



22nd November 2021

RESEARCH SEMINAR ECONOMIC HISTORY, GROWTH AND DEVELOPMENT*

We invite all researchers and students to discuss! The upcoming presentation takes place:

Thursday 02nd December 2021

Prof. Dr. Alexander Moradi (University of Bozen-Bolzano)

Ethnic Homogenization and Public Goods: Evidence from Kenya's Land Reform Program

Little is known about the effects of ethnic homogenization policies despite being an obvious policy option, if not an ethical one, based on the literature that links ethnic fractionalization to negative development outcomes. In this paper, we examine the effects of ethnic homogenization on public good provision using a natural experiment that took place in Kenya in the 1960s. We study a large-scale land reform program that led to a significant reduction in ethnic diversity, the settlement schemes program. Using a novel dataset about the precise location of program area boundaries (Lukalo et al., 2019) that we combine with archival, survey, census, and satellite data, we implement a spatial regression discontinuity design. We argue that the border between program areas (treatment) and neighboring areas (counterfactual) is plausibly random at the local level and confirm that there are no observable differences in pre-treatment characteristics. We find a strong discontinuity in ethnic diversity but no differences in school provision between program areas and counterfactual areas in the short run as well as in the long run. As individuals were resettled to the program areas, they likely lack the dense social networks that favor collective action to either hold politicians accountable or to provide public goods throughout cooperation at the community level. Our results are not driven by spillovers from treatment to counterfactual areas. A mediation analysis indicates that income effects are unlikely to drive this null result.

Date: 02.12.2021, **Time:** 15:30 (3:30 p.m.)

Place: online (Internet browser: Firefox or Chrome recommended)

Please contact Dr. Albers for link and password.

* https://iw.wiwi.uni-halle.de/research_seminar/. In cooperation with Prof. Fertig, Prof. Grieben, and Prof. Kopsidis. Contact: Dr. Albers (hakon.albers@wiwi.uni-halle.de).