The Persistence of Colonial Institutions in the Modern Political Economy

Current projects aimed at supporting sustainable development in the global south are tremendous; developed nations, non-governmental organizations, and businesses contribute massive amounts of aid, investment, and advising toward these regions of the globe. However, these areas remain the most resistant to economic and political stability. In sub-Saharan Africa, growth will need to occur more than twice as fast as it recently has in order to halve poverty by 2015. Latin America has experienced a decrease in growth since the 1980’s and a slowing growth of per capita GDP since 1990. South Asia has the largest number of people living on less than one dollar each day. (www.developmentgoals.org 2002)

In light of recent failed efforts to support sustainable development worldwide, it becomes more and more important to ask why such failures are occurring. In a report on development in Africa, where development is at its slowest, the United Nations Secretary General Kofi Annan observed that,

Too often… the necessary building of national unity was pursued through the heavy centralization of political and economic power and the suppression of political pluralism. Predictably, political monopolies often led to corruption, nepotism, complacency, and the abuse of power… The situation is exacerbated when… the State is the major provider of employment and political parties are largely either regionally or ethnically based. (Annan, 3-5, 2002, www.developmentgoals.org 2002)

Annan’s comments clearly point to state centralization and political monopoly as primary factors of underdevelopment. What has led to this condition of the state in some countries? Why do political monopolies occur in certain areas and not others? Why can ethnic groups live peacefully in some regions, and not in others?

Among the most recent works in this area of research are those composed by Daron Acemoglu, Jeffrey B. Nugent, James A. Robinson and Daron Acemoglu. They point to certain forms of colonialism as a source of persistent political instability. In the work, “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution,” the researchers find that prior to colonization, sub-Saharan Africa, Latin America, and Asia were all wealthy and politically stable regions. Ironically, they find that North America, Australia, and New Zealand, which are all relatively wealthy now, used to be poor. (Acemoglu et al. Aug 2001)

Through a series of papers, Robinson and his co-authors attempt to explain this phenomenon in
detail by examining the evolution of colonial political economies. Their work suggests that where Europeans faced high mortality rates, colonial settlements were not established. For instance, Europeans were not likely to settle in West Africa due to the high risk of falling sick with malaria. (Acemoglu et al. Dec 2001; 1380) They also did not settle in areas of high population density. (Acemoglu et al Aug 2001; 15) Rather, in these areas, Europeans set up extraction institutions, manipulating local labor and resources from afar. This method of economic gain worked especially well to Europeans’ advantage, since a large indigenous population could be exploited for cheap or free labor. Alternatively, in regions including the United States, Australia, Canada, and New Zealand, where conditions were more conducive to European health needs, settlements were established. These regions had a lower population density, less risk of disease, and a climate more similar to that of Europe’s.

Robinson and his colleagues find that development has been slowest in areas where extractive institutions were established for the financial gain of the colonizing country. They attribute this to the development of poor governmental institutions, which presumably persist to the modern day. They argue that in areas of settlement, “when the establishment of European-like institutions did not arise naturally, the settlers were ready to fight for them against the wishes of the home country.” (Acemoglu et al. Dec 2001; 1374) A larger number of settlers therefore increased bargaining power, thereby allowing for the establishment of a fair system of property rights and representative government. However, areas of extraction lacked such interaction between the colonizer and colonized, resulting in uncontested elite monopolies of power and sources of income. Sometimes, especially in cases of indirect rule in which leaders were appointed among locals, locals did form some of the elite class. However, usually it was the settlers who are attributed to have formed the elite.

The researchers argue that these institutions persist especially when it is costly for the colonizer to create accountable institutions in the colony, when the ruling elite is small, and when large, irreversible investments are made. (Acemoglu et al. Dec 2001; 1376) It may be assumed that the lack of settlers increased the cost of establishing accountable institutions for the colonizer, made it easier to maintain a small ruling elite to appease, and resulted in large investments, which were
relied on for years to come.

