to land lotteries in the antebellum era for land acquired through treaties with Native American tribes. Given the tax exemptions from small landholdings, this would result in more landownership and more farms but also a redistribution of wealth. As noted by Foner (2014), Abraham Galloway, an influential black politician in North Carolina, stated that "I want to see the man who owns one or two thousand acres of land, taxed a dollar on the acre, and if they can't pay the taxes, sell their property to the highest bidder...and then we negores shall become land holders" (p. 376).

The narrative record establishes that this policy was not restricted to a few black leaders in selected states. For example, Williamson (1965) describes the case in South Carolina as "a heavy tax on unused land. This tax was expected to force owners of such lands either to bear the burden of the

tax from their other resources, to put the land under cultivation and thus employ laborers or renters, or to allow the land to be sold..." (p. 148). He further notes that a black delegate to the South Carolina convention stated that the high tax rates "would force owners of large tracts of waste lands to sell and give us a chance" (p. 149). Similarly, Foner (1996) describes "several officials, including Matthew Gaines of Texas...urged heavy taxation of unoccupied land, to force it onto the market" (p. xxvii). The system of taxation became the preferred means of land redistribution, as the emerging Southern leaders feared that confiscation would meet with negative reaction in the North. It was also easier to increase taxes on land as opposed to confiscation regimes– Boards of Equalization had authority to increase or decrease the assessments in counties.

The break up of large plantations through taxes on land or by stipulating that land landholdings be sold in small parcels was met with skepticism. Even as state constitutions were being created in the South, black delegates were taking the floor to make forceful arguments for aggressive land redistribution. In responding to the argument that land sales would simply redistribute land to other large landholders, Francis Cardozo of South Carolina noted that a group of around 100 "poor colored men" in Charleston had formed the Charleston Land Company to acquire land at a discount.[9] In January of 1868 the company purchased 600 acres of land for $6,600, which "would have sold for $25,000 or $50,000 in better times. They would not have been able to buy it had the owner through necessity been compelled to sell. This is only one instance of thousands of others that have occurred in this city and state" (Smith (2013), p. 320.). Compelling sales meant not only that land would be redistributed, but that the price of the land sold would make it in reach of poor Freedmen and whites to purchase collectively or individually.[10]

It is important to distinguish this policy from land seizures for non-payment of property taxes. While seizures were relatively common during Reconstruction, they rarely resulted in significant land redistribution. Even at the time, policymakers of all political stripes noted the limited ability of pubic property sales for tax liens to redistribute land due to the potential of collusion in the land markets (Foner, 2014). Indeed, one reason why property holding among blacks may have been related to high

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[9]The men subscribed ot the company for shares purchased for $10 each, paying in $1 payments each month.

[10]The problems of needing collectives to purchase large quantities would not be part of the tax policy. However, the policy of requiring tax sales to be in small parcels became part of the policy for this purpose.

assessment rates could be the fact that they would be more likely to acquire property in areas with higher assessments, which could be related to higher taxes in general (Margo, 1984; Higgs, 1984). Even with this, overall rates of black landowning were relatively low and while tax policy has been seen as an ineffective method of land redistribution, there have been few empirical tests for any effects (McPherson, 1875).

2.4   Southern Redemption

Beginning in the early 1870s, Southern whites began a wide-spread campaign to undo the Congressional Reconstruction process. As with the conflict during Presidential Reconstruction, Southern Redemption was concentrated on reducing the level of black political involvement and reestablishing antebellum social relations and customs in social life and the labor market (Rable, 2007; Lemann, 2007; Woodward, 1971). The eventual establishment of Jim Crow and de facto disenfranchisement after Reconstruction were not automatic but required southern states to overturn Congressional Reconstruction era policies to those adopted in Presidential Reconstruction. As such, Southern Redemption was predicated on the political events of Reconstruction.[11] One aspect of the racial nature of the response is that white Southern populists were as vocal in their opposition to black political power as elites. Fitzgerald (2007); Rable (2007); Lemann (2007) claim that political arguments over "excessive" taxation were related to increasing Klu Klux Klan activity and overt acts of racial intimidation. Woodward (1971); Ayers (1992); Williamson (1965) note that Redemption came with state policies which limited the ability of local bodies (such as school boards) to levy taxes and even created systems where school board members were selected by the governor as opposed to local electorate. Despite the appeals to states' rights, Redemption featured strong federalism in public finance if it limited black political prerogatives.[12].

The contested issue of public school financing reflected the divide over public schools generally, which split traditional Redemption Democrats and Independents in the 1870s. White literacy declined

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[11]Ager (2013) argues that Redemption was a return to antebellum political institutions, and finds that the post-Redemption constitutional conventions, which undid the Reconstruction-era policies, featured an inordinate number of representatives from the Presidential Reconstruction constitutional conventions. Acharya et al. (2016) find even longer persistence of slaveholding on political preferences.

[12]This is consistent with the political ideology which led to succession, which Dew (2002) argues which was less related to political concerns as opposed to hostility to blacks

precipitously from 1880-1900 as overall funding declined and black-white disparities in funding grew (Foner, 2014). In Mississippi and Alabama, state taxes for education were ended, placing the burden of school financing at the local level after blacks had been removed from office, and in Mississippi Democrats called for the abolition of the entire public education system. Holt (1977); Prince (2014); Bellesiles (2010); Williamson (1965) argue that strong Democrat opposition to tax policy and black policy makers towards fiscal policy were turned into an argument about black political officials being corrupt.

Local and grassroots resistance to Reconstruction was common during Redemption. The Charleston Chamber of Commerce passed a resolution in 1871 to encourage local businesses to simply stop paying all taxes, and withholding of taxes became a means to overthrow local black political leaders (Current, 1988; Bellesiles, 2010). Duncan (1986) outlines the general restrictions on local public finance during Redemption, and Rabinowitz (1982) shows how whites systematically removed black politicians from offices which controlled public finance during Redemption. For example, Foner (2014) documents the abolition of several state boards of education during Redemption. In 1875 there was a tax limit for public schools placed into the Alabama state constitution by planters (Bond, 1938). In Vicksburg, criticism of taxes was used as a justification for racial violence (Gillette, 1982).[13] Some resistance to taxes was due to the belief that high tax rates were keeping capital investment out of the South, even though tax rates in the South were relatively low (Hesseltine, 1935). The South Carolina Taxpayer's Convention of 1874 was met with a legislative response which documented that per capita taxes had increased only $0.38 while supplying new public goods such as education (DuBois, 1935).

There is evidence that black policymakers acted consistently to defend public education, in contrast to other public expenditures such as infrastructure. In Mississippi, black officials in the state legislature united to defeat a measure advanced by white Democrats which would have reduced the tax base for public schools. As another example, in Louisiana blacks petitioned to have local taxes as a source to continue funding public schools after the tax that funded local education expenditures was suspended by state government (DuBois, 1935). W.F. Brown, State Superintendent of Education in Louisiana, further investigated the wholesale disappearance of funds intended for public schools

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[13]Conservatives also hoped that the Supreme Court would invalidate the provisions of the Civil Rights Bills that provided for equal access to public education (Gillette, 1982).

after white Democrats returned to power. The efforts of the remaining black politicians to defend and further their policy agenda after Democrats regained control of state legislatures were futile, however.

The narrative history of events after Reconstruction give some important clues as to effects of the end of black political leadership. While the narrative histories stress voting and racial intimidation, public finance played a significant role. Williamson (1965), consistent with other histories, describes how black/white school funding ratios diverged considerably after Redemption. Political disenfranchisement was linked to education– white legislators justified the disenfranchisement of black citizens by arguing that it was not "incumbent" upon them to educate blacks and that, as uneducated citizens, they should not vote. This was not simply a function of white elites, white politicians who were populists also advocated for racially discriminatory policies and advocated for disenfranchisement (Foner, 2014; Franklin, 1961). DuBois (1935) notes the decrease in school enrollment from 1874-1876 when Democrats seized control of the Arkansas legislature. In Texas, Governor Roberts vetoed appropriations for public schools as a matter of fiscal conservatism (Woodward, 1971). Fitzgerald (2007) notes that while some white officials sought to drastically reduce all education expenditures after Redemption, the popularity of public schooling among whites led to fewer reductions in educational expenditures for whites. Woodward (1971); Valelly (2004) describe how the length of the school term declined by 20% and expenditures per pupil declined by 60% from 1871 to 1880. In Virginia, the governor promised planters that the property tax which funded public schools would not be enforced (McPherson, 1992).[14] The tax policies adopted during Redemption are further suggestive evidence of the stark policy preference differences between black and white officeholders in the South after the Civil War.

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[14]Also see Butchart (2010), pp. 153-178.

3 Data and Empirical Strategy

3.1 Data

3.1.1 Black Policymakers During Reconstruction

The information on black policymakers comes from Foner (1996), which is the most comprehensive source of black officeholders during Reconstruction. While not a complete catalog of every black officeholder during Reconstruction, which would be impossible, Foner (1996) contains the entries of all major officials and the supermajority of black officials ("all the major black officials at the national and state levels and a majority of local officeholders") during Reconstruction. As one sign of its comprehensive nature, there have been few subsequent additions to the list compiled in Foner (1996) since its revised publication, which added 48 officials from the first edition, deleted three white politicians, and corrected the biographies of several entries.[15] As noted by Foner (1996), they had "control over such matters as public expenditures, poor relief, the administration of justice, and taxation policy, local officials had a real impact on the day-to-day lives of all Southerners" (p. xxvi).

One concern would be that there is selection in the officials appearing in Foner (1996) which would be correlated with their political success. The narrative historiography of Reconstruction, however, strongly suggests that this would not be the case. As detailed by Foner, the existing scholarship about the known black politicians was often incorrect and narratives about the illiteracy and poverty of the black politicians continued to be repeated in the historical narrative until the archival work in Foner (1996) and other histories were compiled. Indeed, the histories of Reconstruction which noted black officials did so derisively– Coluter (1968), for example, described the black officials in Georgia as swindlers who could not read, although the majority were literate. The black officials were not included as examples of political effectiveness but most often as examples of incompetence, ignorance, and unfitness for office. This extended to official records– some states sought to eliminate biographies of black officials from state records. The consensus of the ineffectiveness of black officeholders before the revisionism of the most recent scholarship suggests that the black officials in the historical record

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[15]See Hahn (2005) for information on political leadership more broadly, which includes Union League officials, Republican Party officials, journalists, and prominent community organizers.

would not be recorded in the records due to their effectiveness.

The data compiled by Foner includes not only the name and position held, but also the place of officeholding. For the purposes here, I delete officeholders at the national level (those serving in Congress, for example) and those whose only elected office was a delegate a state constitutional convention. (Given their small number their inclusion does not alter the results.) All officeholders are matched to the county from which they served. The information was compiled and classified by officeholder and by type of office. Figure 1 shows the map of black officeholders by county. As the figure shows, there is a great deal of variation within states of the number of black officeholders.[16]

Additional information on officeholders includes the term in office and additional information for officeholders that could be determined in Census records and contemporaneous sources such as their occupation, literacy, and slave status at birth. Table 1 shows summary statistics for the black politicians.[17] More than 25% of the leaders could be confirmed to have been born slaves. Consistent with the narrative record, a disproportionate number of the officeholders were born as free blacks, more than 40% whose slave status at birth could be determined were born free. Of all of the officeholders, more than 20% were born free. When considering the extent of manumission, this is a conservative estimate of the over-representation of free blacks among officeholders, but establishes that free status was disproportionate among black officeholders. As a comparison, of the total US black population of 1860, 10.7% of were free.

Another dimension of their status would be literacy. Of the officeholders in the data, more than 60% were literate. Of those whose literacy status could be determined by matching to census enumeration, more than 80% were literate. This level of literacy is far above estimates of literacy for the black population as a whole. Margo (1990) estimates that less 30% of the black population in 1880 was literate. Nearly a quarter of officeholders owned property valued at more than $100 at the time of census enumeration, at least an order of magnitude above the rate of property ownership for blacks in the late nineteenth century (Margo, 1984; Higgs, 1984).

Occupations are another dimension of their elite status. Less than 25% of the officeholders were

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[16]Figure A2 shows the distribution of officeholders by date of service. The majority of black officeholders began their service before 1870.

[17]These summary statistics are from the sample defined above. See Foner (1996) for summary measures of the complete data.

farmers or laborers, the most common occupations for southern blacks at the time. Nearly 13% were ministers and more than 7% were merchants. In terms of branch of government in which they served, more than half (56.7%) served in legislative capacity, and roughly one third (33.5%) served in executive positions. The remaining 9% served in judicial offices.[18]

3.1.2   County Level Data

County level information comes from the 1870 and 1880 census, which collected county level tax revenue data as well as assessed and real property valuation information for the census year. While the 1880 tax records are more detailed, for consistency I construct the 1880 tax data as the 1870 tax data.[19] The focus on county taxes is due to the fact that very few municipalities collected any taxes in either 1870 nor 1880. For historical public finance, county tax revenue is the key metric for within-state variation (Sylla, 1986).[20] For example, in Alabama fewer than 20% of the counties reported any local or municipal taxes. Out of all municipal taxes collected in Alabama, more than 80% came from two urban counties, Mobile and Montgomery. Other southern states followed a similar pattern of very little municipal taxation.

Table 2 shows the summary statistics of county-level information. It also shows means by whether the county had a black officeholder. Nearly one third of all counties had a black officeholder during Reconstruction. For the counties that were represented by black officeholders, they averaged more than four officeholders during Reconstruction. There are some differences between the counties represented

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[18]The first position held is used unless that position was as a delegate to a state constitutional convention. Those elected as delegates to state constitutional conventions could not have had an impact on local politics since their task was a state level constitutional framework, and not the operation thereafter. This excludes a small number of politicians– only 74 officials served as constitutional convention delegates and did not enter another office subsequently. For determining the type of office held, a qualitative assessment of the office was necessary. A value of Legislative was given if the politician himself or the governmental entity with which he was associated with was tasked with drafting laws. This would include such titles as a state house representative or a clerk for the state house. A value of Executive was given if the politician himself or the governmental entity with which he was associated was primarily focused on carrying out or enforcing laws or making decisions on what to adopt into law. This includes such titles as alderman, county commissioner, postman, or a clerk for an entity primarily tasked with these duties. A value of Judicial was given if the politician himself or the governmental entity with which he was associated was tasked with the interpretation of the law or establishing penalties for criminals in courts of law. This includes titles such as magistrate, justice of the peace or a clerk for any court of law.

