

PLS 341

# Politics of Development

Week 4, Lecture 1:  
Historical legacies—colonialism

# Recap

- Importance of geography mediated by:
- (Colonial) history
- Institutions

# Plan for this week

- Historical legacies and development:
  - Colonialism and its developmental impacts
  - Dependency and underdevelopment theories

# Plan for today

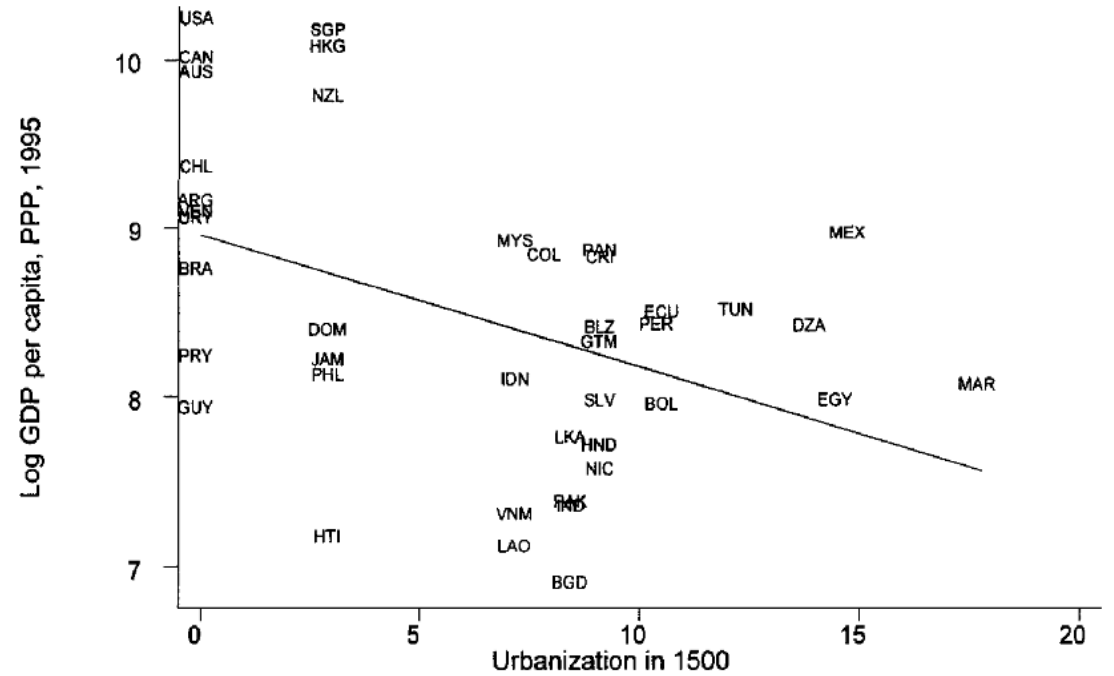
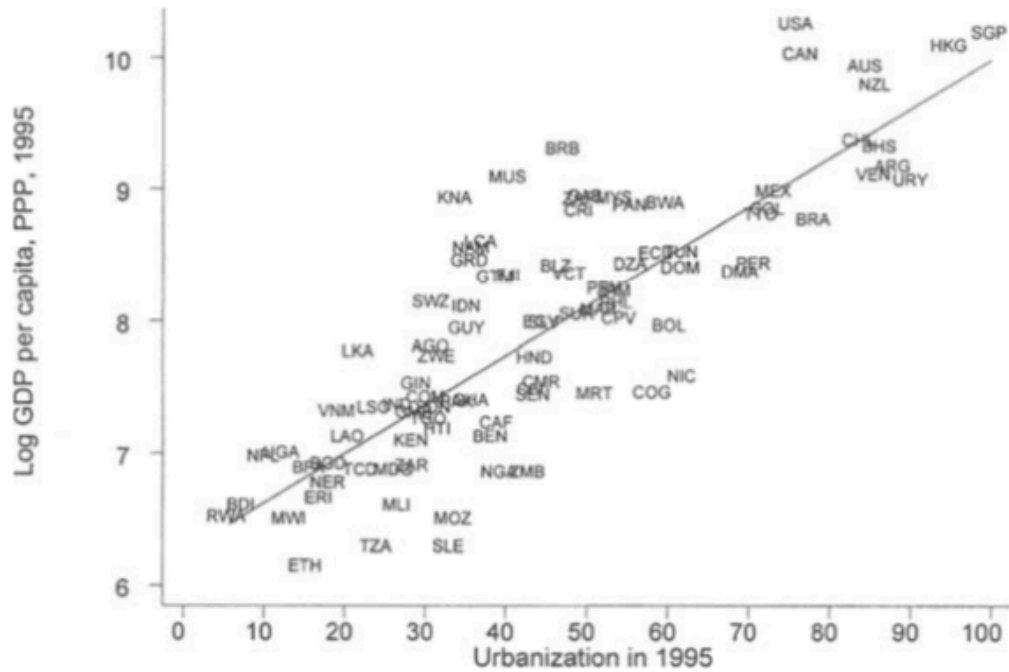
- Colonialism and its developmental impacts

# Geography vs. history according to Acemoglu and Robinson

- Average household income:
  - Nogales, Arizona: USD 30,000
  - Nogales, Sonora: USD 10,000
    - Acemoglu, Daron, and James A. Robinson. 2012. *Why nations fail: the origins of power, prosperity, and poverty*. New York: Crown Publishers.



# Geography vs. history according to Acemoglu et al. (2002)



# Key concepts

- Colonialism: the policy or practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically —>
  - Colonization and colonies
- Imperialism: the policy of extending a country's power and influence through diplomacy or military force
  - From *New Oxford American Dictionary*

# Key concepts

- Said:

- Colonialism: “implanting of settlements”
- Imperialism: “the practice, the theory and the attitudes of a dominating metropolitan center ruling a distant territory”

- Said, Edward W. 1994. *Culture and imperialism*. New York: Vintage Books.

- Young:

- Colonialism: creation of settlements and commercial operations
- Imperialism: state policy operated from the center for both economic and ideological reasons

- Young, Robert. 2001. *Postcolonialism: an historical introduction*. Oxford, UK: Blackwell Publishers.

- Lenin: imperialism as the highest, necessary stage of capitalism

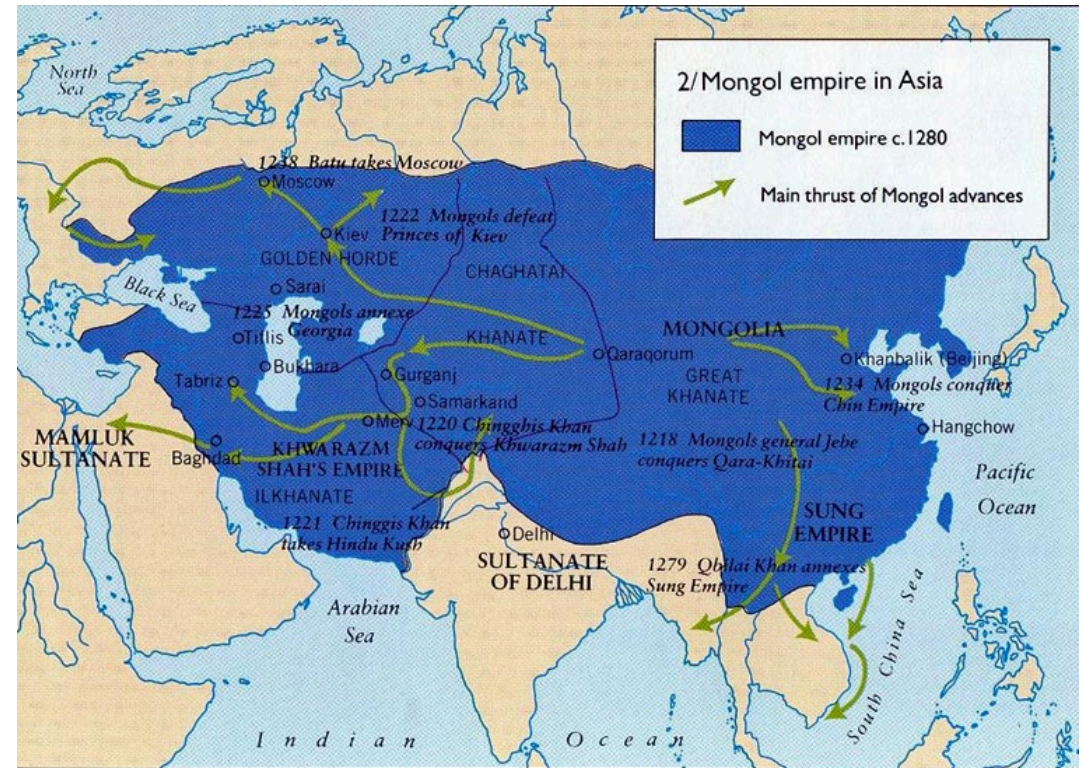
- Lenin, Vladimir Il'ich. 1939. *Imperialism, the highest stage of capitalism: a popular outline*. New York: International Publishers.



