

Rewards to Anti-Apartheid Political Activities

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Overview

- ▶ Economic Returns to anti-Apartheid Political Activities
- ▶ Q. Since 1994: Have areas with more pre-1994 anti apartheid activities grown faster?

Overview 2

- ▶ Pre 1994 - Multiple Municipalities
- ▶ All suffer some injustice that limits economic (and other) potential
- ▶ Some fight against this injustice, some don't
- ▶ Post 1994 - Injustice over (kind of) for all
- ▶ Did municipalities that fought harder grow faster?

Overview 2

- ▶ Understanding the long-term consequences of political activity
- ▶ Political activities against other struggles still present
- ▶ E.g. Service delivery protests, EFF?

Literature Review

- ▶ Struggle for political power - Manipulate Economic Institutions - Economic Benefits
- ▶ E.g. Acemoglu, Robinson and Johnson (2005)
- ▶ rise of merchant groups constraining the power of the monarchy, benefits for all and for merchants.

Preliminary Findings

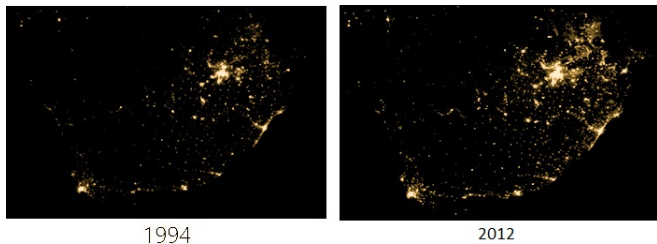
$$Growth_m = \beta_0 + \beta_1 Anti_m + \beta_2 Controls + \epsilon_m \quad (1)$$

- ▶ Unit of observation; local municipalities.

Data: Growth in Municipalities

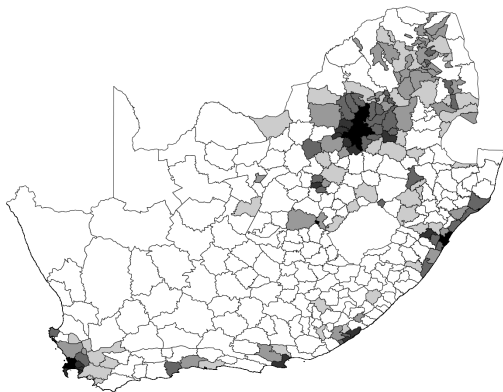
Henderon, Storeygard, and Weil (2012) - Satellite data on night lights

Figure: 1. Average Change in Night Lights 1994 - 2012



Data: Growth in Municipalities

Figure: 1. Average Change in Night Lights 1994 - 2012



Data: Anti Apartheid Activities

- ▶ Birth place of struggle heroes published by ANC (60 of 82)
- ▶ Birth place of office bearers of ANC since 1912 (24 of 29)
- ▶ Birth place of National Executive Committee in 1994 (55 of 66)
- ▶ Fraction of municipality that voted for ANC in 1994
- ▶ Protest events from GDELT*

Preliminary Findings

- ▶
$$Growth_m = \beta_0 + \beta_1 Anti_m + \beta_2 Controls + \epsilon_m \quad (2)$$
- ▶ Control Variables: Source: 1996 Census
- ▶ Initial lights, population density, racial composition, literacy, service delivery, infrastructure, mining activities

Table: Anti apartheid activities and Growth

	(1)	(2)	(3)	(4)
Anti	0.42***	0.54***	0.25***	-0.65
	(0.14)	(0.19)	(0.10)	(0.46)
Lights in 1996	-0.06***	-0.04***	-0.05***	-0.04*
	(0.02)	(0.02)	(0.02)	(0.02)
Frac Black	0.02*	0.02	0.03**	(0.02)
	(0.01)	(0.01)	(0.01)	(0.02)
Frac speaking	0.02	0.01	(0.02*)	(0.01)
Afrikaans	(0.01)	(0.01)	(0.01)	(0.02)
no. of obs	218	218	218	218
R^2	0.25	0.25	0.24	0.26

[1] Notes. Standard Errors are reported in brackets. ***, ** and * indicate significance at the 1%, 5%, and 10% levels.

Robustness

- ▶ Exclude Western Cape
- ▶ Exclude Metropolitan Municipalities
- ▶ Control for IFP

Things to do

- ▶ include data from 2006 census
- ▶ control for changes in population, service delivery etc

Issues

Causality

- ▶ Municipalities could already be growing faster
- ▶ Correlation might be spurious

Table: Anti apartheid v Initial Conditions

	(1)	(2)	(3)	(4)
Lights in 1996	0.00 (0.01)	0.00 (0.01)	0.01 (0.01)	0.00 (0.01)
Formal Dwelling	0.00 (0.00)	-0.00 (0.00)	0.00 (0.00)	(0.00) (0.00)
Telephone	-0.01 (0.01)	-0.00 (0.00)	(-0.00) (0.00)	(-0.02***) (0.01)
Electricity	0.00 (0.00)	-0.00 (0.00)	(-0.00) (0.00)	(0.00) (0.00)
Sanitation	-0.00 (0.00)	0.00 (0.00)	(0.00) (0.00)	(0.00) (0.00)
Piped Water	-0.00 (0.01)	-0.00 (0.00)	(-0.00) (0.00)	(-0.00) (0.01)
Illiterate	-0.01* (0.01)	-0.00 (0.00)	(0.01) (0.01)	(-0.01) (0.01)

[1] Notes. Standard Errors are reported in brackets. ***, ** and * indicate significance at the 1%, 5%, and 10%

Conclusion

- ▶ There seems to be positive and significant returns to anti apartheid activities so far
- ▶ These returns not necessarily related to voting for ANC

Further questions

- ▶ Are the slower districts driving new protest movements?
- ▶ What is the mechanism for delivering benefits?