[19]In 1880 a separate line item for state and county taxes collected for schooling was created, and to be consistent these were summed for 1880 as they could not be further divided. Even when adding and subtracting these amounts the results remain as the overall tax revenue declined significantly in the between 1870 and 1880.

[20]Outside of the census data, there are few sources which are comprehensive over all Southern counties for the Reconstruction era.

by black officeholders. For example, officeholders were more likely to serve in urban counties, but slightly less likely to serve in counties with large Republican vote shares. Per capita taxes, farm values, manufacturing wages, and manufacturing output are all larger in counties that had black officeholders.

3.2   Empirical Strategy

As noted above, there were a variety of mechanisms available at the local level to increase revenue. While the specific channels varied by state, I test for the effect on local tax receipts. With the lack of municipal taxation in the South, the lowest level to analyze is county tax revenue. The empirical question is whether the number of black policymakers influenced the tax revenues in a county. I focus on county tax receipts, which net out the effect of state and municipal taxes and concentrate only on taxes due to and established by the county, and which varied considerably. County tax revenues are a function of local economic activity, the value of property in an area, and political preferences of voters. One strategy would be to control for economic and political differences between counties in the same state and estimate the effect of black politicians on per capita tax revenue net of those controls. Using this straightforward idea as a guide, the model would be:

$$\tau_{i,s} = \alpha + \beta BlackPoliticians_{i,s} + \Gamma X_{i,s} + \theta_s + \epsilon_{i,s} \tag{1}$$

Where τ is county taxes per capita in county i in state s. X includes a host of controls that should, in the absence of any racial effect of politicians, determine per capita county taxes. In this analysis the measures include not only the value of farms and real estate (the basis for property tax assessment), but also percent black in the county, total population (a proxy for the provision of poll taxes), average manufacturing wages, the value of manufacturing output, illiteracy, Republican vote share in 1868, the Logan-Parman measure of racial residential segregation, county wealth, and indicators for rail access, water access, and whether the county is urban.[21] If politicians only reflect local economic conditions

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[21]The urban indicator also controls for potential substitution between municipal and county taxes in urban counties. Total population and population shares eligible to vote are highly correlated, and model fit was not improved by using the fraction of the county of voting age as a proxy for property tax payments. Total population may also reflect the presence of more children, which could be related to preferences for redistribution. Additional specifications with several additional controls, such as farm output, the value of machinery in agriculture, etc. showed that they did not

and political preferences the effect of individual politicians would be negligible. For example, if the claims of Alesina et al. (1999) hold and ethnic diversity leads to lower levels of public good expenditure, the effect should be captured in measures of segregation and black population shares and not via officeholders themselves.

The key variable is *BlackPoliticians*, the number of black political leaders in the county. The baseline specification shown in Table 3 shows that the effect of black politicians on within-state per capita county tax revenue is positive. These are the first results in the literature to estimate the effect of black politicians on Reconstruction-era public finance. In regressions with fewer and more controls the effect of politicians is quite robust and around $0.10 per officeholder. At a minimum, the robust correlation is suggestive that black political leaders served in areas that had higher per capita tax revenues. With the number of political and economic controls in Table 3, the results appear to be inconsistent with median voter predictions to the extent that the number of black politicians is well correlated with per capita tax revenue.

The results are consistent with the narrative record about the activities of black officeholders during Reconstruction. DuBois (1935) shows extensive evidence that black officeholders sought to use public finance to create and sustain the public education system in the South. Foner (2014) documents how black politicians used public finance to fund public goods such as hospitals and other welfare services, particularly in areas where Freedmen's Bureau services were lacking. Egerton (2014), for example, details how Southern newspapers predicted that black officials would enact aggressive tax regimes to support public services. At a minimum, the robust correlation between black politicians and local public finance supports the narrative about the general efficacy of black political leaders during Reconstruction.

3.3   Endogeneity

The potential endogeneity of the number of black officeholders and county per capita tax revenues in Table 3 is a serious concern. During Reconstruction, black officeholding was a function of several

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have any influence on the results here. Specific agricultural output measures did not improve fit, consistent with farm output being capitalized in land values. Similarly, religious diversity, as used by Rhode and Strumpf (2003), did not have an effect on county per capita taxes. While there was significant diversity between states, the within-state religious diversity was not correlated with county tax revenue.

factors which reflected contemporaneous local political and economic realities. The first would be the political power of blacks themselves but also the degree to which whites would be able to mount a successful challenge to black political goals, which featured starkly different attitudes towards redistribution. Southern Redemption was particularly focused on taxes. The high likelihood of violence that black officeholders faced during Redemption is suggestive that areas of black political success were also areas with significant white resistance.[22] If white resistance was an increasing function of black political success, the relationship between politicians and tax revenues could be understated. At the same time, black political leadership could have been more likely in areas which had more progressive attitudes towards racial relations and/or redistribution, which would overstate the relationship. This would include postbellum activities of the Freedmen's Bureau and Union League, who were explicitly tasked with political education efforts which could have altered the terms of political competition and policy choices. For example, areas with large numbers of voters educated by Union League organizers could have been more politically active and more desirous of redistribution policies. While the estimates in Table 3 show that there is a robust positive correlation between black officeholders and public finance, there are several facts of the historical record that would make a causal interpretation difficult. Given the opposing forces it is difficult to say whether the correlation in Table 3 is overstated, understated, or whether the two effects offset each other.[23]

To overcome this endogeneity concern I use an instrumental variable for black policymakers during Reconstruction: the number of free blacks in 1860. As noted by the historical record (Lynch, 2012; DuBois, 1935; Foner, 2014; Hahn, 2005; Rabinowitz, 1982; Franklin, 1961; Williamson, 1965), a highly disproportionate number of black politicians were free blacks. The summary evidence in Table 1 shows that free blacks were disproportionately represented among officeholders. As such, we would expect the within-state distribution of free blacks in 1860 to be well correlated with the within-state distribution of black politicians during Reconstruction.

There are theoretical justifications for this instrument as well, following from standard citizen-candidate models. If the utility of a free black's ideal policy (relative to the chosen policy) is greater

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[22]See Rable (2007) for more on how whites viewed themselves as under foreign attack, rationalizing the racial violence that was endemic during and after Reconstruction.

[23]It is relatively straightforward to show that blacks would have preferences for land taxation, but this does not necessarily apply to policymakers. A simple model of preferences for land taxation is presented in the Appendix.

than that of Freedmen due to the restrictions imposed upon free blacks in the antebellum era, better knowledge of the benefits of particular policies, or larger gains from proposed policies, they would be more likely to be candidates. For example, free blacks may have been particularly aware of the positive externalities of public education given their antebellum experience in the free labor market, or could derive more business opportunities if more blacks were landowners and patronized their businesses. Citizen-candidate models also suppose that the cost of seeking office is uniform (Besley and Coate, 1997; Osborne and Slivinski, 1996; Alesina, 1998), but it is easy to show that if the cost of being a candidate is different for certain types they would be more likely to seek office. If free blacks faced lower costs of running for office their distribution would reflect exogenous differences in the cost of blacks seeking office as a function of the number of free blacks. It is important to note that this is only an intuitive appeal to theory, however. The narrative record does not provide clear evidence that free blacks derived greater utility from policies nor faced lower costs of seeking office.[24]. In general, while it is easy to show that blacks would have preferences for land taxation, tying such a model to one where the *race* of the officeholder influences policy outside of the preferences of the electorate is more difficult. For the instrument of free blacks to be valid, the exclusion restriction requires that free blacks are correlated with the number of officeholders, but not also some other channel that would be related to per capita tax revenues, such as political preferences. Below, I show the use of free blacks in 1860 as a measure which is well correlated with the number of black officeholders but free from the errors in the estimating equation is justified on several grounds.[25]

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[24]Foner (1996) gives several examples of black politicians losing customers, being forced to move, or meeting violent attacks after serving in office

[25]Using the population of free blacks as the instrument also implies that it is less likely to be subject to the concerns of inframarginal effects which would violate the exclusion restriction, as detailed by Jones (2015). Such an argument would hold if greater numbers of free blacks led to more redistributive policies among the locations that would have always had more black policymakers, or claims of more effective leaders if there were more free blacks. The history of Reconstruction, and the changes in tax policy after Redemption described below, are inconsistent with such an argument.

3.3.1 Narrative Justification of the Free Black Instrument

There are several features which assure us that free blacks satisfy the exclusion restriction.[26] First, free blacks comprised only 2% of the Southern population.[27] Furthermore, more than two thirds of free blacks lived in the countryside, not in urban areas. As such, it is not the case that free blacks reflect urban/rural differences in political preferences.[28] Second, the distribution of free blacks in 1860 is not related to later migration flows of blacks within the South after the Civil War.[29] Third, the distribution of free blacks is not related to carpetbagging– the movement of Northern whites South for political and economic gain. The largest political gains came from areas where there were more black voters in general, and free blacks would not be related to such effects given their small number. Also, many carpetbaggers were motivated by promises that establishing their own plantations would be profitable (Foner, 2014), which is a function of the slave population, not free blacks. Fourth, it is important to stress that while the free black population differed between states, with more free blacks in the Old South than the New South, the distribution within states is more related to idiosyncratic differences such as manumission, the length of settlement, and restrictions on between-state or between county movement for free blacks.[30]

The most pressing issue is that free blacks in 1860 could not be thought of to have any more than negligible amounts of political capital. Even in large urban areas where they were more numerous, free blacks did not enjoy political gains nor representation in local politics (Foner, 2014; Wade, 1967).[31]

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[26]For a history of free blacks see Berlin (1975) and Chapter 11 of Franklin (1980).

[27]The average number of free blacks over all counties was 247.4 (s.d. 1094.5). For counties with black politicians the mean was 288.48 (s.d. 799.2), and for counties without black politicians the mean was 229.47 (s.d. 1199.5).

[28]This leaves aside the debate that there were qualitative differences in slavery in rural and urban areas. See Goldin (1976); Wade (1967) for salient examples.

[29]While Logan (2009) finds that human capital was related to migration, the movement of blacks after the Civil War has never been suggested to be motivated by a desire to link with a free black community.

[30]Given the relatively lower number of free blacks in the New South, (Franklin, 1980; Berlin, 1975), it is important to control for such differences. See Figure A1.

[31]In fact, Hesseltine (1935) shows that conservative Democrats won their first victories at the start of Congressional Reconstruction, in 1868, and in areas with large numbers of free blacks. Such events would be unlikely if free blacks drive local political decisions. In general, there was little political participation by blacks on either side of the Mason-Dixon line in 1860. Delaware, a state with a large share of free blacks, required holding property to vote, disqualifying blacks from the franchise (Gillette, 1982). Only five northern states allowed free blacks to vote before the Civil War, and these states contained less than 5% of the *Northern* black population. In 1865, attempts to ban racial restrictions on voting failed in Connecticut, Minnesota, and Wisconsin. Even in 1868, only two states (Iowa and Minnesota) banned racial restrictions on voting (Foner, 2014). In fact, the discussions surrounding the Fifteenth Amendment concerned Northern states' concerns about their continued use of poll taxes, property requirements, and other restrictions on voting which remained legal until the Voting Rights Act.

They were completely disenfranchised in the antebellum era– the only Southern state to allow free blacks to vote upon their admission to the Union was Tennessee, where they were disenfranchised in 1834. The right of free blacks to assemble had been abolished by 1835 in every Southern state (Franklin, 1961). States frequently restricted their movement or banned free black immigration, and social and civic organizations among from blacks were illegal under state law.[32] Religious groups of free blacks were required to be supervised by white ministers. The purpose of these restrictions was to lessen the possibility of political mobilization among free blacks in the South. It would be inconsistent with the narrative record to argue that free blacks would be related to preferences for redistribution given their exclusion from politics (Foner, 2014). The citizenship status of free blacks was settled in *Dred Scott v. Sandford*, when the Supreme Court ruled in 1857 that all blacks where not citizens, had no standing to sue in federal court, and further had "been regarded as beings of an inferior order and altogether unfit to associate with the white race, *either in social or political relations*; and so far inferior that they had no rights which the white man was bound to respect" (60 U.S. 393, emphasis added). There is little in the narrative record to suggest that free blacks had any influence on preferences for redistribution.

Even within this restrictive legal framework, however, free blacks had to manage their own affairs and seek employment from local firms and households (Wade, 1967). They were inherently more likely than free blacks to have autonomous relationships in the community and were the natural source of leadership given the relative lack of human and social capital among recently emancipated blacks. Free blacks were also property owners, with real property in 1860 valued at over $500,000 in North Carolina, Virginia, Louisiana, Tennessee, and South Carolina, respectively. Given that free blacks had generally high levels of social interactions with whites, they had some route of semi-formal access and more intimate knowledge of the political process, even if only as observers. Indeed, after the Civil War, free blacks sought political access at the expense of Freedman, and only sought racial solidarity after Southern whites showed resistance to any black enfranchisement (Foner, 2014). Russ (1934a,b); Foner (2014) note that Lincoln did not advocate for universal black suffrage, but rather only for literate blacks who held property valued at more than $250, a proposition supported by free blacks.

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[32]North Carolina, for example, prohibited free blacks from venturing beyond the adjoining county they resided in. Other states forbade free blacks from leaving for any extended length of time and returning.

Once whites countered against any black political participation, free blacks sought the franchise for all blacks.