# History of colonialism



# History of imperialism

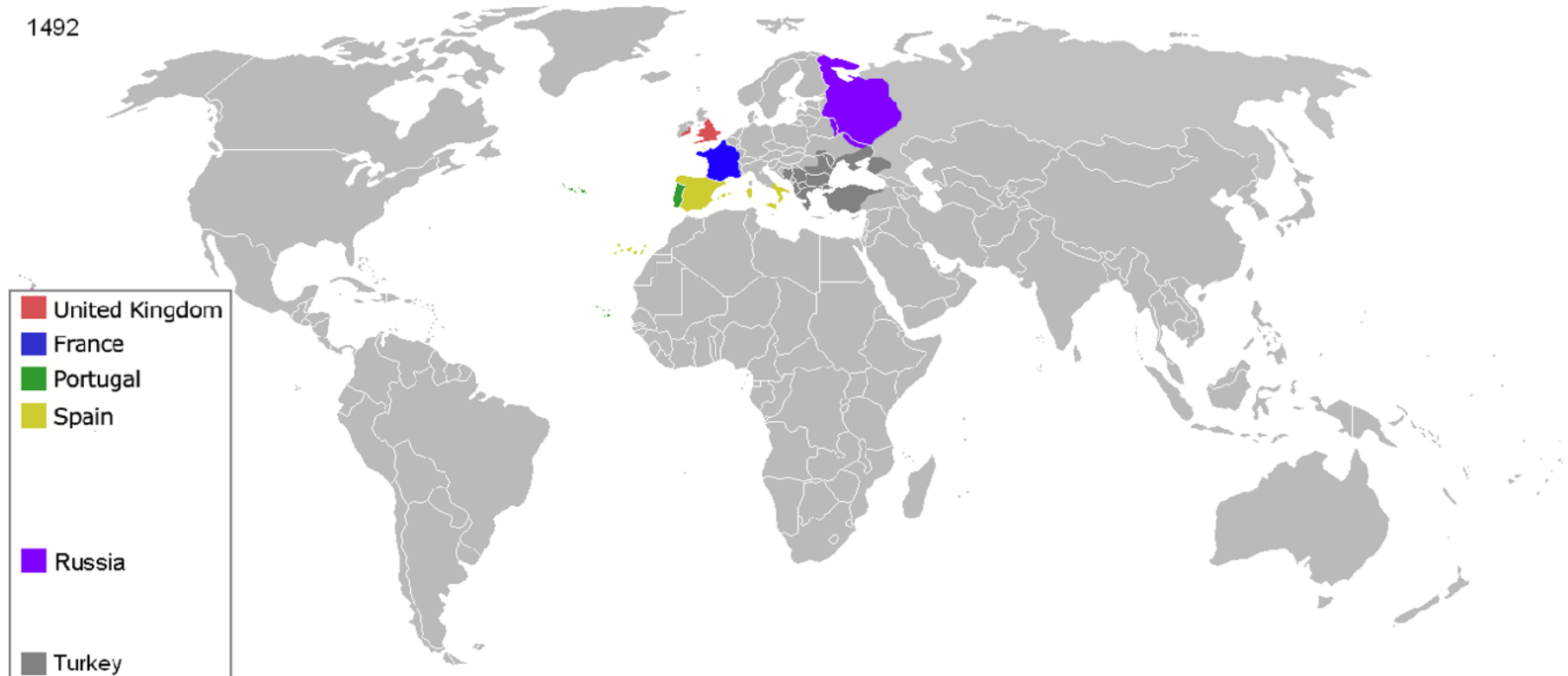


# History of imperialism



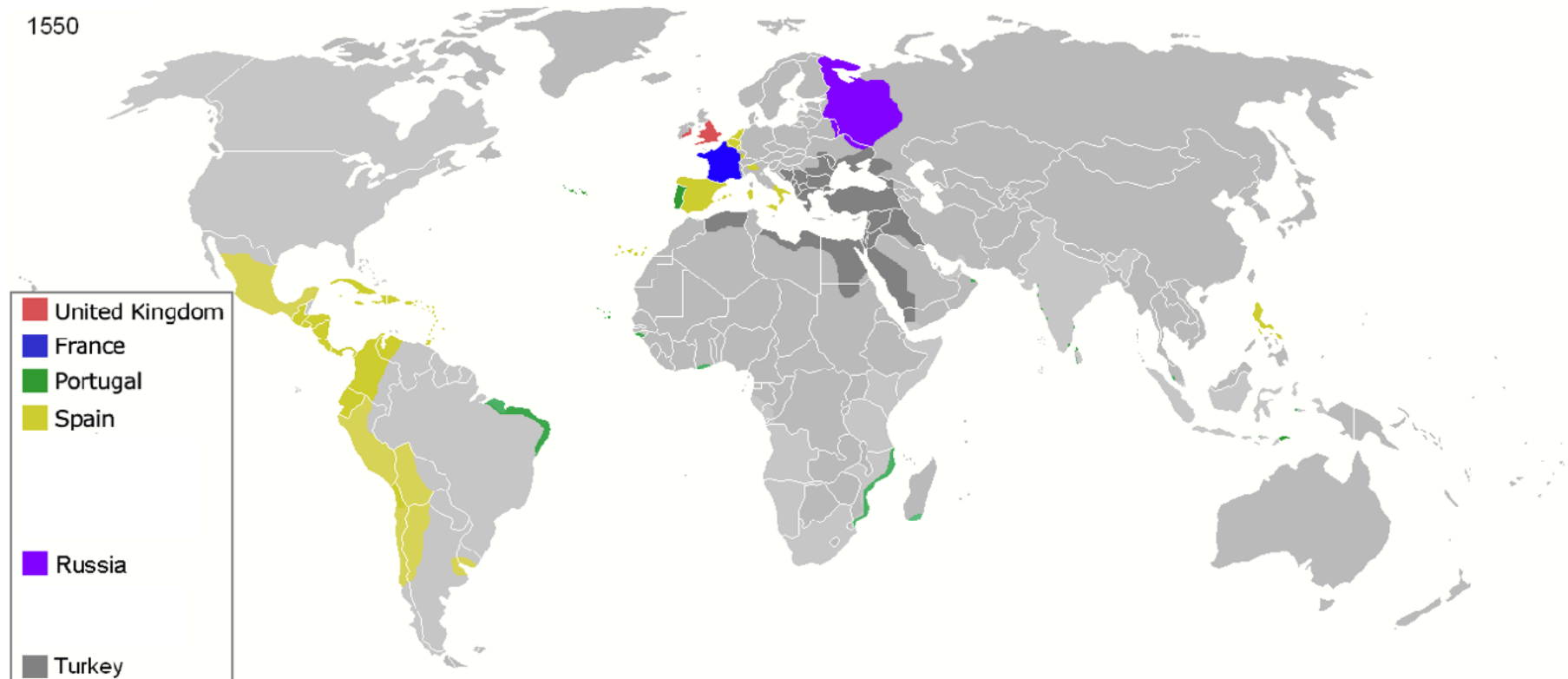
# European colonialism / imperialism

1492

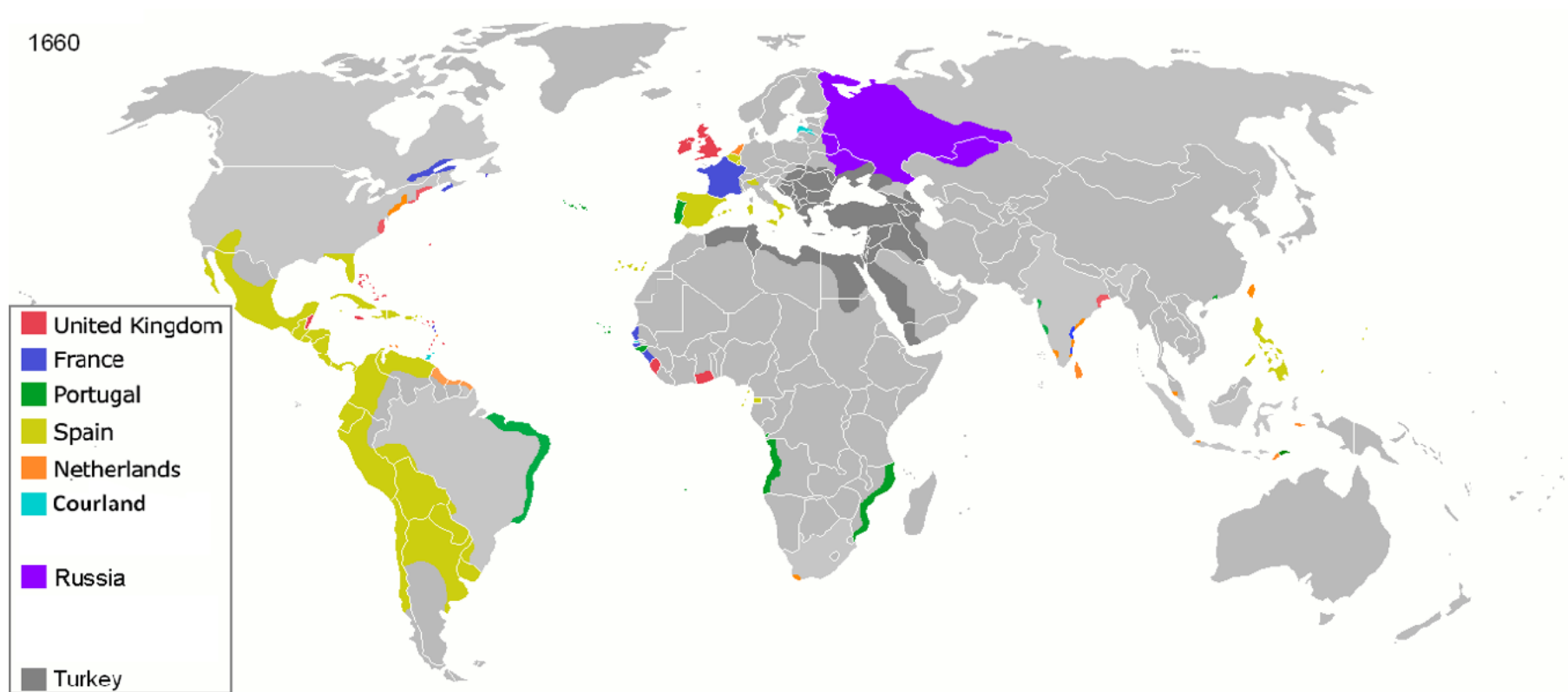