The areas with the greatest amounts of political activity were those with extensive Union League activity, which organized local communities and provided political and voter education, and the Freedmen's Bureau, which assisted former slaves in negotiating disputes, accessing government services, and provided assistance to former slaves in matters such as contract disputes. These organizations, however, were designed and used primarily by former slaves, not free blacks. The distribution of slaves would certainly be related to black political activity, voter education, and political preferences. The institutions and organizations which encouraged black political involvement were squarely aimed at the majority of the black population– Freedmen. Indeed, fewer than 5% of black politicians were known to have worked for the Freedmen's Bureau or were involved in Union League activities. As such, free blacks are related to the supply of black officeholders but not to the factors which would determine public finance at the local level.

3.3.2 Empirical Justification of the Free Black Instrument

The key threat to the validity of free blacks as an IV for black politicians is that free blacks would be related to political outcomes or preferences during Reconstruction. Since local economic conditions are explicitly controlled for in the specification, this is the most likely threat to the validity of the instrument. One proxy for political preferences of the electorate would be vote shares for Republican or Democrat candidates for office, which would reflect voter preferences, the extent of political competition, and voting coalitions which could factor into policy. A related concern would be that places with free blacks would have not only more black officeholders, but officeholders who were longer tenured and would arguably have more influence on local issues than those with shorter office tenures. Still another concern would be that free blacks came from areas with higher levels of political participation during Reconstruction precisely *because* free blacks were more likely to seek office.

In Table 4 I show the relationship between the number of free blacks in a county in 1860 and political outcomes over the entire Reconstruction era. Congressional elections feature greater within-state variation in candidates and more frequent elections, so these are the types of electoral outcomes which

would be most likely to detect a relationship. As such, if there is any endogeneity between candidates for office and free blacks it would be more likely to be detected in elections which feature within-state variation in candidates. Indeed, these congressional elections sent 16 black representatives to Congress. Panel A shows that free blacks are unrelated to vote outcomes in any Congressional election between 1868 and 1876. Free blacks, however, have no relationship to Democratic nor Republican vote shares in all five Reconstruction congressional elections. In addition, they have no correlation with the total number of votes casts in those elections.[33] This is consistent with free blacks being a relatively small fraction of the population and not related in a significant way to the shares nor voter turnout in general.

In Panel B of Table 4 I analyze the officeholders themselves and find that free blacks are unrelated to the average starting year in office, length in office, nor year of exit from office for black officeholders. This is consistent with the narrative history of Reconstruction, where there was a large increase in the number of black officeholders which began roughly in 1868 and ended in the middle of the 1870s as Southern Democrats regained office. Overall, Table 4 shows that the number of free blacks were not related to political outcomes nor the extensive margin of black officeholding during Reconstruction. While more officeholders were free blacks, it is not the case that coming from communities with more free blacks led to earlier entry into office nor longer tenure in office. This, too, is consistent with the narrative record that Reconstruction saw a dramatic influx of black officeholders who were placed into office at the start of Congressional Reconstruction and were displaced in the mid 1870s (Foner, 2014).[34]

3.3.3 Considering Other Potential Instruments

Free blacks may not be the only instrumental variable available, and it is useful to consider other IVs and what they would identify. First, one may think of environmental factors such as crop suitability as IVs for black officeholders under the assumption that crop suitability is related to long-standing political institutions which have their roots in agricultural productivity. The key problem with such

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[33]Results are similar in Presidential election outcomes.

[34]It is also the case that the sudden departure of black politicians at the beginning of Redemption tempers any concerns that black politicians were more prone to corruption than others.

an IV would be the fact that environmental factors are obviously related to slavery, the extent of slavery due to differences in slave labor requirements for specific crops, slave productivity, and agricultural land values (Fogel and Engerman, 1974). This would violate the exclusion restriction, and environmental factors would therefore not be exogenous to political institutions as they would be related to the tax base via farm values.

Second, one could think of Confederate losses during the Civil War as an IV for black officeholders under the logic that areas with more Confederate deaths would have fewer whites able to serve in political positions. Another part of the logic of such an IV is that the losses would have occurred before Reconstruction and would be unrelated to local conditions given troop movement and the locations of battles during the Civil War. Unfortunately, the extent of troop losses in the Confederacy is unknown and highly suspect.[35] This could lead to the numbers of losses being correlated with Scalawags, Southern whites who were Republican during Reconstruction and derided as deserters during the Civil War, or other factors which would be related to postbellum outcomes. Another complication is that Confederate deaths are correlated with voting during Reconstruction (Larsen, 2015), which violates the exclusion restriction as they may be related to political preferences. At a more basic level, there is no evidence that there was a dearth of leaders that was related to Confederate losses during the war.[36] The first reconstructed governments, established during Presidential Reconstruction, were completely white and staffed with former Confederates and other whites. There is no evidence that Confederate losses left such a gap in leadership that it would lead to black leaders in the absence of large-scale enfranchisement. Indeed, after Reconstruction ended the governments quickly dispatched with black leaders and replaced them with no evidence that there was a dearth of whites willing to serve (Franklin, 1961; Foner, 2014).[37]

Third, one could think that rather than the number of free blacks, the *fraction* of the black population which was free would be a ideal instrument. The problems with such an IV are numerous. At a minimum, the chief issue is that the number of slaves is contained in the denominator. Enslaved

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[35]See Larsen (2015), for example, who estimates death rates for seven confederate states.

[36]Larsen (2015) argues that Confederate death rates were negatively related to lynching. Cook et al. (2016), however, find no evidence that lynching was related to the presence of black politicians during Reconstruction.

[37]This is not an issue of the quality of the leadership, but whether there were unfilled positions.

and free blacks are weakly correlated, with a correlation of 0.1065.[38] The number of slaves would be related to agricultural productivity and land values (Fogel and Engerman, 1974). Also, slavery and slaveholding played a critical role in political beliefs surrounding the Civil War (Calomiris and Pritchett, 2016), but there is little evidence that free blacks were related to contemporaneous political attitudes. There is also some evidence that slaveholding is related to persistent preferences for distribution (Acharya et al., 2016).[39] An additional problem is the identifying assumption of the IV– it supposes that black officeholders are related to their disproportion in the overall black population, as opposed to their number. For example, this assumption supposes that a location with 100 free blacks would have fewer black officeholders if there were 1,000 slaves in the area as opposed to 500.[40] This is a curious assumption, as it supposes that there are a fixed number of positions for black officeholders that are more likely to be filled by free blacks where they are in larger proportion. There is no narrative evidence that this was the case. In fact, when testing the proportion free IV the first stage relationship is particularly weak– black politicians are not related to the relative size of the black population, but were related to the number of free blacks.[41] Given that the difference between the free black and proportion of black free is driven by slaves, the results confirm that slaveholding is a weak instrument.[42]

4   The Effect of Black Political Leaders

4.1   Instrumental Variable Estimates

The effect of black officeholders on public finance is estimated in a standard two-stage least squares framework where free blacks are used as an instrument for black officeholders. The specification is

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[38]See the appendix for more on the correlation of free blacks with other variables.

[39]If this is the case then slaves should be included in the specification. In Table A2 I show that the inclusion of slaves does not alter the results.

[40]Note that since the regression controls for population and population shares such an IV is conditioned on these factors.

[41]See Table A1 for the results of the specification.

[42]Another concern is the interpretation of the first stage. The fraction of blacks free is two variables, so the critical value of the F statistic is greater as well. Even using the smaller (and inappropriate) value of the F statistic critical value, the IV fails all conventional weak instrument tests (see Table A1).

straightforward:

$$BlackPoliticians_{i,s} = \phi + \eta FreeBlacks_{i,s} + \Lambda X_{i,s} + \rho_s + \epsilon_{i,s} \qquad (2)$$

$$\tau_{i,s} = \alpha + \beta_{IV} Black\hat{P}oliticians_{i,s} + \Gamma X_{i,s} + \theta_s + \epsilon_{i,s} \qquad (3)$$

To motivate the interpretation of the IV estimates it is useful to think of the experimental analog. This approach does not suppose that some counties were "treated" with black politicians and others were not. Rather than a binary treatment, "control" and "treatment" counties are differentiated by the number of free blacks who resided in the area before Reconstruction. Locations with few free blacks approximate a control group and those with more free blacks approximate a treatment group. The "treatment effect" is therefore identified from per capita tax revenue in relation to the size of the free black population. If black politicians influence public finance, we would expect to see larger per capita revenues in counties with larger free black populations.[43] If the exclusion restriction holds this identifies the causal effect of politicians since free blacks, conditional on the controls, have no direct effect on 1870 per capita county tax revenue.

Table 5 shows the results from the first and second stage specifications, as well as the OLS relationship earlier for comparison. The estimates from the first stage suggest that for every 1,000 free blacks in a county, there was an additional black officeholder. Essentially, a one standard deviation increase in the number of free blacks in a county results in an additional black official. As the results show, the instrument is quite strong– the F-statistic on the excluded instrument is well above 20 in all specifications, all of which include state fixed effects.[44] Even with the set of controls in X, which include factors such as urban county, population size, and economic factors, the effect of free blacks on black officeholders is quite strong.

The key is how β_{OLS} from the specification described earlier differs from β_{IV}. The IV estimates

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[43]This is seen in the reduced-form specification where free blacks are included as an independent variable. This is shown in Table A4.

[44]While *BlackPoliticians* is a count variable, in the two-stage least squares setting the first stage relationship should be linear unless one would have strong priors about non-linearities in the first stage. See Angrist and Kruger (2001); Kelejian (1971).

in Table 5 show that the OLS results understate the effect of black officeholders on per capita county tax revenues. While the OLS estimates were close to $0.10 per black elected official, the IV estimates are more than double the OLS estimates. Each additional black official increases per capita county taxes by roughly $0.20.[45] In a county with 5,000 residents, this is an additional $1,000 for public expenditure. More specifically, a one standard deviation increase in black officeholders increases per capita county taxes by 0.62 standard deviations, a sizable effect.

Another way to note the size of the results is historical– in 1874 Southern whites in South Carolina organized a Taxpayer's Convention to protest high local taxes in Congressional Reconstruction. The commissioned report noted that taxes were increased by $0.38 per capita despite providing for an extensive amount of public goods that were not financed in the antebellum era (DuBois, 1935). The IV results here suggest that each additional black politician could explain roughly half of the increase in per capita taxes from the antebellum era to Reconstruction that was the focus of that political protest. All of these results reach the same conclusion– black elected officials had a large and significant causal effect on local public finance.

4.2 Heterogeneous Effects by Branch of Government

The results in Table 5 suggest that black officeholders had large effects on tax revenue. The effect, however, should not be uniform over types of officials. Even allowing for the different mechanisms that can be used to increase county tax revenue, it should still hold that the basics of tax policy be consistent with the separation of powers. Judicial officials, for example, should be unrelated to tax receipts– during Reconstruction there is little evidence that judicial decisions were related to tax policy nor public goods expenditures (Foner, 2014; Franklin, 1961; DuBois, 1935). While tax policy was highly contested during Reconstruction, there were very few court rulings which would have been related to public finance, even for education. Similarly, executive offices were not related to tax revenue during Congressional Reconstruction. In general, tax policy was related to local officials with *legislative* authority, which included tax policy and collection. At the time, poll taxes and property taxes were two of the most important sources of local tax revenue, and the tax rates were set by those

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[45]In 2016 dollars, this would be roughly $3.75.

in legislative positions (Foner, 1996; Sylla, 1986).

As a check to ensure that the effect works through a channel related administratively to public finance, I decompose the officials into branch of government and replicate the IV model described above for each branch of government. The results are shown in Table 6 and reveal two facts. First, the instrument of free blacks is weak for both judicial and executive officials. In both instances the F-statistic from the first stage relationship fails all conventional levels of significance. For legislative officials, however, the instrument is particularly strong. Second, the effect by branch show that executive and judicial officials have no effect on per capita county taxes. This is evidence that the effect of black politicians on public finance is not driven by a spurious relationship to officeholders who would have a tenuous impact on tax revenues. In both instances the IV estimates are not statistically different from zero. For legislative officials, however, the effect is more than 35% larger than the IV estimates in Table 5. These results confirm that the effects of black politicians are concentrated in those with taxing authority, which is consistent with the effect of politicians working through the legislative process.

5 Was the Effect of Black Politicians Persistent?

Given the size of the results in Table 5 and Table 6 it is important to investigate whether these results were long-lived. If the results for 1870 taxes are driven by local time-invariant electoral preferences for redistribution, then the effect of black politicians would not be due to their presence. For example, if free blacks located in areas that were more hospitable to them and in general more egalitarian, then part of the effect attributed to black politicians in Table 5 would be due to those features. Since these black political leaders were not in office by the mid 1870s, the effects on 1880 taxes acts as a check to see if local preferences for relatively higher taxes were persistent. Even more, to the extent that blacks began to experience voting restrictions in the waning years of Reconstruction, arguments about the persistence of electoral preferences are implicitly about the preferences of *white* voters as free blacks were not enfranchised before Congressional Reconstruction and black voting restrictions

were in place after.[46]

The results in Table 7 show that there was no persistent effect of black political leaders. In looking at the effect on 1880 taxes we find that black politicians had a slightly negative effect, implying that the counties where more black politicians serving during Reconstruction had slightly lower per capita taxes than others in 1880. The second panel of Table 7 looks at the changes in per capita county taxes from 1870 to 1880. There, we see that the removal of black politicians had a large and negative effect on taxes from 1870 to 1880. Indeed, a one standard deviation change in the number of black politicians (which, in this instance would mean more black politicians being removed from office) results in a 0.85 standard deviation change in per capita county tax differences between 1870 and 1880. This essentially implies that the removal of black politicians at the end of Reconstruction more than reversed the differences in taxes seen earlier. There is little evidence that the areas which had black politicians had long-standing preferences for redistribution that outlived the tenure of black officeholders. This is evidence that once political forces moved to place restrictions on black political participation the remaining electorate did not share these preferences for redistribution.

6 The (Lasting?) Impact of Black Politicians

Given that black politicians appear to have an impact on tax revenue, the open question is if those revenue effects impacted the two areas of agreement among black politicians. As discussed earlier, black politicians articulated reforms along two main channels– land redistribution and education. The response by whites during Redemption is further evidence that black and white politicians differed in significant ways over taxes and public goods provision. Theoretically, citizen-candidate models predict that these policy differences would be measurable. Below, I present evidence of the effects of black politicians on land reform and education.

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[46]There is some historical disagreement on the degree to black voting restrictions before 1890. Kousser (1974) argues that blacks held political strength until 1890 while Foner (2014), Franklin (1961), DuBois (1935) and others argue that there was considerable resistance beginning in 1876. In either case, to argue that there were persistent preferences for redistribution before and after the war is to claim that these preferences were due to the white electorate.

6.1 Land Redistribution and Black Politicians

Comprehensive land ownership data by race is unavailable in the Reconstruction and immediate Post-Reconstruction eras for most Southern states (Margo, 1984). Therefore, I analyze land redistribution in general, a necessary condition for racial redistribution. To estimate the effect of taxes in 1870 on land distribution in 1880 I estimate the following regression:

$$\Delta Farms_{i,s} = \alpha + \beta\tau_{1870,i,s} + \Gamma X_{i,s} + \theta_s + \epsilon_{i,s} \tag{4}$$

The change in number of farms in county i is estimated from 1870 to 1880 (ΔFarms $= 1880-1870$). The regression tests whether higher taxes in 1870 led to more farms in the same county, which would be suggestive evidence of the breakup of existing farms. The results in Table 8 show that higher taxes in 1870 led to *fewer* farms in the same county in 1880, exactly the opposite effect of the tax policies advocated by black politicians. In Panel A of Table 8 the effect of taxes on changes in farm size is negative. Taxes have no effect on farm value changes, however. In Panel B a dichotomous indicator for whether the county had a black politician, to investigate whether there was an effect due to politicians that was not channeled through taxes. The results there show that the effect of taxes does not change with the inclusion of the indicator. The stated goal was to use tax policy to make the opportunity cost of holding unimproved land prohibitive, which would induce a large landholder to sell unimproved land to prospective yeomen farmers. The consolidation of farms over time, however, suggest that this was not successful.

Part of this could be due to the fact that relatively little land was sold in response to tax increases. While property was seized by Southern states for the non-payment of taxes, and while some states had explicit policies for selling large landholdings in small parcels after confiscation, there is little narrative evidence of large-scale changes in landholdings driven by Reconstruction era tax policy. Indeed, the failure of land redistribution has long been held as a key failure in Reconstruction institutional change. Few of the large landholdings were broken up into the smaller parcels, and very little of the land was redistributed to those new to landownership (Foner, 2014; DuBois, 1935). For example, Foner (2014) notes that more than 20% of Mississippi farmland was confiscated for non-payment of taxes during

Reconstruction, and yet more than 95% eventually returned to the original owner.[47] Yet another complication is that the tax policy was not permanent. While land was seized and "nearly every state provided that such property should be divided into small lots when thrown on the market...often the threat of land sale led owners to satisfy their tax liabilities, and neighbors frequently conspired to prevent bids on land placed at auction" (Foner (2014), p. 376). Williamson (1965) similarly details the failure of permanent land reform in South Carolina.[48] Overall, the evidence is inconsistent with black politicians leading to land redistribution, and the findings in Table 8 are consistent with that assertion.[49]

6.2 Education and Black Political Leaders

6.2.1 Evidence from Taxes and Educational Outcomes

The largest impetus for tax policies advocated by black politicians was public education (DuBois, 1935; Foner, 2014; Hahn, 2005; Franklin, 1961). Some historians have attributed the establishment of public education in the South to Reconstruction and primarily to the activities of black politicians (Foner, 2014; DuBois, 1935). As with the land data, we do not have comprehensive race-specific school expenditure data for the Reconstruction and immediate Post-Reconstruction eras (Margo, 1990). Therefore, I assess this possibility of politician's effect on education in two ways. The first is a casual empirical analysis. This proceeds by first estimating the relationship between taxes and educational outcomes and then using the effect of black politicians on taxes to estimate the effect attributable to black politicians. First, I estimate:

$$EducationOutcome_{i,s} = \alpha + \gamma\tau_{1870,i,s} + \Gamma X_{i,s} + \theta_s + \epsilon_{i,s} \tag{5}$$

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[47]Part of this could be due to problem of property rights. The original owner could reclaim the land for payment of the property taxes owed, even after the land was sold to another party.

[48]Williamson (1965) does show casual empiricism by noting that the counties in South Carolina with the most land forfeited had the largest shares of black voters, but he cannot connect this to actual land redistribution. He deduces that nearly 70% of black landowners acquired their land through private sales, but this does not imply a statistically significant relationship to land policy. Another complication is that blacks payed the same tax per acre on their small landholdings, making it difficult to acquire land and keep it.

[49]An IV strategy where the number of black politicians is the key dependent variable for the change in number of farms shows that black politicians had no effect on the change in number of farms. Similarly, results by farm size further show that there was no change in the number of very small and small (less than ten acre) farms.

Then one can estimate the value of politicians on educational outcomes by calculating $\gamma * \beta_{IV} * \sigma_{BlackPoliticians}$, which estimates the effect of a one standard deviation change in the number of black politicians on the educational outcome of interest via the effect of black politicians on taxes. The results for a number of educational outcomes are given in Table 9. The within-state variation in county taxes was positively related to school enrollment for both blacks and whites. The results imply that a one standard deviation increase in the number of black politicians resulted in an additional 34 black students enrolled in school and an additional 125 white students enrolled in school. The results also imply that the same change led to a decline in black illiteracy– a one standard deviation increase in black politicians reduced black illiteracy at age 10 by more than 30 persons and illiteracy at age 15 by 15 persons. Interestingly, there is no similar effect of black politicians on white literacy.[50]

Another approach is to look at adult literacy after the end of Reconstruction. To do so Table 9 presents estimates where the dependent variable is literacy of those 21 and above in 1900, who would have been of school age during the time of black officeholding. The results show that a one standard deviation increase in black politicians increased adult black male literacy by 1.6%. Given the baseline literacy rate of black men above the age of 21 was 50% in 1900 (Margo, 1990), this implies a more than 3% increase in black male literacy due to black politicians. While back politicians also play a role in white school enrollment, they are not significantly related to white literacy rates. In Panel B of Table 9 the addition of the black official indicator does not alter the effect of taxes of educational outcomes. It is not the case that having a black politician in the county results in differences in counties for most educational outcomes. This is suggestive evidence that while schooling policies advocated by black officeholders increased school enrollment in general, the educational benefits led to larger increases in human capital for blacks and were not simply a function of per pupil funding.

6.2.2 Differences-in-Differences Estimates

The estimates presented above are clearly a back-of-the-envelope calculation. To infer the effects one must assume that the effect of taxes on educational outcomes extends to the marginal effect of

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[50]It is unlikely that the results are driven by per-pupil tax allocations for education, given the local control of education at the time. This is especially true considering that the literacy results are not driven by a per pupil funding formula.

black politicians. A more direct strategy would be to consider exposure to black politicians during school age and to see if such exposure altered the time-trend of black literacy. This strategy does not allow taxes to enter directly, but measures the average literacy effect for cohorts exposed to black leaders as opposed to cohorts from the same state who were not. A first step is to simply look at baseline literacy for those in areas exposed to black politicians versus those who were not, to investigate whether the extensive margin of exposure to black politicians was related to literacy differences. Taking the complete census returns in 1920, I estimate birth cohort literacy by race.[51] As a first step, we see that cohort literacy was lower for black men from counties represented by black politicians. Black literacy was 37.3% for black men from counties where blacks held office (versus 39.0% where blacks did not), while for whites the literacy rate was 88.1% (versus 85.4% where blacks did not hold office). This includes cohorts exposed to Reconstruction schooling and those that were not. Restricting to those exposed to Reconstruction schooling policy, however, shows that the difference in educational outcomes is reversed. Black literacy was 54.7% for black men in counties represented by black politicians, and 53.2% for those not represented by black politicians.

Extending this analysis, Table 10 shows estimates from a difference-in-differences specification for cohorts of black men.[52] This strategy provides estimates at the extensive margin of exposure to black political leadership. Using adult literacy as the outcome, I estimate:

$$BlackLiteracy_{i,j,s} = \alpha + \beta_1 PostReconstruction_{j,s} + \beta_2 BlackPolitician_{i,s}$$

$$+ \beta_3 PostReconstruction * BlackPolitician_{i,j,s}$$
$$+ \phi_j + \gamma_s + \epsilon_{i,j,s} (6)$$

For cohort j in county i in state s. The parameter β_3 estimates the difference-in-differences of

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[51]The use of 1920 is to ensure that schooling for the men was completed.

[52]The results based on the 1920 Census are preliminary. The counts for some counties are not complete. For those counties with incomplete information, the neighboring counties within the state were used for interpolation. As a conservative estimate, I only interpolate from counties which did not have politicians. This results in estimates that would be biased against an effect as counties with no politician are averaged with counties without politicians and counties with politicians are averaged with counties without politicians. That is, the treatment counties are deliberately given control values where they are incomplete.

literacy rates for black cohorts exposed to black politicians during Reconstruction. This effect is estimated net of state fixed effects (γ) and non-linear time trends in cohort literacy rates (ϕ). Using all men born from 1820 to 1870, who would have come of age with some exposure to Reconstruction schooling, Table 10 shows that black men exposed to politicians indeed have higher literacy rates.[53] Given the overall literacy rates of 53.7% for black men exposed to Reconstruction schooling, the estimate of 0.033 implies a 6.1% increase in literacy due to exposure to black politicians.

Equally important, exposure to black political leaders could have altered the gap in literacy between black and white men. The difference in literacy (white - black) rates overall was 46.7%. For those exposed to schooling in Reconstruction the gap narrowed to 35.2%. To see if exposure to politicians narrowed the gap in racial literacy differences I estimate:

$$LiteracyDifference_{i,j,s} = \alpha + \beta_1 PostReconstruction_{j,s} + \beta_2 BlackPolitician_{i,s}$$

$$+ \beta_3 PostReconstruction * BlackPolitician_{i,j,s}$$
$$+ \phi_j + \gamma_s + \epsilon_{i,j,s} (7)$$

As before, the coefficient of interest is β_3, which here is the difference-in-difference-in-differences, to see if the literacy rate difference between black and white men is higher or lower for those exposed to black politicians when of school age while controlling for state and cohort-specific trends in literacy differences by race. Using all men born between 1820 and 1870, Table 10 shows that the gap in literacy between black and white men was lower for those exposed to black politicians. Given a baseline difference in literacy of 35.1% for those exposed to Reconstruction schooling, Table 10 shows that the literacy gap closed by 7.6% for those exposed to black politicians.[54]

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[53]While one concern in using the 1920 census is that the oldest cohorts would experience education-correlated mortality (where literate men would be more likely to survive), this would influence the results only to the extent that this varied significantly by race and residency in a county which has black officeholders.

[54]Results for both specifications (DD and DDD) are similar when using only men born from 1840-1870.

7 Conclusion

The unique history of Reconstruction offers an opportunity to investigate the causal effect of politician race on public finance. Reconstruction resulted in the first generation of black political leaders who advocated for greater provisions of public goods in local communities. In particular, their advocacy for public education and land reform stood in stark contrast to antebellum politics. In this paper I showed that their officeholding had large effects on public finance, consistent with models of citizen candidates influencing policy (Alesina, 1998; Besley and Coate, 1997). Using the antebellum distribution of free blacks to overcome the endogeneity between black politicians and local tax revenues, I showed that counties with black politicians had much larger county tax revenues than others. Black politicians were related to significant public goods provision. The counties where they held office had higher school enrollment and literacy rates for whites and blacks and showed more convergence in black-white literacy rates. The specific policy of education reform advanced by black politicians appears to have had a large effect on human capital among African Americans. The causal effect of politicians was acute– black politicians during Reconstruction mattered.

Overall, this study provides the first empirical evidence consistent with the historical arguments of DuBois (1935); Foner (2014); Franklin (1961); Hahn (2005); Williamson (1965), and others who have sought to argue with narrative evidence that black politicians were important during the Reconstruction era. This study extends that change to the effect of black officeholders on public finance and finds that the political ideology voiced by black officeholders was related to local tax revenues. Building on those narrative histories, this study identified an instrument to yield causal estimates of black politicians on local public finance and the specific areas of policy agreement, allowing for tests of the efficacy of the policies they advocated. Further, the narrative guided the search for specific policies and found that while land reform failed the educational priorities of black politicians had a large impact on literacy both among blacks and between races. True to being a political effect, the result holds for legislative officials but is not evident for judicial nor executive officeholders.

The effect of black politicians, however, was not persistent. When whites reclaimed hegemonic control of political offices during Redemption, tax revenue in areas where blacks held political leadership declined substantially. While the effect of the end of black officeholding was equally dramatic,

Redemption policy also signaled a dramatic intensity of social and legal racial restrictions in the South. The combined economic, social, and political changes at the end of the nineteenth century were far more persistent than the Reconstruction era policies.

The effects of black politicians during the brief period of Reconstruction may be larger than previously thought. Indeed, the framework outlined here could be used to consider a number of additional outcomes. The results so far have confined themselves to taxes, education, and land reform as they hue most closely to the broad political ideals articulated by black politicians. Additional outcomes to consider would include land tenancy, returns to education, occupational structure, migration, and local economic growth. This would add even further empirical evidence of the effect of black policymakers, and would make a substantial contribution to our understanding of the Reconstruction era, its long-term effects on outcomes, and the role of candidate demographics in shaping policy and individual outcomes.