# European colonialism / imperialism

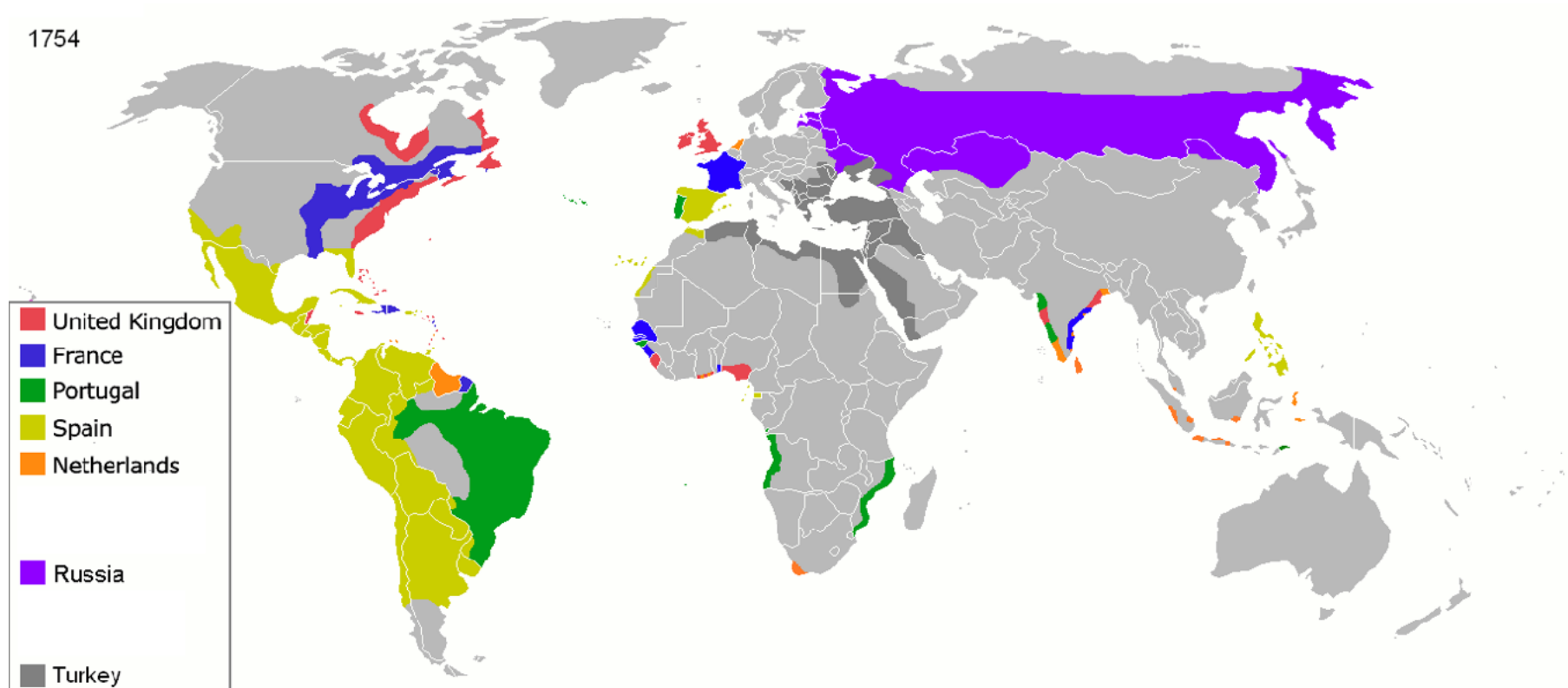
1550



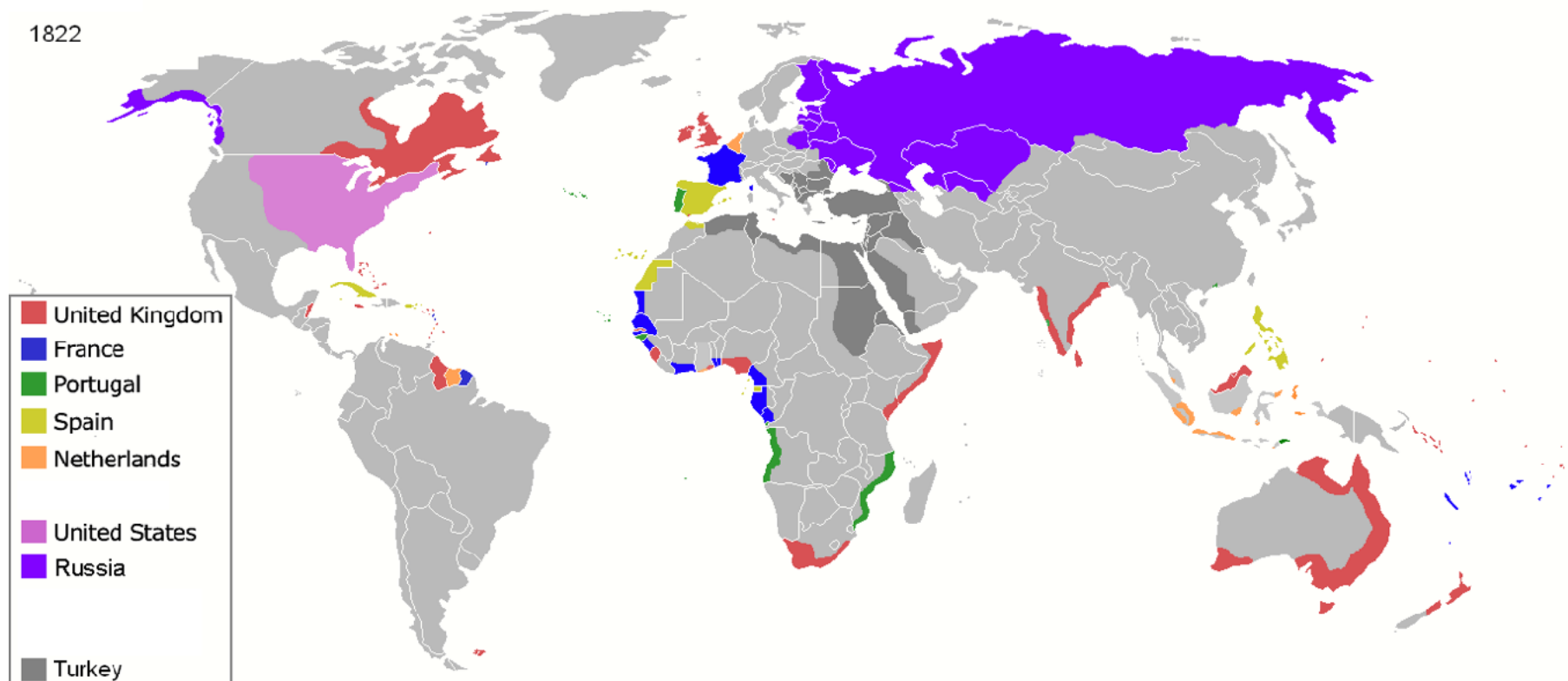
# European colonialism / imperialism



# European colonialism / imperialism

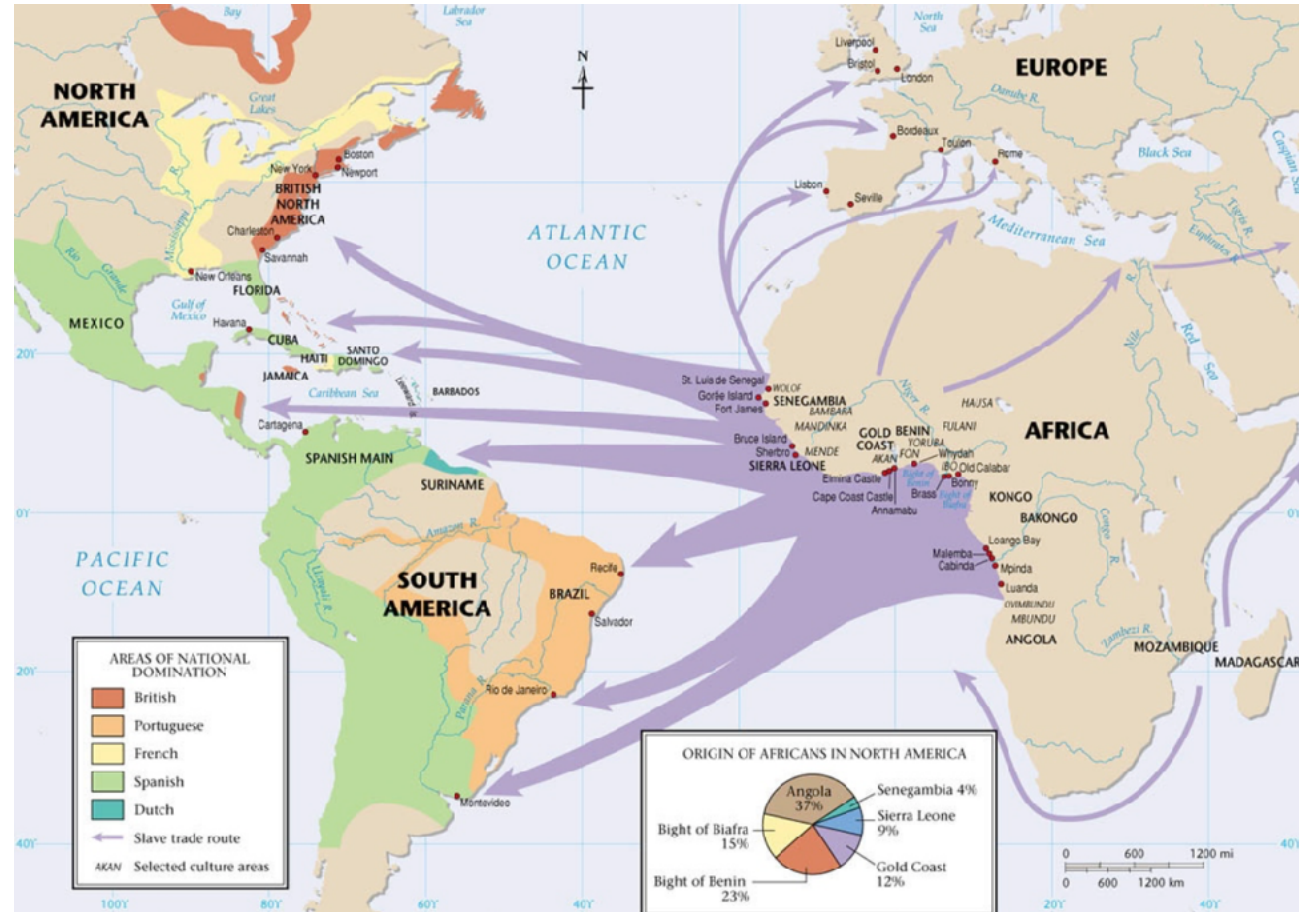