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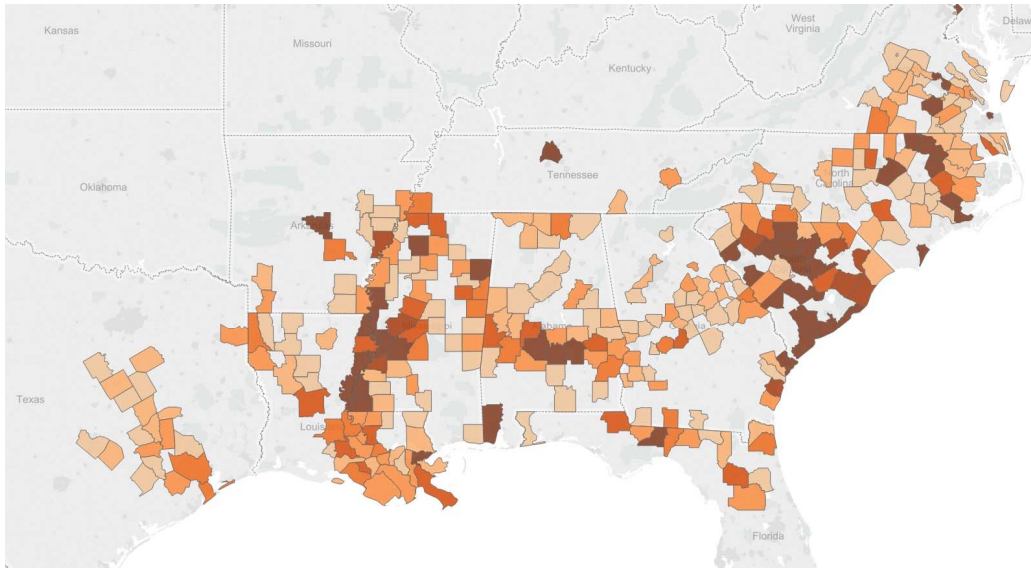
Figure 1: Spatial Distribution of Black Officials During Reconstruction. Source: Foner (1996)

Table 1: Summary Statistics for Black Officials During Reconstruction

Variable	N	Mean	Std. Dev.
Entered Office	1331	1869.016	2.677765
Left Office	1331	1873.63	5.650746
Birth Year	1096	1832.479	11.56974
Death Year	366	1893.825	17.96578
Literate	1331	0.642957	0.479295
Victim of Violence	1331	0.104603	0.306147
Born a Slave	1331	0.288703	0.453318
Property Owner (>$100)	1331	0.233612	0.423276
Executive	1331	0.334728	0.47206
Legislative	1331	0.567643	0.495576
Judicial	1331	0.094142	0.292128

Note: Data come from Foner (2014) for each unique black officeholder.

Table 2: Summary Statistics for Southern Counties

	All Counties	Black Officeholders	No Black Officeholders
Black Officials Per County	1.216	4.554	-
	(4.103)	(6.273)	-
County Taxes Per Capita, 1870	1.135	1.557	0.958
	(1.369)	(1.874)	(1.044)
Total Value of Farms 1870	23964.130	3350403	1983389
	(2608863)	(2820776)	(23986830)
Segregation Measure	0.296	0.376	0.265
	(0.143)	(0.113)	(0.141)
Percent Black	0.291	0.560	0.193
	(0.242)	(0.175)	(0.181)
Total Population	11655.970	16389.320	9677.384
	(14987.01)	(15901.02)	(14136.32)
Manufacturing Wages	59983.960	79467.590	51839.590
	(396261.7)	(258244.7)	(441246.8)
Value of Manufacturing Output	294466.3	356157.6	265684.3
	(1180786)	(1122916)	(1206722)
Number Illiterate	3260.420	5913.026	2153.093
	(3301.422)	(4287.004)	(1904.915)
Rail Access?	0.265	0.432	0.194
	(0.441)	(0.496)	(0.395)
Water Access?	0.368	0.498	0.313
	(0.482)	(0.500)	(0.463)
Urban?	0.036	0.086	0.027
	(0.185)	(0.287)	(0.130)
County Wealth	4259823	5569868	3696304
	(15500000)	(14100000)	(16000000)
Republican Vote Share 1868 President	0.198	0.146	0.162
	(0.250)	(0.185)	(0.296)
N	974	311	663

Note: Standard deviations in parentheses.

Table 3: OLS Estimates of 1870 County Taxes Per Capita

	Dependent Variable : 1870 County Taxes per Capita			
	I	II	III	IV
Black Officials Per County	0.0993***	.0993***	0.0986***	0.0925***
	(0.0106)	(0.0105)	(0.0132)	(0.0133)
Total Value of Farms 1870	6.11e-08***	8.93e-08***	8.51e-08***	7.24e-08***
	(1.88e-08)	(2.03e-08)	(2.01e-08)	(2.06e-08)
Segregation Measure	0.214	0.3028	0.271	0.348
	(0.318)	(0.352)	(0.349)	(0.348)
Percent Black	0.251	1.109***	0.988***	0.903***
	(0.214)	(0.252)	(0.252)	(0.253)
Total Population	-2.77e-06	0.0000279***	-1.72e-05	-1.48e-05
	(2.98e-06)	(7.66e-06)	(1.28e-05)	(1.27e-05)
Manufacturing Wages		-1.27e-06***	-1.77e-06***	-1.80e-06***
		(2.45e-07)	(2.69e-07)	(2.68e-07)
Value of Manufacturing Output		3.37e-07***	3.68e-07***	3.67e-07***
		(6.25e-08)	(6.23e-08)	(6.21e-08)
Number Illiterate		-0.0001638***	-9.40e-05***	-8.66e-05***
		(0.0000249)	(2.94e-05)	(2.94e-05)
Rail Access?		0.011499	0.0382	0.0404
		(0.085)	(0.0823)	(0.0820)
Water Access?		0.04222	0.0460	0.0408
		(0.08053)	(0.0800)	(0.0797)
Urban?		0.0231714	0.106	0.0680
		(0.17859)	(0.178)	(0.178)
County Wealth			4.95e-08***	4.89e-08***
			(1.13e-08)	(1.12e-08)
Republican Vote Share 1868 President				0.00123***
				(0.000462)
R-Squared	0.443	0.5139	0.525	0.529

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 974. All Regressions include state fixed effects.

Table 4: Free Blacks in 1860 and Reconstruction-Era Political Outcomes

Panel A:

	Election Year				
	1868	1870	1872	1874	1876
Free Black Coefficient for:					
Democrat Vote Share	-0.00837	0.0194	-0.0133	0.0114	0.00422
	(0.0185)	(0.0160)	(0.0137)	(0.0152)	(0.00607)
Republican Vote Share	-0.00885	0.0201	-0.00813	0.0123	0.00310
	(0.0179)	(0.0159)	(0.0139)	(0.0161)	(0.00636)
Total Votes	-70.41	139.0	-93.86	48.43	36.12
	(192.9)	(155.2)	(142.1)	(133.0)	(63.06)

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 828. Each cell represents the coefficient of Free Black population in 1860 on the selected outcome

Regressions include total value of farms in 1870, the Logan-Parman segregation measure, percent

black, total manufacturing wages, value of manufacturing output, number illiterate, rail access,

water access, urban county, county wealth, and state fixed effects

Panel B:

	Entered Office	Left Office	Time in Office
Free Blacks in 1860	-0.000185	0.000200	0.000385
	(0.000189)	(0.000420)	(0.000368)
Constant	1,870***	1,873***	3.092***
	(0.166)	(0.367)	(0.321)

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 311 (Regression is only for counties represented by black politicians).

Dependent variable is the average over all elected officials

Table 5: IV Estimates for Black Elected Officials

	I	II	III	IV
OLS				
Black Officials Per County	0.0993***	.0993***	0.0986***	0.0925***
	(0.0106)	(0.0105)	(0.0132)	(0.0133)
First Stage				
Free Blacks in 1860	0.00275***	0.00159***	0.00118***	0.00115***
	(0.000216)	(0.000236)	(0.000239)	(0.000236)
F-Statistic on Excluded Instrument	161.8	45.9	24.2	23.9
IV				
Black Officials Per County	0.197***	0.24006***	0.207***	0.205**
	(0.0289)	(0.0574)	(0.0787)	(0.0802)
State Fixed Effects	X	X	X	X
Local Economic Conditions		X	X	X
County Wealth			X	X
Republican Vote Share (1868)				X

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1
N= 974. All regressions include total value of farms in 1870, the Logan-Parman segregation
measure, percent black, and total population. Column II includes manufacturing wages, value
of manufacturing output, number illiterate, rail access, water access, and urban county indicators.
Column III includes county wealth. Column IV includes Republican vote share for the 1868
Presidential Election. All regressions include state fixed effects.

Table 6: Effects of Politicians by Branch of Government

Panel A: Judicial Officials

Dependent Variable:	OLS 1870 County Taxes Per Capita	First Stage Judicial Officials Per County	IV 1870 County Taxes Per Capita
Judicial Officials Per County	0.0659		3.494
	(0.0608)		(3.005)
Free Blacks 1860		6.77e-05	
		(5.39e-05)	
F-Statistic on Excluded Instrument		1.578	

Panel B: Executive Officials

Dependent Variable:	OLS 1870 County Taxes Per Capita	First Stage Executive Officials Per County	IV 1870 County Taxes Per Capita
Executive Officials Per County	0.123***		1.006
	(0.0233)		(0.638)
Free Blacks 1860		0.000235*	
		(0.000139)	
F-Statistic on Excluded Instrument		2.883	

Panel C: Legislative Officials

Dependent Variable:	OLS 1870 County Taxes Per Capita	First Stage Legislative Officials Per County	IV 1870 County Taxes Per Capita
Legislative Officials Per County	0.139***		0.283***
	(0.0232)		(0.109)
Free Blacks 1860		0.000837***	
		(0.000135)	
F-Statistic on Excluded Instrument		38.204	

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Note: N=974 in all regressions. All regressions include Republican vote share in 1868 Presidential Election, total value of farms, Logan-Parman Segregation, Total population, percent black, manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county, county wealth and state fixed effects.

Table 7: 1880 Taxes and Changes in Taxes 1870-1880

Panel A: 1880 Per capita County Taxes

Dependent Variable:	OLS 1880 County Taxes Per Capita	First Stage Officials Per County	IV 1880 County Taxes Per Capita
Black Officials Per County	0.0309*** (0.0068)		-0.0902** (0.0460)
Free Blacks 1860		0.0012*** (0.0002)	
F-Statistic on Excluded Instrument		24.45	

Panel B: Change in Per Capita Taxes, 1870-1880

Dependent Variable:	OLS 1870 -1880 County Taxes Per Capita	First Stage Officials Per County	IV 1870 -1880 County Taxes Per Capita
Black Officials Per County	-0.0129*** (0.0030)		-0.0629*** (0.0199)
Free Blacks 1860		0.0012*** (0.0002)	
F-Statistic on Excluded Instrument		24.45	

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Note: N=974 in all regressions. Regressions include Republican vote share in 1868 Presidential Election, total value of farms, Logan-Parman Segregation, Total population, percent black, manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county, county wealth, and state fixed effects.

Table 8: Taxes, Black Officials, and Land Reform

Panel A:

	Change in Number of Farms, 1870 to 1880				Change in Farm Value, 1870-1880			
	I	II	III	IV	V	VI	VII	VIII
1870 County Per Capita Taxes	-50.50***	-65.97***	-44.55***	-44.68***	-9,697	-24,691	12,307	11,874
	(15.40)	(16.99)	(17.08)	(17.09)	(21,213)	(24,422)	(24,331)	(24,306)
R-Squared	0.217	0.308	0.337	0.338	0.328	0.385	0.423	0.425
State Fixed Effects	X	X	X	X	X	X	X	X
Local Economic Conditions		X	X	X		X	X	X
County Wealth			X	X			X	X
Republican Vote Share				X				X

Panel B:

	Change in Number of Farms, 1870 to 1880				Change in Farm Value, 1870-1880			
	I	II	III	IV	V	VI	VII	VIII
1870 County Per Capita Taxes	-51.50***	-66.24***	-44.88***	-45.00***	-10,573	-25,211	11,623	11,252
	(15.38)	(16.99)	(17.10)	(17.10)	(21,214)	(24,402)	(24,342)	(24,319)
Black Politicians?	109.6**	64.02	35.74	34.03	96,313	121,835	73,377	67,757
	(51.86)	(54.09)	(53.32)	(53.40)	(71,518)	(77,711)	(75,913)	(75,918)
R-Squared	0.221	0.309	0.338	0.338	0.329	0.387	0.424	0.426
State Fixed Effects	X	X	X	X	X	X	X	X
Local Economic Conditions		X	X	X		X	X	X
County Wealth			X	X			X	X
Republican Vote Share				X				X

Robust standard errors in parentheses. *** $p<0.01$, ** $p<0.05$, * $p<0.1$

N= 974. Regressions include total value of farms in 1870, the Logan-Parman segregation measure, percent black, total population,

Column II and VI:manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county,

and county wealth. Column III and VII: county welath in 1870. Column IV and VIII: Republican Vote Share in 1868.

All regressions include state fixed effects.

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Table 9: Taxes, Black Officials, and Educational Outcomes

Panel A

	Black				White			
		Cannot Write	Cannot Write	1900		Cannot Write	Cannot Write	1900
	Enrollment	Age > 10	Age >15	Age >20 Literacy	Enrollment	Age > 10	Age >15	Age >20 Literacy
1870 County Per Capita Taxes	42.20***	-39.66***	-19.22***	0.0201***	156.6***	-2.854	0.428	-8.68e-05
	(6.603)	(5.454)	(4.618)	(0.00470)	(22.69)	(6.983)	(4.985)	(0.00322)
R-Squared	0.726	0.914	0.953	0.359	0.793	0.473	0.506	0.451
Effect of One Standard Deviation Change in Black Politicians (γ*β)	35.5	-33.4	-16.2	0.017	131.7	-2.4	0.36	-0.00007

Panel B

	Black				White			
		Cannot Write	Cannot Write	1900		Cannot Write	Cannot Write	1900
	Enrollment	Age > 10	Age >15	Age >20 Literacy	Enrollment	Age > 10	Age >15	Age >20 Literacy
1870 County Per Capita Taxes	42.12***	-39.36***	-19.02***	0.0198***	156.5***	-2.888	0.391	-0.000103
	(6.609)	(5.447)	(4.617)	(0.00469)	(22.71)	(6.990)	(4.990)	(0.00322)
Black Politician	9.098	-32.76*	-21.33	0.0316**	8.704	3.621	3.977	0.00173
	(20.61)	(16.99)	(14.40)	(0.0146)	(70.83)	(21.80)	(15.56)	(0.0101)
R-Squared	0.726	0.915	0.953	0.363	0.793	0.473	0.506	0.451

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 974. Regressions include total value of farms in 1870, the Logan-Parman segregation measure, percent black, total population, manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county, county wealth, and state fixed effects

Table 10: Exposure to Black Officials and Education

Panel A:

	Black Literacy Rate			
Black Politicians in County	-0.0221***	-0.0217***	-0.0193***	-0.0198***
	(0.00388)	(0.00413)	(0.00365)	(0.00383)
Exposed to Schooling	0.183***	0.184***	0.396***	0.388***
	(0.0169)	(0.0170)	(0.00270)	(0.00274)
Black Politicians * Exposed to Schooling	0.0368***	0.0361***	0.0340***	0.0334***
	(0.00649)	(0.00640)	(0.00636)	(0.00629)
Observations	48,376	48,376	48,376	48,376
R-squared	0.099	0.116	0.177	0.194
State Effects		X		X
Birth Cohort Effects			X	X
Percent Effect on Black Literacy Rate	6.85	6.72	6.33	6.22

Panel B :

	Racial Difference in Literacy Rate			
Black Politicians in County	0.0380***	0.0388***	0.0387***	0.0397***
	(0.00376)	(0.00403)	(0.00363)	(0.00399)
Exposed to Schooling	-0.144***	-0.145***	0.297***	0.293***
	(0.0150)	(0.0151)	(0.00259)	(0.00259)
Black Politicians * Exposed to Schooling	-0.0269***	-0.0271***	-0.0276***	-0.0279***
	(0.00709)	(0.00710)	(0.00702)	(0.00703)
Observations	46,130	46,130	46,130	46,130
R-squared	0.050	0.064	0.091	0.105
State Effects		X		X
Birth Cohort Effects			X	X
Percent Effect on Literacy Rate Difference	7.66	7.72	7.86	7.95

Robust standard errors in parentheses, clustrered at bith cohort level.

*** p<0.01, ** p<0.05, * p<0.1

Regressions use 1920 complet count census. Literacy is calculated by county-birth cohort for men born 1820-1870 in US South. Black Politicians in County is dichotimous indicator for whether there were any black policymakers serving during Reconstruction. Exposed to schooling is an indicator for all who would be aged 6-15 duirng the Reconstruction era (1865-1877). Literacy rate difference is calculated as white - black.

Appendix

A   Reconstruction in Brief

A.1   Presidential Reconstruction

Even before the American Civil War ended in May of 1865, politicians and Union officials had given serious thought to how they would rebuild the nation and incorporate the eleven states that had succeeded from the Union between December of 1860 to June of 1861.[1] Lincoln had several different thoughts on Reconstruction, and it does not appear that he had a fully drawn strategy for the process. Lincoln's proposed policies would have allowed Congress to rule on the legality of Southern elections and choose whether or not to seat elected Southern Congressmen, giving some federal role and Congressional oversight to the process. It was not clear how much of a role Congress was to play beyond the decision to seat representatives. Lincoln had implemented his so-called "10-Percent Plan" in late 1863, which allowed for recognition by the federal government any Southern state in which 10% of the white population swore allegiance to the United States. Specifically, if 10% of 1860 voters from each Southern state pledged allegiance to the Union, abolished slavery, and prohibited Confederate leaders and military officers from voting and officeholding they would be readmitted to the Union.[2] In his last public address, Lincoln stated that he would like to see the franchise extended to at least the educated class of blacks and black Union soldiers in Louisiana, which was relatively far progressed in its reconstruction in early 1865. Beyond that, Lincoln's exact goals for black political participation were unclear.

After Lincoln's assassination, President Johnson continued with a relatively lenient Reconstruction policy and was prepared to admit former Confederate states to the union with little regard for civil rights or political participation by blacks.[3] Republicans originally confused Johnson's antipathy for the

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[1]For well known histories of Reconstruction see Franklin (1961); DuBois (1935); Foner (2014); Dunning (1907).

[2]Lincoln's belief stemmed, in part, from a belief that succession was null and void. Since blacks (free or slave) could not vote the requirement of 10% of 1860 voters was a *de facto* continuation of the white votes policy of 1863.

[3]Similar to Lincoln, Johnson believed that states had not left the Union, and therefore that states should resume normalized relations in the Union quickly. To stipulate extensive conditions on their readmission would be unnecessary as they had always remained states in the union. Radical Republicans in Congress and prominent abolitionists argued that such plans were unsatisfactory for several reasons. First, requiring only 10% of support from southern states

southern planter aristocracy with a progressive outlook on Reconstruction.[4] When President Johnson assumed office, four Confederate states had functioning local civil governments (Louisiana, Arkansas, Virginia, and Tennessee) due to war-time reconstruction measures implemented by Lincoln. In May of 1865 Johnson extended Lincoln's amnesty provisions, with restrictions on high-ranking Confederate officers and those with wealth exceeding $20,000. The next month, Johnson allowed for the calling conventions to amend state constitutions to meet his three conditions for acceptance back into the Union: the abolishing of slavery, the repudiation of Confederate debt, and the repealing of ordinances of secession. Beyond the restrictions on Confederate officers and wealthy southerners (who were able to apply for individual Presidential pardons), each state was left to decide for itself who was eligible to vote and hold office in elections. Radical Republicans were surprised at Johnson's policy and were outraged at the lack of provisions for black voting rights, which were not a stipulation for readmission under Presidential Reconstruction.[5]

In February 1866, only nine months after Johnson had issued his amnesty provision, 14,000 leading Confederates had received pardons from the President, making them eligible to hold office. Before Congress had resumed session, Mississippi, Alabama, South Carolina, North Carolina, Georgia, and Florida had all held elections for delegates to constitutional conventions with few restrictions on either former Confederate voting or officeholding and none with significant voting rights for blacks. The governments that these conventions produced, along with subsequent elections held by the newly constituted states, maintained a strong pro-Confederate character. For example, these states elected to the United States Congress the Vice-President of the Confederacy, four Confederate generals, five Confederate colonels, six Confederate cabinet members, and fifty-eight members of the Confederate

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represented a tenuous basis for the new southern governments. Second, the policy on Confederate amnesty was relatively lenient. Third, states did not have to guarantee freed slaves nor free blacks any civil or political rights beyond abolition. Congressional Republicans submitted their own outline for Reconstruction which required a majority of male white voters to take the loyalty oath before a state was readmitted and with more stringent amnesty requirements for former Confederates. At the time, this was only an outline, as the President retained authority over the Reconstruction process.

[4]Charles Sumner, a noted radical Republican senator, considered he and the President to be on the same page in advocating for black suffrage, which had become the defining issue for Radicals in the spring 1865.This was based on private conversations with Johnson in the spring of 1865 along with an oft-quoted speech of Johnson's from October 1864 in which he promised to be their Moses to a group of African-Americans in Nashville, TN.

[5]The President nominally argued that black voting rights could be given after southern states had been re-admitted rather than as a condition for re-admittance, but by October of the same year he was openly advocating against black suffrage claiming it would lead to extensive racial strife.

congress. These results were mirrored and even amplified at the state and local levels in the South, and some elected officials continued to wear their Confederate uniforms while in office. Presidential Reconstruction offered little room for black political concerns to be addressed.

While the states did abolish slavery as directed, the reconstituted states worked to implement a post-bellum racial policy referred to as black codes. While some of these laws did allow for blacks to own property and initiate litigation, their chief design was to legally reinforce and re-systematize labor control in the absence of chattel slavery.[6] The codes differed from state to state, but common provisions included requirements for black laborers to have verification of employment every year, prohibitive taxes on black land-ownership, apprenticeship laws which allowed white employers to take over custody of black children if their parents were deemed unfit, bans on blacks owning firearms, and making intermarriage between a black citizen and white citizen a felony for the black individual.[7] Johnson rejected and suppressed reports of the enforcement of black codes and appeared to do little to stop widespread racial violence occurring in southern states. Many Republicans disagreed with the policies but were reluctant to oppose them for fear of a split within the party.

In September of 1865, Congress denied to seat representatives from the Tennessee government which had been reconstructed under Lincoln's war-time program. By October, many Republicans began to express their concerns publicly when former rebel leaders were elected to office and the inflexibility with which Johnson supported his Reconstruction program. The rapid removal of federal troops from the South was disconcerting to Republicans as well, and this was one Johnson policy that Republicans felt left the South vulnerable to Confederate interests.[8] This growing discontent culminated in the political maneuvering by Radicals before the December 1865 session of Congress which persuaded the Clerk of the House of Representatives to refuse to include members from the former rebel states on the roll call, effectively denying these states representation and re-admittance to the Union. It was unclear what the next stage for readmission would be since neither Lincoln nor Johnson had a policy if Congress refused to seat representatives.

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[6]See Smith (2013) for an example of Mississippi's codes from 1865.

[7]These codes, enforced upon both newly freed slaves and formerly free blacks with no distinction between the two, ironically encouraged the development of a unified black polity in the South which would not have necessarily formed otherwise (Foner, 2014).

[8]By June 1866, hardly a year after the war had ended, there remained only 3,000 troops in North and South Carolina combined.

After refusing to seat the elected southern representatives, Congress established the Joint Committee of Fifteen to investigate the current conditions in former rebel states. Among the Committee's principal findings were its assertion for the continuing need of a significant federal military presence in the southern states as well as the necessity of the Freedmen's Bureau. Following the advice of the Joint Committee, the Senate passed a bill which expanded the Bureaus lifespan indefinitely.[9] Johnson somewhat shockingly vetoed the Bureau bill, calling it unconstitutional as it gave judicial power to the Bureau and terming its cost prohibitive. While Congress could not unify to defeat this Presidential veto, only a few months later Johnson again surprised nearly everyone when he vetoed a Civil Rights Bill for Freedmen. Johnson's obstinacy disturbed even Congressional moderates and his veto was quickly overturned, one of the first in American history.

Black political equality quickly became a defining issue for Presidential Reconstruction. Johnson's vetoing of these bills was the first third of a triad of 1866-1867 legislation which reset the Reconstruction process. In April 1866, the same Joint Committee of Fifteen proposed a set of resolutions that would become the 14th Amendment to the United States Constitution. The resolutions included a definition of citizenship and the disallowing of states to abridge or violate these civil rights, a clause for a reduction in the representation in Congress of any states proportional to the number of male residents it denied the franchise to and the exclusion from Congress, the Electoral Congress, and other federal offices of people who had left federal government, oath-sworn positions to aid the rebellion. Southern states re-admission was to be contingent on the ratification of the 14th amendment. The necessity of more stringent policy was reinforced by widespread southern violence in the summer of 1866.[10] Johnson went on an ill-conceived press junket in the fall of 1866 to campaign for his Reconstruction policies while denouncing the Civil Rights Bill and the 14th Amendment. By the end of 1866 seven southern states had already rejected the 14th Amendment, all but assuring the implementation of a more radical program and more rigorous conditions for re-admission which would include black suffrage. Furthermore, the results of the 1866 elections gave significant strength to

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[9]This also and validated land deeds given through the Bureau or Military Field Orders such as Sherman's Field Order 15, which had reserved a strip of land running down the Charleston to Jacksonville coastline for freedmen homesteads.

[10]Most notable of these murderous instances was the bloody New Orleans Riot in June where 44 blacks and 4 whites were killed attempting to attend a constitutional convention and the massacre in Memphis of 45 blacks and 2 whites over two days in May.

Radical Republicans– they now had the necessary two-thirds majority to override a presidential veto. A new, wholesale Reconstruction program was passed which placed a priority on black suffrage. It was vetoed by Johnson and quickly passed over the President's veto. By early 1867, Congressional Reconstruction had officially begun.

A.2   Congressional Reconstruction

The Congressional Reconstruction Act passed in the spring of 1867 divided the eleven former Confederate states, except Tennessee, into five military districts: 1) Virginia, 2) North Carolina and South Carolina, 3) Georgia, Alabama, and Florida, 4) Mississippi and Arkansas, 5) Louisiana and Texas. The Act placed the former rebel states under martial law as the army commander in charge of each district was allowed to use military commissions rather than civilian courts to enforce laws. The program also specified the more stringent requirements for readmission into the Union: (1) the ratification of the 14th Amendment, (2) new state constitutions which allowed for manhood suffrage irrespective of race, color, or religion, (3) approval of these new constitutions by a majority of a state's eligible voters, and (4) the establishment of governments under the new constitutions to replace the governments established under Presidential Reconstruction. Subsequent Reconstruction Acts were passed strengthening the original legislation. In March of 1867, voters were required to take a loyalty oath. In July, federal voting registrars were authorized to disenfranchise those thought to be taking the oath dishonestly. A fourth act passed in March 1868 which changed the requirement for passage of state constitutions from a majority of a state's registered voters to merely a majority of the voters who voted in the election, as many white Southerners had registered and then did not vote in hopes of preventing the ratification of the new constitutions.

The passage of the Reconstruction Act, effectively enfranchising more than one million southern black males, instantly stimulated black political activity in the South. Indeed, the potential of blacks to be active in politics was one the largest areas on conflict during Reconstruction. Black institutions and leaders, particularly churches and ministers, quickly became politicized channels of Republican organization in the South. The Union League, previously a Northern middle-class organization, became a conduit of black political activity in the South through political education initiatives and the

building of churches and schools, aimed primarily at Freedmen(Hahn, 2005; Foner, 2014). While black support for the Republican Party was extensive to point of being unanimous, in only three southern states (South Carolina, Mississippi, and Louisiana) did African-Americans hold an outright majority, and even with this influx of newly eligible voters there was extensive local political competition. This meant that attracting the support of whites living in the South would be critical in founding a foundation for the Republican Party in the region.[11]

In many areas of the South, black turnout for constitutional ratification and subsequent elections exceeded 90%, even under the consistent threat of losing employment or physical violence in retaliation for voting (DuBois, 1935; Foner, 2014). Disenfranchisement of former Confederates varied, as some states disenfranchised only those barred from office by the 14th Amendment while others had more far-reaching proscriptive measures. The resulting constitutions drafted and passed by these southern state conventions are notable for their progressiveness. Public responsibilities were greatly increased as provisions were made for the establishing of public school systems, orphan asylums, and homes for the mentally ill. The constitutions also abolished the extremely high poll-taxes which existed in most southern states and also rewrote the antebellum tax codes so that tax revenues now came from assessed land values as opposed to high poll and licensing fees.