# European colonialism / imperialism





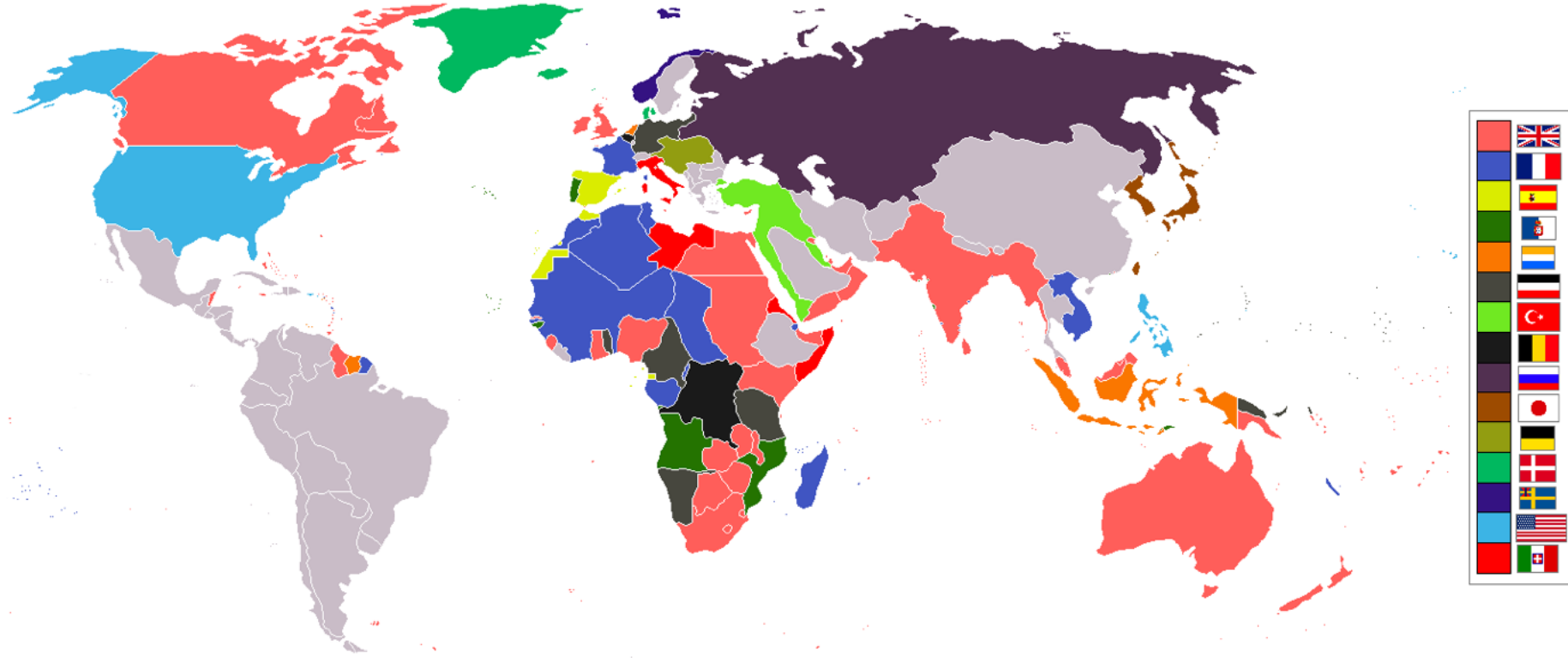
# Slave trade



# Causes of early modern European colonialism / imperialism

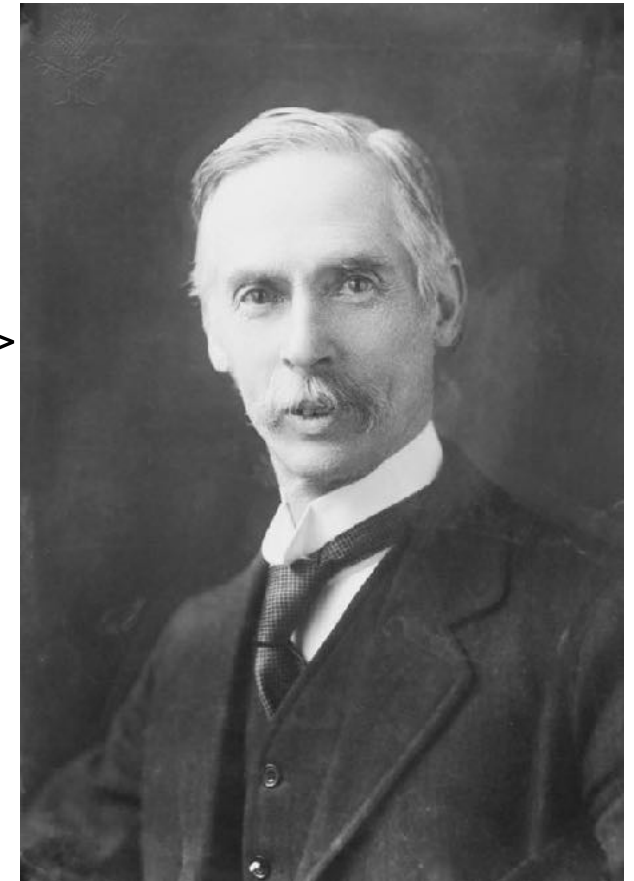
- Economic
- International relations / balance of power
- Religious / ideological

# High / new imperialism

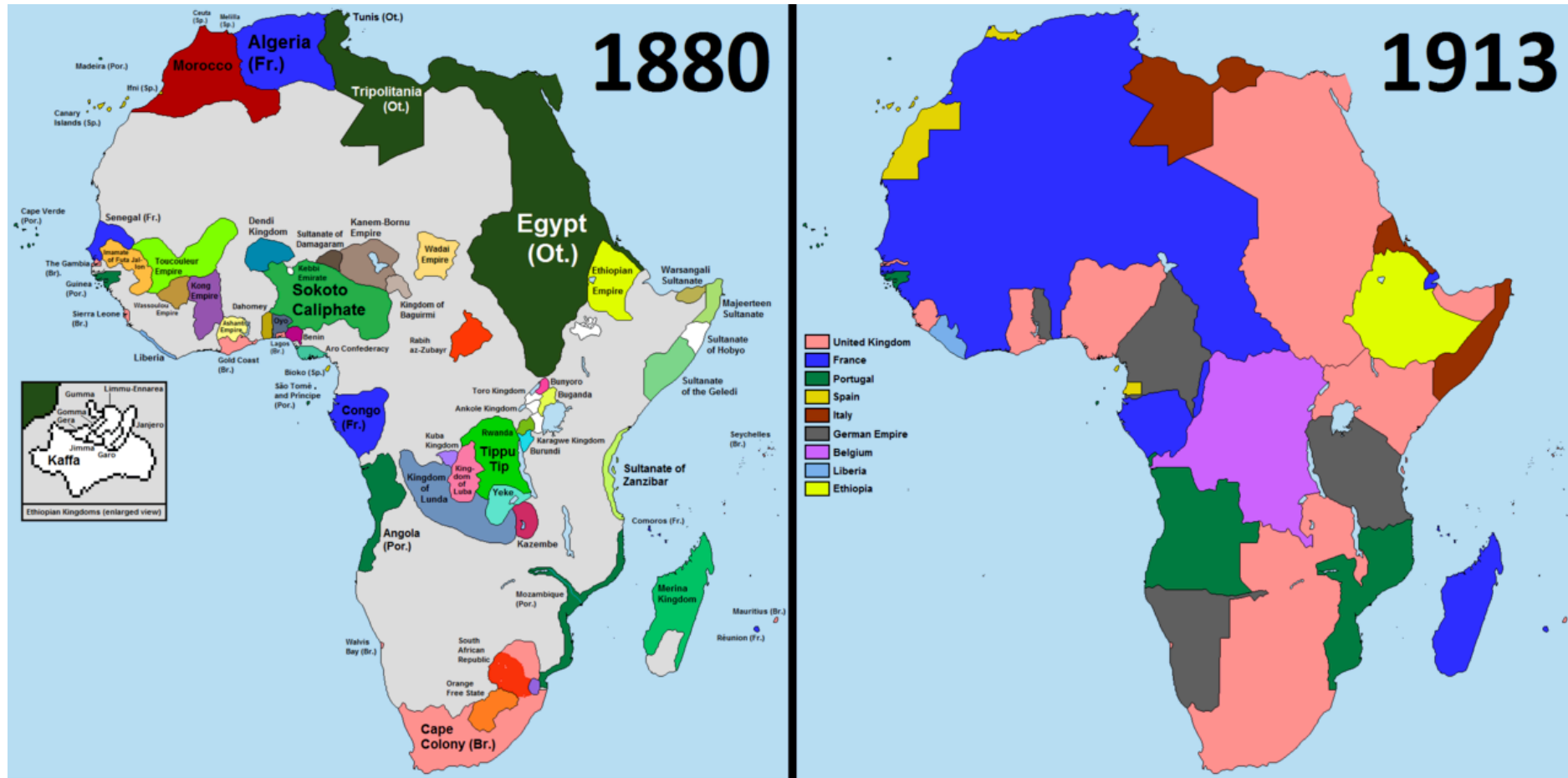


# Causes of new imperialism

- Hobson's accumulation theory:
  - Industrial Revolution —>
  - Surplus accumulation —>
  - Competition in Europe's limited market —>
  - Expansion to areas with lower labor costs, unexploited raw materials, and little competition —>
- Lenin: imperialism as the highest (last) stage of capitalism



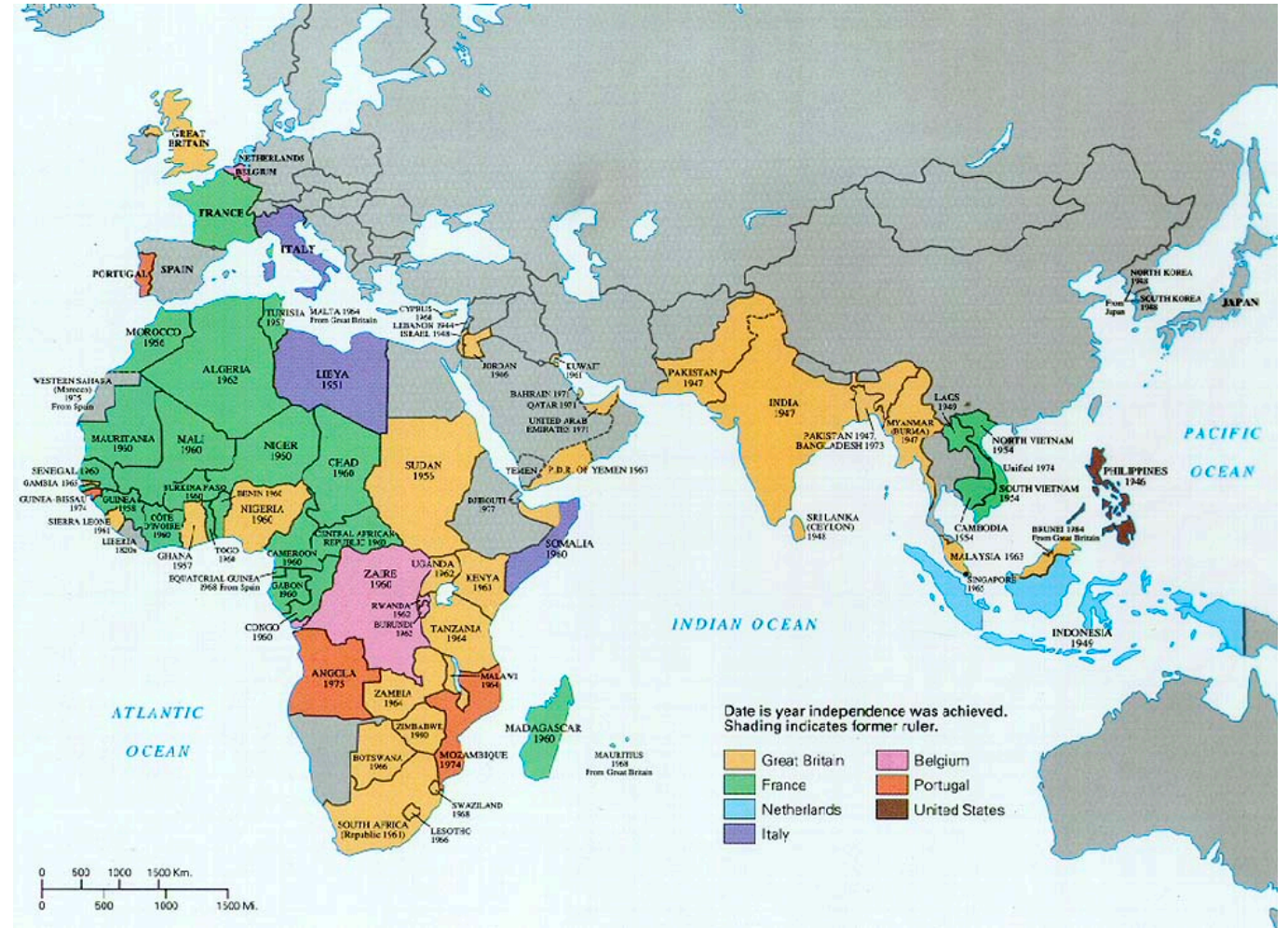
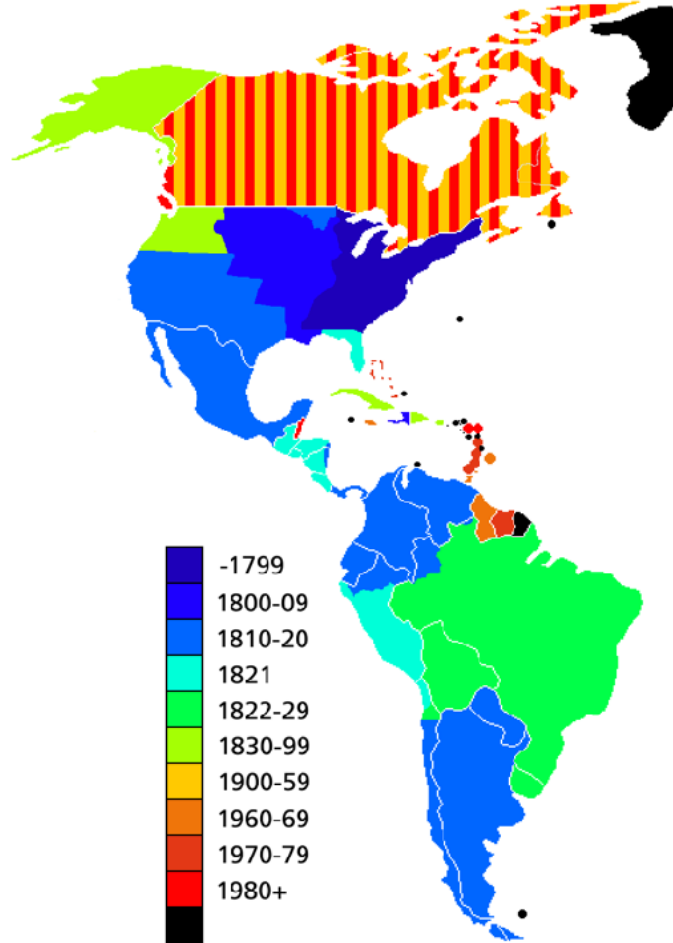
# Scramble for Africa