Along with the progressive nature of the newly adopted state constitutions, the Reconstruction-era southern governments also boast many noteworthy accomplishments. One of the major and first actions of these governments was the repealing of the black codes implemented under Presidential Reconstruction. With these discriminatory laws gone, freedmen were finally able to move somewhat freely throughout the South and engage in labor contracts that were much more equitable than before.[12] In addition, the institutional infrastructure to provide a higher level of public goods was established. With expanded civil rights, blacks began to assert themselves more fully by, for example, seeking legal redress for disputes. The expanded social responsibilities of government as well as the accompanying costs are best demonstrated in South Carolina. In the six years between 1870 and

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[11]Republicans originally hoped to attract former Whigs to the party, as the Democrats had a firm base among the southern elite.

[12]See Litwack (1979), Foner (2014), and Higgs (1977), for white responses to black labor's new ability to negotiate contacts. Many white planters responded by suggesting that landowners collude to set low wages, while others argued that such strategies were against free labor ideals.

1876 the enrollment in the state's public schools increased from 30,000 to 123,000 while the state budget more than doubled between 1860 and the end of Reconstruction. The period of Congressional Reconstruction represents a dramatic change in the political and social organization of the American South.

B   Additional Specifications

In Table A1 I show several checks of the main specification in Table 5. First, Panel A shows results which use the percent of blacks who were free in 1860 as the instrument for black officeholders. As the results show, the percent of blacks free is a weak instrument. The F-statistic on the excluded instrument is below 5, falling well below conventional measures for instrument strength. This is consistent with the argument earlier that slaves (and any function which contains slaves) will be a poor instrument.

Panels B and C consider the sensitivity of the results with respect to population. The dependent variable is in per capita terms but other variables in the main specification are not and population enters linearly in the existing models. This may lead to a biased estimate of the effects to the extent that black official would be located in more populous places, for which dichotomous urban indicators would be a poor control. Also, population enters in different ways on the right- and left-hand side of the regression. To see if population drives the results Panel B first excludes it from the specification. The results show that the exclusion of population does not alter the results. Panel C presents estimates where all covariates are placed in per capita terms, obviating the need to include total population by itself and now having a specification which is consistently in per capita terms.[13] The results are similar to the main specification, where the IV estimate for black politicians is roughly twice the OLS estimate. The results confirm that the estimates are not confounded by population nor driven by their inclusion nor exclusion.[14]

In Table A2 addition specifications are included to decompose the effect geographically as well as

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[13]In particular, wealth, manufacturing wages, manufacturing output, literacy, and farm value are measured per capita.

[14]When total population is included in the per capital estimate the F-statistic on the excluded instrument is 134.3– $\beta_{First} = 0.00265$, t = 11.59– and the estimated difference $\beta_{OLS} = 0.094$ versus $\beta_{IV} = 0.213$.

to control for antebellum factors which could be related to political preferences. In Panel A of Table 6 the specification is replicated geographically. Rather than focusing on branch of government these results show the effects of all black politicians who served in local offices as opposed to federal or state positions. As with the results for legislative officials, the results here confirm that those serving at a local level had a large impact on local tax revenues. In Panels B and C of Table A2 I include measures of the extent of slaveholding to the extent that slavery may be related to persistent preferences for redistribution (Acharya et al., 2016). Panel B uses includes the number of slaves in 1860 and Panel C the share of slaves as a fraction of the total population in 1860. In both cases the inclusion of slaves does not alter the main result of the effect of black politicians on per capita taxes, nor does the inclusion of slaveholding weaken the free black IV in the first stage.

Further estimates of the effect of taxes and the existence of black politicians is presented in Table A3. In Table A3, the change in the number of farms is replicated for farms by size. Overall, the results show that taxes had little effect on the change in the number of farms. While there is a decrease in the number of farms 100-500 acres, the effect is relatively modest. When including the indicator for black politicians, the effect is similar, but the presence of black politicians is correlated with an increase of farms between 3 and 9 acres, which would be consistent with yeoman farming. At the same time, it is related to a decrease in farms between 10 and 20 acres, which is also yeoman farming. Given this inconclusive evidence it is difficult to assert that black politicians had an impact on changes in farms.[15]

The educational results presented earlier can be reformulated in a two-stage regression where the first stage is county taxes as a function of black officials (or free blacks). This allows for a more intuitive interpretation of the marginal effect by focusing on the variation in taxes driven by black politicians. Table A4 shows the results for the educational outcomes in Table 9 where black officials (Panel A) and free blacks (Panel B) are used in a first stage to predict 1870 county taxes. The

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[15]Taxes are unrelated to changes in the amount of unimproved land per county, but taxes are positively correlated changes in the amount of unimproved land per farm, which implies that more land was placed out of cultivation. Black politicians are correlated with a decrease in the amount if unimproved land per farm, but the effect is quite modest– less than 10 acres per county– and may simply reflect spacing of households in plots more distant over time. As with the results of tax size, this evidence is inconclusive, at best, of an effect of black politicians on land and land use changes. Black politicians are uncorrelated with the number of sharecropping farms– $\beta = -0.0186$ with a standard error of 1.953.

results for black officials show that the effect of taxes, predicted by the number of black officials, are substantially greater than the OLS estimates. In proportional terms, the effect of taxes is much larger for blacks than whites, which is consistent with the predicted taxes (via black officials) having a larger proportional effect on black educational outcomes.

Finally, Table A5 shows the reduced form estimates of the relationship between the number of free blacks in 1860 and per capita county taxes in 1870, replicating the regression results of page 49, omitting black officials, and including free blacks in 1860. The specifications also contain slaves in 1860 and the percent of the population enslaved to mirror the regressions in Table A2. The results confirm that free blacks in 1860 are positively related to per capita county taxes in 1870.

In Figure A1 the distribution of free blacks in 1860 is shown. As discussed in the text, the number of free blacks is greater in the Old South as opposed to the New South, but within each state there is significant variation. Less than one fifth of the counties in the South had no free blacks in 1860.[16] Of the covariates in the regression equation for per capita county taxes, free blacks have a relatively weak correlation, even without state controls. There is no correlation above 0.6 with any variable in the regression specifications. Only for the total population (0.5325) and manufacturing output (0.5643) is the correlation with free blacks above 0.5. For every other variable the correlation is moderate at best.

A check of whether using 1870 for tax revenue is a valid for identification of black officeholders is required. Black officeholders were elected after 1870, and if a majority entered office after 1870 the effect they could have on public finance would be uncertain. In Figure A2 I show the year of entry for black officeholders. More than two thirds of black officeholders began their offices before 1870. (It is important to note that officeholders beginning during 1870 could still have an effect on 1870 taxes.) Including those officials with uncertain start dates (some are listed only by the decade they began service) increases this even further.

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[16]As a technical matter, the relatively high variation in the number of free blacks per county makes it difficult to visually show the range of distribution within as opposed to between states, especially for states in the Old South. Another option would be to show the distribution of free blacks relative to the state mean, but this approach is analogous to visually presenting the regression estimates with state fixed effects included.

C Description of Branch of Service Rubric

Regarding the encoding of a politician's branch, certain qualitative assessments had to be made in order to create a discrete variable representing which aspect of government in which the politician participated. A value of Legislative was given if the politician himself or the governmental entity with which he was associated with was tasked with drafting laws. This would include such titles as a state house representative or a clerk for the state house. A value of Executive was given if the politician himself or the governmental entity with which he was associated was primarily focused on carrying out or enforcing laws or making decisions on what to adopt into law. This includes such titles as alderman, county commissioner, postman, or a clerk for an entity primarily tasked with these duties. A value of Judicial was given if the politician himself or the governmental entity with which he was associated was tasked with the interpretation of the law or establishing penalties for criminals in courts of law. This includes titles such as magistrate, justice of the peace or a clerk for any court of law.

D A Model of Optimal Taxation

In this section I present a simple model which shows the preference that blacks would have for land taxation, consistent with the narrative literature on tax policies advocated by black leaders. The model is adopted from Pritchett (1986), which analyzes optimal taxation and forms the background of the work in Pritchett (1989). The goal is to estimate an optimal tax rate on capital (or land) using a two-factor model of the economy. The optimal tax (in the model this is similar to an optimal tariff) depends on the elasticities of derived demand and supply of capital, and the factor shares of the representative voter. Since blacks supplied relatively more labor than capital (or land), the representative voter should support higher property taxes if he is black and lower property taxes if he is white.

Formally, the model starts with utility as $U_i = U(C_i, L_i, K_i)$, where C_i is consumption of the final product and K and L are the employment of capital and labor in the economy, respectively.

Consumption is financed through earnings net of transfers, G_i. Assuming competitive factor

markets (wage rate, w and after tax return on capital, r), the budget constraint is $C_i = wL_i + rK_i + G_i$. The social planner wishes to optimize utility by varying the tax rate, T. In the model this is expressed as a percentage of the after tax return on capital.

$$-S_L \frac{wL}{T}(\frac{dw}{dT}\frac{T}{w}) - S_L \frac{rK}{T}(\frac{dr}{dT}\frac{T}{r}) = S_G \frac{dG}{dT} \tag{A1}$$

where S is the share of the factor (e.g., $S_K = \frac{K_i}{K}$). Higher taxes increase the gross return on capital and reduce the net return on capital but also reduces the amount of capital in the economy.[17] Since the tax burden is shared by labor and capital with lower returns, the loss to renters of capital must equal that of loss in rent earned by labor, $\rho K E(\rho, T) = -wLE(w, T)$. Substituting in gives the following:

$$-S_K \frac{rK}{T}E(r, T) + S_L rK(E(r, T) + 1) = -S_G rK(\frac{T-1}{T}(\beta + 1)E(r, T) + 1) \tag{A2}$$

And the optimal tax rate follows after noting that the elasticity of the derived demand for capital is a function of the before tax return $K = \rho^\eta$, and that capital supply and demand should be equal in equilibrium, implying that $E(r, T) = \dfrac{\eta}{\beta - \eta}$ which gives:

$$T = \left(\frac{S_G(\dfrac{\beta + 1}{\beta}) - S_K \dfrac{1}{\beta}}{S_G(\dfrac{\eta + 1}{\eta}) - S_L \dfrac{1}{\eta}} \right) \tag{A3}$$

When $S_G = S_L$ and $S_K = 0$, $T = \dfrac{\beta + 1}{\beta}$. Since the supply of capital slopes upward, the optimal tax is where the gross return on capital equals the marginal factor cost. This case agrees broadly with the description of tax polices in Reconstruction advocated by black politicians (Williamson, 1965; DuBois, 1935; Foner, 2014). Once they become owners of capital, however, the optimal tax would change. This situation is described by Williamson (1965) for South Carolina and may explain some of the relationship between assessment ratios and black landholding in Margo (1984).

Moving beyond this model, it would be tempting to consider a political setting where exogenous

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[17]In particular, the percentage change in the gross return on capital is equal to the sum of the percent changes in the tax on capital and the change in the net return on capital.

changes in the number of black elites lead to differentials in the supply of black officeholders, or where black elites face lower costs of running for office. A simple model would have a normalized population B and W such that $B + W = 1$. From each group elites are $e(B)$ and $e(W)$ and assume $e(B) < e(W)$. In such a setup black and white preferences would have to differ and in the simplest case elites simply reflect the preferences of their reference group. Note that even in this model the political preferences of whites and blacks must differ. If $e(*) < \Omega$ the number of politicians is less than those proportional to the population shares. Such a model would only be true under extremely restrictive conditions on voter and/or politician preferences, however. First, while politicians are more likely to come from elite groups, this is not a requirement. Voters would have to prefer elite politicians of either race more than their preferred redistributive policy to the extent that out-group elites did not share their policy preferences. An alternative restriction would limit political office to elites but this would not match with the history of Reconstruction, where a significant number on non-elite blacks and whites served in office. Second, white politicians would have to sub optimally respond to the policy preferences of the black electorate, where their policy positions should be more likely to conform to black electoral strength. The existing evidence from the enfranchisement of blacks in the 1960s suggests that white politicians did respond to black electoral strength (Cascio and Washington, 2014). Adding any dynamic dimension to such models would therefore require implausible discounting by politicians for enfranchisement to have no effect. In both cases, however, the electoral preferences of blacks would be incorporated via either a black or white politician in equilibrium, rendering the race of the policymaker unimportant and the polices a function of electoral preferences and not the race of the policymaker. Since neither of these assumptions in tenable, the effect of race on public finance is difficult to model formally. More exotic models, where race is a signal which overcomes an information problem, do not yield predictions that politician race will have an effect. While the effect of politician race on outcomes is an empirical question, the theoretical prediction for such an effect is difficult to derive from existing models of political behavior.
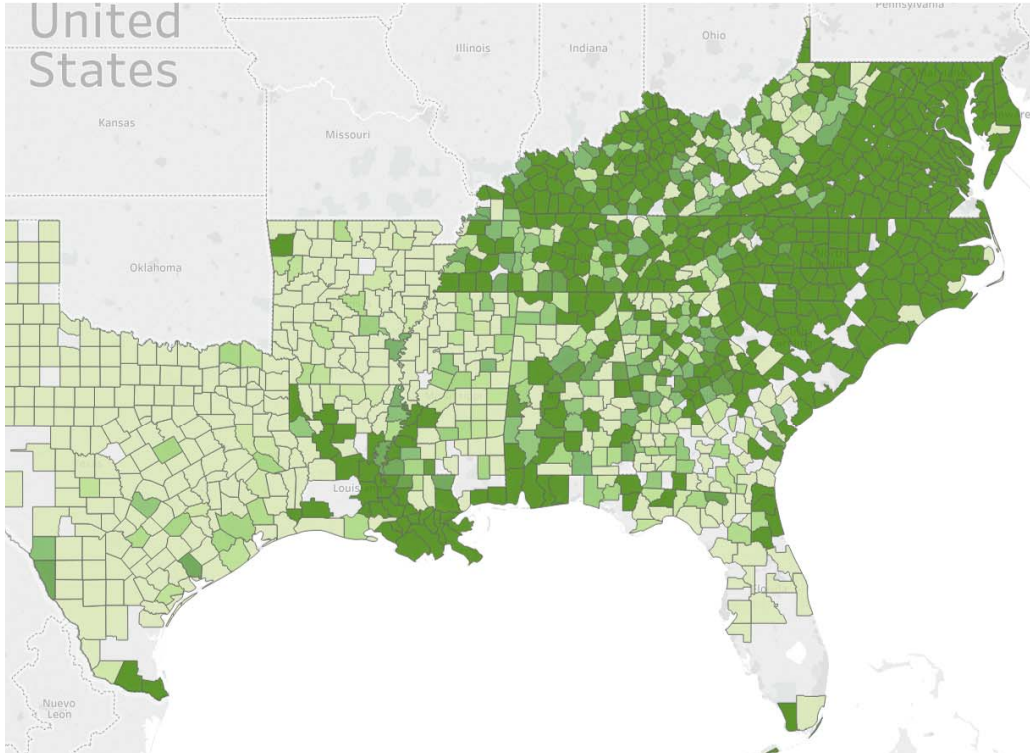
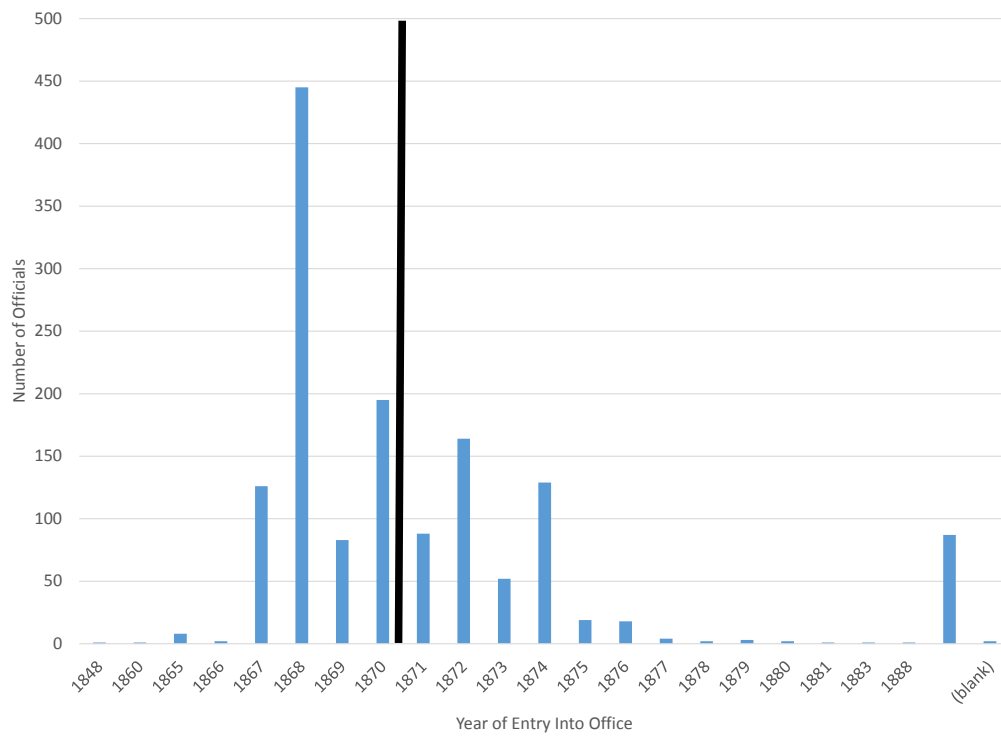Figure A1: Number of Free Blacks by County, 1860.

Figure A2: Number of Black Politicians by Year of Entry to Office. Source: Foner (1996)

Table A1: Additional Specification Checks

Panel A: Percent of Blacks free in 1860 as IV

Dependent Variable:	OLS 1870 County Taxes Per Capita	First Stage Black Officials Per County	IV 1870 County Taxes Per Capita
Officials Per County	0.0925***		0.578*
	(0.0133)		(0.327)
Percent of Blacks Free 1860		1.982*	
		(1.084)	
F-Statistic on Excluded Instrument		3.34	

Panel B: Total Population Removed

Dependent Variable:	OLS 1870 County Taxes Per Capita	First Stage Black Officials Per County	IV 1870 County Taxes Per Capita
Black Officials Per County	0.0997***		0.2056***
	(0.0132)		(0.0787)
Free Blacks 1860		0.00118***	
		(0.00024)	
F-Statistic on Excluded Instrument		24.24	

Panel C: All Covariates Per Capita, Total Population Removed

Dependent Variable:	OLS 1870 County Taxes Per Capita	First Stage Black Officials Per County	IV 1870 County Taxes Per Capita
Black Officials Per County	0.0949***		0.1735***
	(0.00979)		(0.0209)
Free Blacks 1860		0.00317***	
		(0.000206)	
F-Statistic on Excluded Instrument		237.79	

Robust standard errors in parentheses. *** $p<0.01$, ** $p<0.05$, * $p<0.1$

Note: N=974 in all regressions. All regressions include Republican vote share in 1868 Presidential Election, total value of farms, Logan-Parman Segregation, percent black, manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county, county wealth and state fixed effects. Panrel A includes total poputlation in 1870. Panel C uses all varianbles which are not indecies or proportions in per capita fomulation.

Table A2: Specification Checks for Local Politicians and Inclusion of Antebellum Factors

Panel A: Local Politicians

	OLS	First Stage	IV
Dependent Variable:	1870 County Taxes	Local Black Officials	1870 County Taxes
	Per Capita	Per County	Per Capita
Local Officials Per County	0.141***		0.291***
	(0.0225)		(0.110)
Percent of Blacks Free 1860		0.000837***	
		(0.000140)	
F-Statistic on Excluded Instrument		35.57	

Panel B: Number of Slaves in 1860 Included

	OLS	First Stage	IV
Dependent Variable:	1870 County Taxes	Black Officials	1870 County Taxes
	Per Capita	Per County	Per Capita
Black Officials Per County	0.1094***		0.1562**
	(0.0132)		(0.0661)
Free Blacks 1860		0.00134***	
		(0.00024)	
F-Statistic on Excluded Instrument		32.52	

Panel C: Slaves as Share of Total Population Included

	OLS	First Stage	IV
Dependent Variable:	1870 County Taxes	Black Officials	1870 County Taxes
	Per Capita	Per County	Per Capita
Black Officials Per County	0.0948***		0.1833**
	(0.0133)		(0.0873)
Free Blacks 1860		0.00106***	
		(0.000243)	
F-Statistic on Excluded Instrument		19.24	

Robust standard errors in parentheses. *** $p<0.01$, ** $p<0.05$, * $p<0.1$

Note: N=825 in all regressions. All regressions include Republican vote share in 1868 Presidential Election, total value of farms, Logan-Parman Segregation, percent black, manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county, county wealth and state fixed effects.

Table A3: County Taxes and Changes in Number of Farms by Farm Size, 1870-1880

Panel A:

	Change in Number of Farms by Acreage, 1870 to 1880							
	0-2	3-9	10-19	20-49	50-99	100-499	500-999	1000 +
	I	II	III	IV	V	VI	VII	VIII
1870 County Per Capita Taxes	0.676	0.527	4.276	-4.469	-1.463	-13.62**	-1.344*	-0.524
	(0.456)	(2.215)	(3.759)	(6.672)	(2.935)	(5.334)	(0.718)	(0.419)
R-Squared	0.046	0.129	0.112	0.323	0.457	0.688	0.5	0.472
State Fixed Effects	X	X	X	X	X	X	X	X
Local Economic Conditions	X	X	X	X	X	X	X	X
County Wealth	X	X	X	X	X	X	X	X
Republican Vote Share	X	X	X	X	X	X	X	X

Panel B:

	Change in Number of Farms by Acreage, 1870 to 1880							
	0-2	3-9	10-19	20-49	50-99	100-499	500-999	1000 +
	I	II	III	IV	V	VI	VII	VIII
1870 County Per Capita Taxes	0.657	0.357	4.493	-4.315	-1.569	-13.60**	-1.347*	-0.526
	(0.456)	(2.209)	(3.756)	(6.679)	(2.936)	(5.341)	(0.719)	(0.420)
Black Politicians?	1.735	15.93**	-20.35*	-14.48	9.951	-2.329	0.309	0.223
	(1.467)	(7.111)	(12.09)	(21.50)	(9.450)	(17.19)	(2.314)	(1.350)
R-Squared	0.048	0.136	0.115	0.323	0.458	0.688	0.5	0.472
State Fixed Effects	X	X	X	X	X	X	X	X
Local Economic Conditions	X	X	X	X	X	X	X	X
County Wealth	X	X	X	X	X	X	X	X
Republican Vote Share	X	X	X	X	X	X	X	X

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 974. Regressions include total value of farms in 1870, the Logan-Parman segregation measure, percent black, total population,

Column II and VI:manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county,

and county wealth. Column III and VII: county welath in 1870. Column IV and VIII: Republican Vote Share in 1868.

All regressions include state fixed effects.

Table A4: Two-Stage Estimates of Educational Outcomes as a Function of County Taxes

	Black				White			
				1900				1900
	Enrollment	Cannot Write Age > 10	Cannot Write Age >15	Age >20 Literacy	Enrollment	Cannot Write Age > 10	Cannot Write Age >15	Age >20 Literacy
Panel A: Black Officials as First Stage Predictor of Taxes								
1870 County Per Capita Taxes	365.59***	-138.79***	15.55	0.0932***	391.18***	-175.25***	-127.74***	0.0351**
	(50.766)	(24.887)	(18.300)	(0.0205)	(92.837)	(35.575)	(25.822)	(0.0133)
F Statistic on Excluded Predictor	56.0							
Coefficient on Black Officials (First Stage)	0.09886***							
	(0.0132)							
Panel B: Free Blacks as First Stage Predictor of Taxes								
1870 County Per Capita Taxes	320.16**	-112.97*	-127.79*	-0.044	461.53*	-176.935*	-87.387	-0.0352
	(126.28)	(64.294)	(63.852)	(0.0553)	(267.815)	(99.106)	(62.365)	(0.0368)
F Statistic on Excluded Predictor	6.859							
Coefficient on Free Blacks (First Stagte)	0.000244**							
	(0.0000931)							
Panel C: OLS Estimates								
1870 County Per Capita Taxes	42.20***	-39.66***	-19.22***	0.0201***	156.6***	-2.854	0.428	-8.68e-05
	(6.603)	(5.454)	(4.618)	(0.00470)	(22.69)	(6.983)	(4.985)	(0.00322)

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 974. Regressions include total value of farms in 1870, the Logan-Parman segregation measure, percent black, total population, manufacturing wages, value of manufacturing output, number illiterate, rail access, water access, urban county, county wealth, and state fixed effects

Table A5: Reduced Form Estimates

			Dependent Variable : 1870 County Taxes per Capita			
	I	II	III	IV	V	VI
Free Blacks in 1860	0.000541***	0.000383***	0.000244***	0.000244***	0.000210**	0.000194**
	(7.84e-05)	(9.11e-05)	(9.31e-05)	(9.31e-05)	(9.34e-05)	(9.44e-05)
Total Value of Farms 1870	7.18e-08***	6.55e-08***	5.99e-08***	6.04e-08***	9.27e-08***	7.26e-08***
	(1.95e-08)	(2.10e-08)	(2.07e-08)	(2.08e-08)	(2.35e-08)	(2.11e-08)
Segregation Measure	0.0499	0.303	0.284	0.281	0.124	0.152
	(0.326)	(0.366)	(0.360)	(0.360)	(0.363)	(0.361)
Percent Black	0.669***	1.101***	0.954***	0.961***	1.380***	2.486***
	(0.211)	(0.262)	(0.259)	(0.260)	(0.297)	(0.595)
Total Population	-3.11e-06	3.34e-05***	-2.34e-05*	-2.26e-05*	-2.21e-05*	-2.53e-05*
	(3.26e-06)	(8.27e-06)	(1.31e-05)	(1.34e-05)	(1.33e-05)	(1.33e-05)
Manufacturing Wages		-1.34e-06***	-2.06e-06***	-2.06e-06***	-2.11e-06***	-2.15e-06***
		(2.66e-07)	(2.92e-07)	(2.92e-07)	(2.92e-07)	(2.93e-07)
Value of Manufacturing Output		2.18e-07***	3.04e-07***	3.04e-07***	3.10e-07***	3.24e-07***
		(7.20e-08)	(7.25e-08)	(7.26e-08)	(7.23e-08)	(7.26e-08)
Number Illiterate		-9.42e-05***	-1.62e-05	-1.72e-05	3.99e-05	-2.04e-05
		(2.46e-05)	(2.80e-05)	(2.82e-05)	(3.43e-05)	(2.81e-05)
Rail Access?		0.0437	0.0680	0.0689	0.0695	0.0636
		(0.0862)	(0.0849)	(0.0850)	(0.0846)	(0.0846)
Water Access?		0.120	0.114	0.115	0.123	0.125
		(0.0829)	(0.0818)	(0.0820)	(0.0816)	(0.0817)
Urban?		0.212	0.292	0.292	0.271	0.235
		(0.184)	(0.181)	(0.181)	(0.181)	(0.182)
County Wealth			6.40e-08***	6.34e-08***	6.25e-08***	6.69e-08***
			(1.16e-08)	(1.18e-08)	(1.17e-08)	(1.18e-08)
Republican Vote Share 1868 President				0.0832	0.136	0.0854
				(0.259)	(0.259)	(0.258)
Slaves in 1860					-7.13e-05***	
					(2.47e-05)	
Slaves as Percent of 1860 Population						-1.703***
						(0.599)
R-Squared	0.421	0.477	0.496	0.496	0.501	0.501

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

N= 974. All Regressions include state fixed effects.