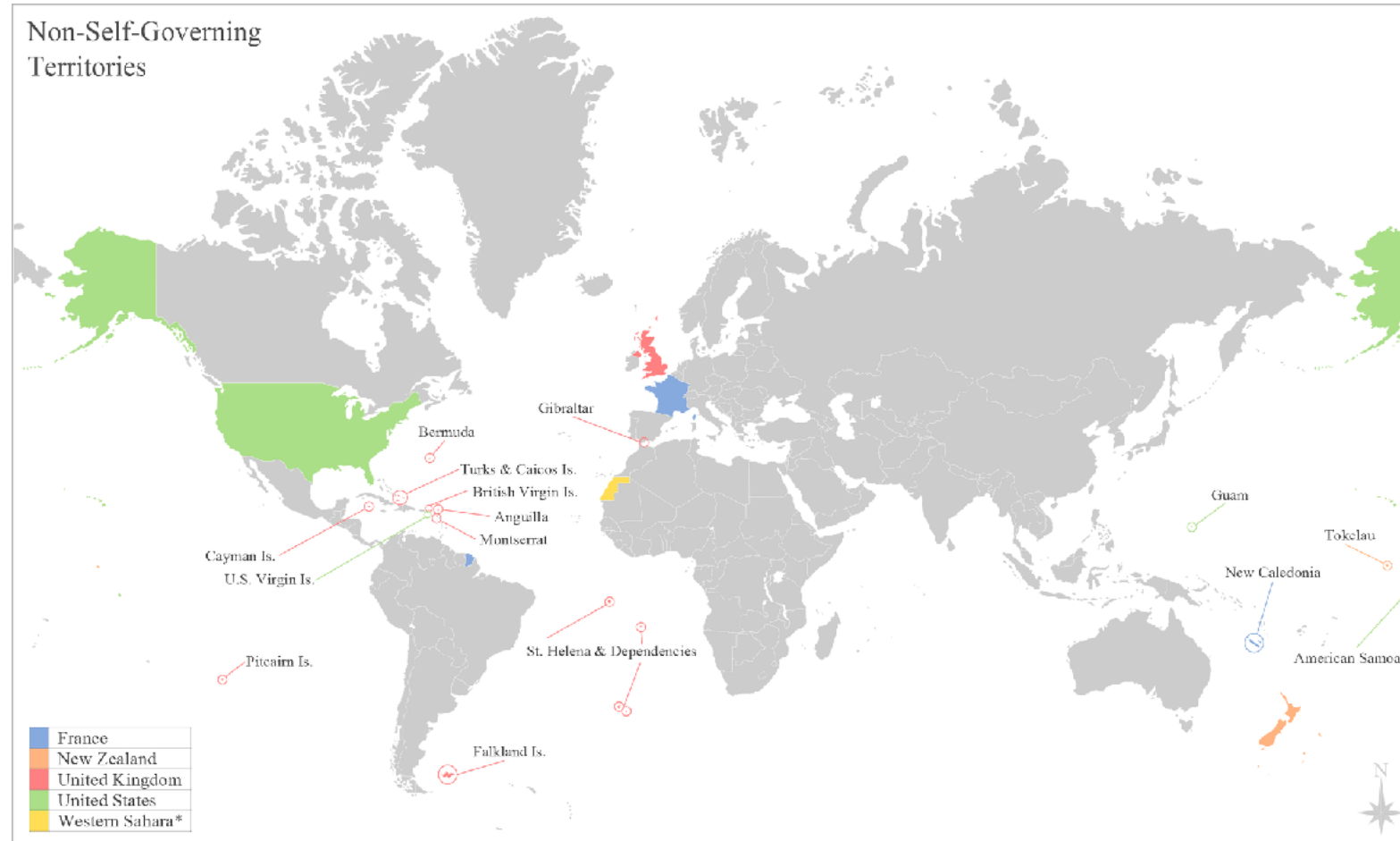
# Causes of the Scramble for Africa

- Disease environment (especially malaria) -> quinine
- Inaccessibility / distance -> steamboats
- Relative lack of established states (complicating conquest) -> guns
- Governance innovations

# Decolonization



# Decolonization





# Causes of decolonization

- Anti-colonial struggle
- World War II and the Atlantic Charter
- Cold War
- Ideological commitments

# Colonialism and development

- Exploitation
- Institutions:
  - Domestic
  - International

# Impacts of colonialism: unfreedom

- Deaths:
  - Deaths of 90%, or 56 million, of indigenous Americans from 1492 and ~ 1600
- Suffering
- Subjugation

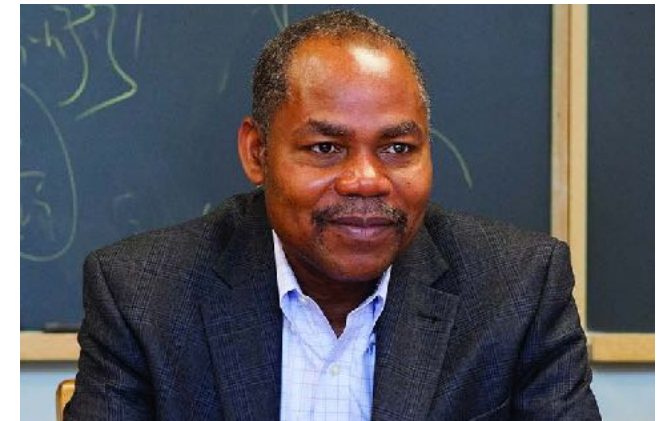
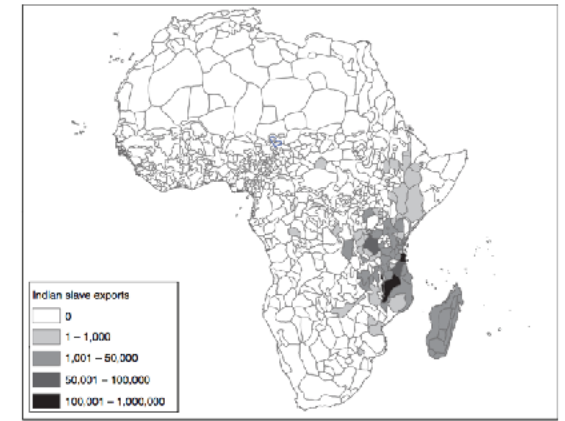
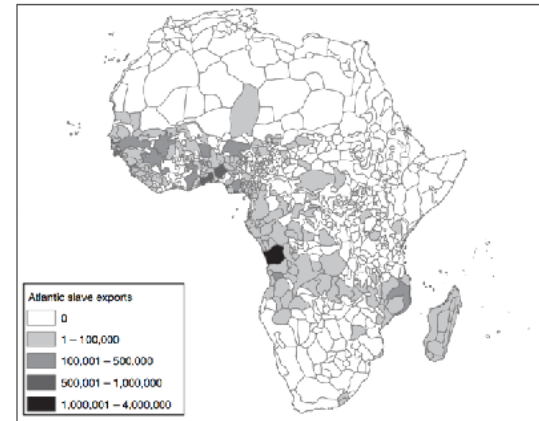
# Impacts of colonialism: economic and sociopolitical disruption

- Africa's population cut in half by mid-19<sup>th</sup> century due to slave trade —>
  - Manning, Patrick. 1990. *Slavery and African life: occidental, oriental, and African slave trades*. Cambridge: Cambridge University Press.
- Low population density —>
- Herbst: “The fundamental problem facing state-builders in Africa—be they pre-colonial kings, colonial governors, or presidents in the independent era—has been to project authority over inhospitable territories that contain relatively *low densities of people*.”
  - Herbst, Jeffrey. 2000. *States and Power in Africa: Comparative Lessons in Authority and Control*. Princeton: Princeton University Press.
- Bloom et al.: low population density as one of the causes of Africa's long-term ‘growth crisis’
  - Bloom, David, et al. 1998. “Geography, Demography, and Economic Growth in Africa.” *Brookings Papers on Economic Activity* 2: 207-295.

# Impacts of colonialism: economic and social disruption

- Nunn and Wantchekon:
  - Strong negative relationship between the intensity of slave trade among one's ethnic ancestors and an individual's trust in others today

- Nunn, Nathan, and Leonard Wantchekon. 2011. "The Slave Trade and the Origins of Mistrust in Africa." *American Economic Review* 101 (7): 3221–52.



# Impacts of colonialism: economic disruption

- Nunn:

- “If the slave trades had not occurred, then 72% of the average income gap between Africa and the rest of the world would not exist today, and 99% of the income gap between Africa and other developing countries would not exist.”

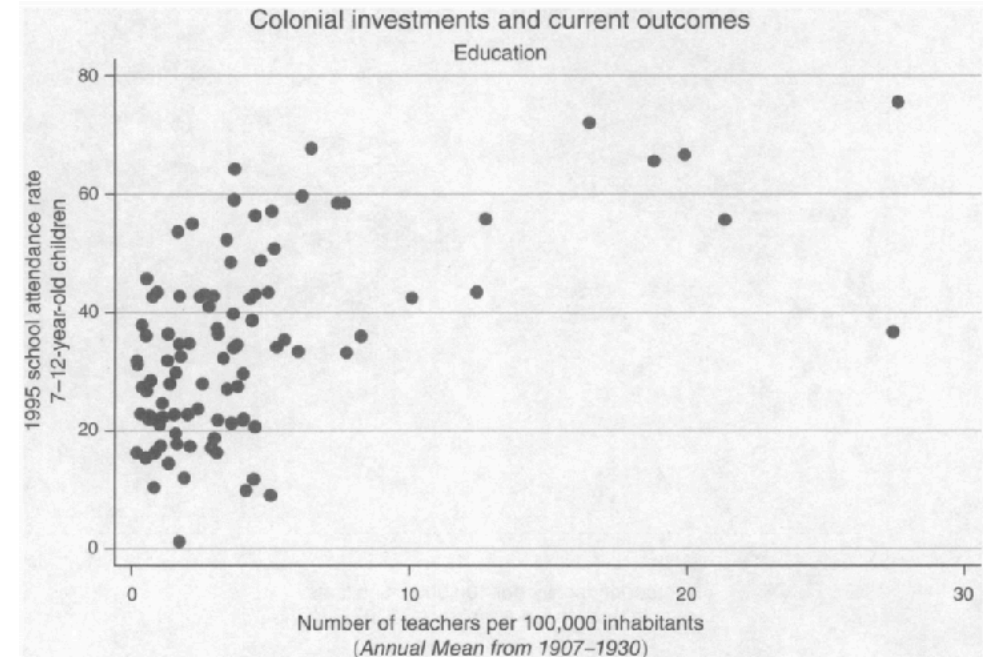
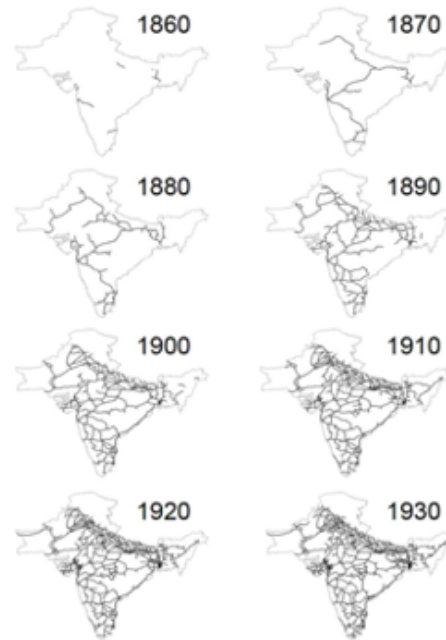
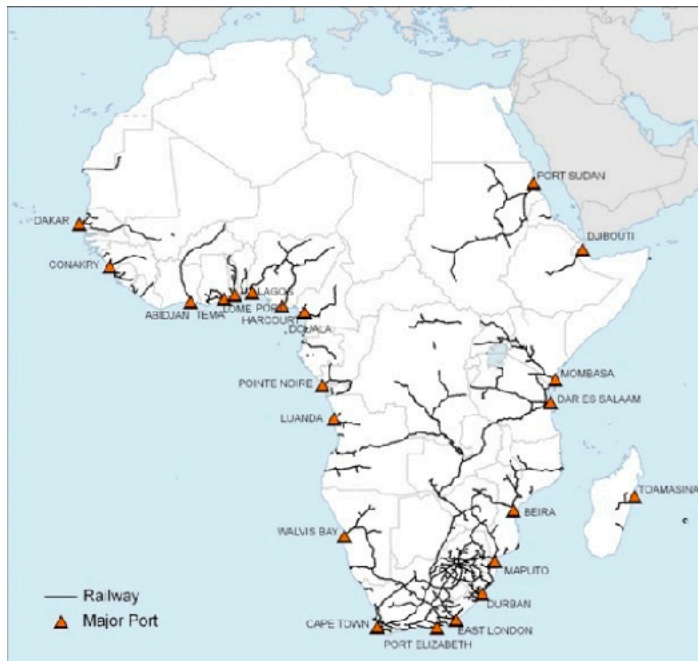
- Nunn, Nathan. 2008. “The Long-Term Effects of Africa’s Slave Trades.” *Quarterly Journal of Economics*, 123(1): 139–76.

# Impacts of colonialism: extraction

- Two vignettes:
  - 40,000 tons of silver from Spanish mines in the Americas —>
    - Price Revolution
  - Patnaik: USD 45 trillion from British India
    - Purchase of Indian goods with Indians' money —>
    - Deficit and debt



# Impacts of colonialism: extraction and investment



Donaldson, Dave. 2010. "Railroads of the Raj: Estimating the Impact of Transportation Infrastructure." NBER working paper.

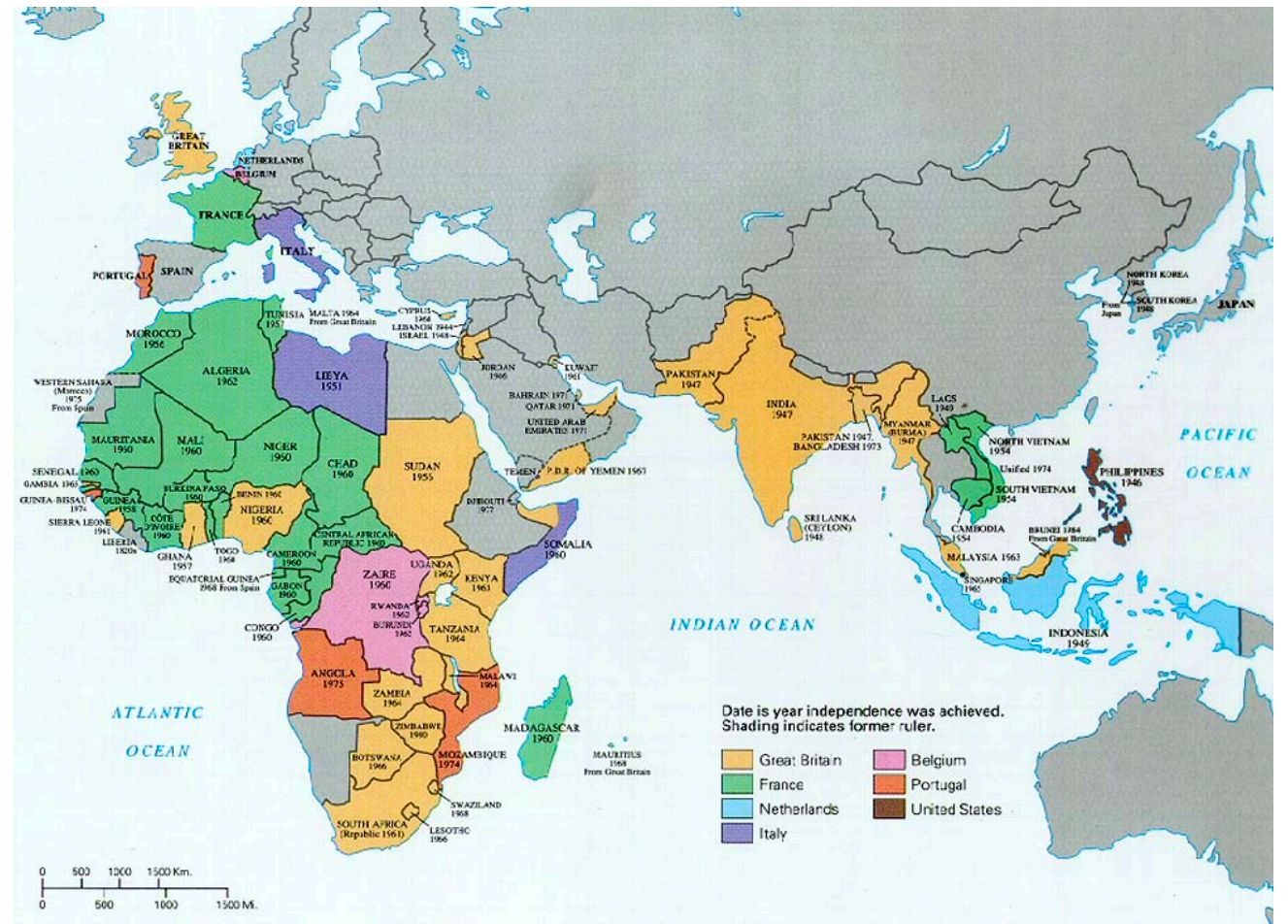
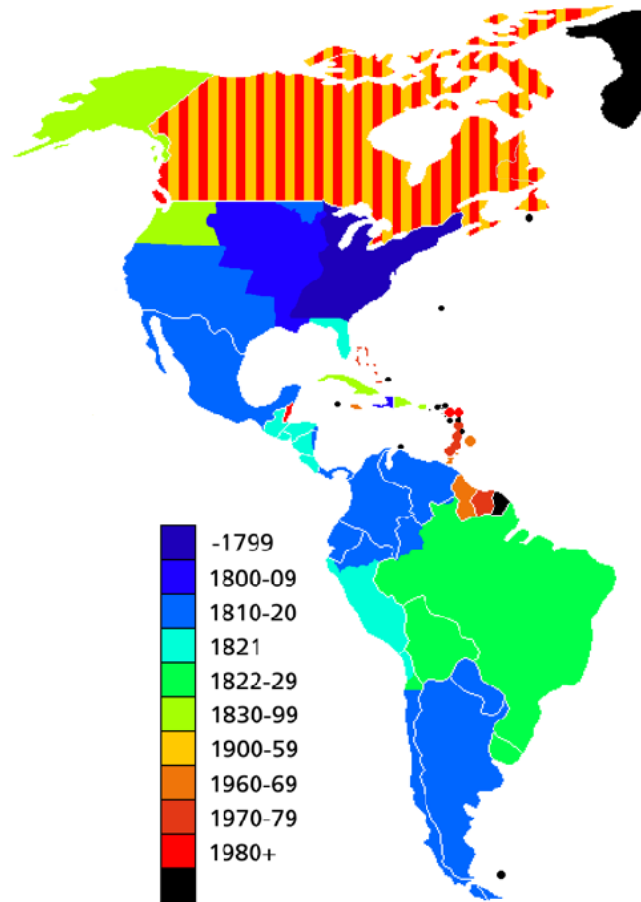
Huillery, Elise. "History Matters: The Long-Term Impact of Colonial Public Investments in French West Africa." *American Economic Journal: Applied Economics* 1, no. 2 (2009): 176-215.



# Impacts of colonialism: creation of institutions

- Acemoglu et al. (2002):
  - Differential profitability of alternative colonization strategies in different environments:
    - Prosperous and densely settled areas —> extractive institutions
    - Sparsely settled areas —> institutions of private property (i.e. inclusive institutions)
  - Institutional reversal —> reversal in relative incomes
    - Acemoglu, Daron, James Robinson, and Simon Johnson. 2002. "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution." *Quarterly Journal of Economics* 117(4): 1231-1294.

# Impacts of colonialism: creation of new polities



# Impacts of colonialism: creation of new elites

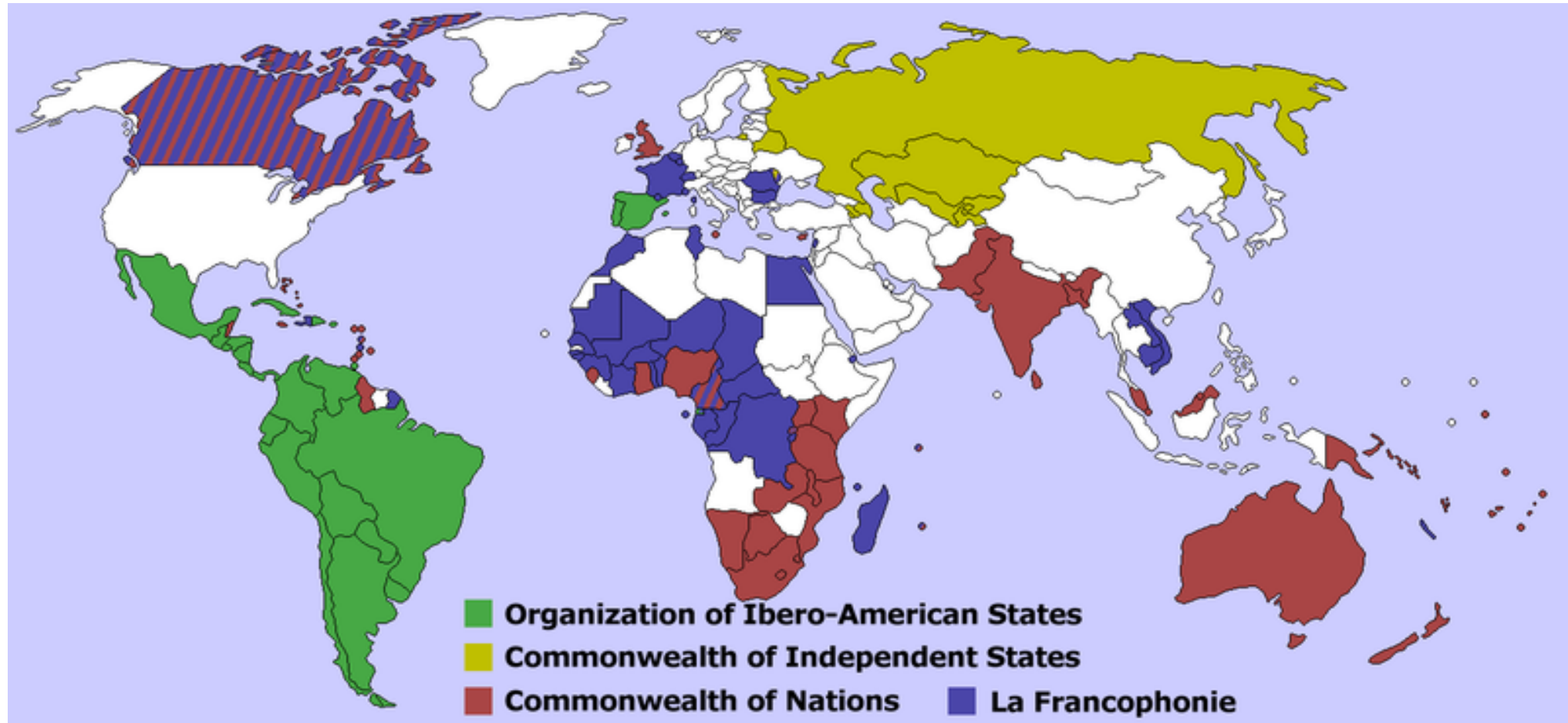
- European
  - Colonial officials
  - Settlers
- Local, e.g.:
  - Zamindari in British India
  - Chiefs in British colonies in Africa
  - 'Bureaucratic bourgeoisie'



# Impacts of colonialism: despotism and frailty

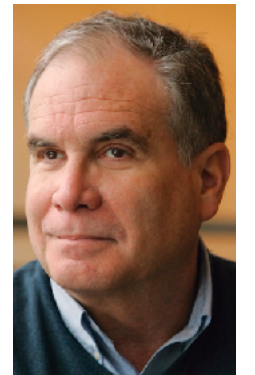
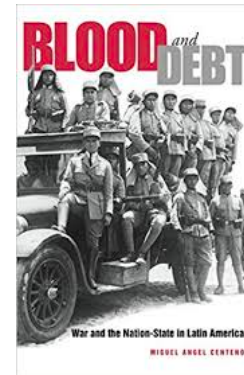
- Low state capacity
- Limited ties with local populations —>
- Neopatrimonialism and political salience of ethnicity
- Instability

# Impacts of colonialism: international system



# Impacts of colonialism: international system

- Tilly: “war made the state and the state made war”
  - Tilly, Charles. 1975. “Reflections on the History of European State Making.” In Charles Tilly (ed.), *The Formation of National States in Western Europe*. Princeton: Princeton University Press.
- Centeno: blood and debt in Latin America vs. blood and iron in Europe
  - Centeno, MA. 1997. “Blood and Debt: War and Taxation in Nineteenth-Century Latin America.” *American Journal of Sociology* 102 (6): 1565–1605.



# Impacts of colonialism: international system

- Jackson and Rosberg:
  - Quasi-states and negative sovereignty in Africa
  - Positive sovereignty: capabilities “which enable governments to be their own masters”
  - Negative sovereignty: formal legal condition that ensures freedom from external interference
  - ‘Quasi-states:’ juridical independence (negative sovereignty), but only limited empirical statehood (positive sovereignty)
    - Jackson, Robert H., and Carl G. Rosberg. 1982. “Why Africa’s Weak States Persist: The Empirical and the Juridical in Statehood.” *World Politics* 35 (1): 1–24.

# Takeaways

- Influence of historical processes on development through:
  - Exploitation and international system —> underdevelopment and dependency theories
  - Institutions —> institutionalism