In the age of industrialization, elite political monopolies that evolved in extractive institutions hindered production and industrialization due to lack of land rights and other citizen securities. That is, because an elite existed and there was no competition, there couldn’t have been a fair system of property rights and other citizen securities. If property rights and other securities did exist, then there would be more opportunity for everyone to compete for capital. Furthermore, since elites did control wealth in a region (i.e. through a plantation), and were more or less self-sustaining, there was no competitive incentive to industrialize. In contrast, the ability to pursue private investment and economic competition in areas of settlement increased productivity and development. Douglass North’s and Barry Weingast’s theory on accountable governments providing investment incentives via stable policy making is a foundation of the “Reversal of Fortune” argument. (North and Weingast, 803-832)

Overall, Robinson and his colleagues demonstrate that such elite monopolies resulted in this “reversal of fortune.” For instance, while Latin American once was a wealthy region prior to colonialism, they argue that colonial establishment of large forced labor plantation systems disrupted such formerly sound societies economically and politically. Rights of the people were taken away in favor of the interest of a small ruling elite. Over time, elites not only refused to modernize equipment, but they also refused to transform to a capitalist wage-labor economy. They therefore offered no opportunity for growth or investment incentives, whereas in areas with independent smallholder shares, investment was necessary. It is claimed that the capitalist areas allowed for the most successful governments.

Political economists such as Robinson and his co-authors are not the only researchers who have discovered an association between the absence of property rights and institutional corruption, and development and stability. In his paper, “Corruption and Growth,” Paolo Mauro finds that institutional inefficiency, which he characterizes using institutional political change, social political stability, probability of opposition group takeover, stability of labor, relationship with neighboring countries, terrorism, legal system, bureaucracy, and corruption as variables, negatively affects economic growth. Mauro’s model demonstrates that inefficient and corrupt bureaucratic institutions
in modern times repel investment, and therefore indirectly stagnate growth. His economically focused work complements the political research performed by Robinson and his colleagues well, in that it provides a connection between institutional deficiency and economic deficiency in the present. Furthermore, Mauro elaborates on the characteristics of an inadequate governmental institution in similar fashion, but in slightly more detail. He finds a significant negative correlation between institutional efficiency and ethnolinguistic fractionalization, and details a commonly referenced historical process by which arbitrarily drawn colonial borders divided ethnic groups among random nations that exist to this day. Not only have these persistent arrangements resulted in ethnic conflict, but they have in some instances created an ethnic elite. He writes, “ethnic conflict may lead to political instability and, in extreme cases, to civil war. The presence of many different ethnolinguistic groups is also significantly associated with worse corruption, as bureaucrats may favor members of their same group.” In many cases, these elites were put in place by colonial powers. (Mauro 1995; 692-694) His work adds to the argument that colonies with low settlement have developed poor institutions. This is especially evident in the comparison of Mauro’s observation that Zaire has the worst institution, and therefore an “extremely low” growth rate, and Robinson and his co-authors’ findings that that area was also one of the most hazardous to European health. (Mauro 1995; 686, Acemoglu et al. Dec 2001)

However, the fact that the work suggests that ethnolinguistic fragmentation was a factor of poor institution building demonstrates that something is missing in the “Colonial Origins of Comparative Development” argument. That is, exactly how were institutions developed and how did they go wrong? Who were the elite, if the elite existed, and what was their relationship with the crown? We shall learn that in El Salvador, the elite were not always European, but were rather defined by factions within the indigenous communities. Robinson and his colleagues never mention factors such as ethnolinguistic fragmentation. While they acknowledge modern governmental flaws, they ignore exactly what led to them and the detailed nature of the colonial government that supposedly continues to exist.

Causal Model
According to the literature, current political and economic instability in the global south may be attributed to institutional changes that took place in the colonial period. Such changes persisted through the era of industrialization. In areas conducive to European health needs, settlement was high. High settlement resulted in greater bargaining power among colonists to demand rights similar to those in the homeland. Therefore, institutions developed that protected various rights, including property, and usually implemented some restrictions on the executive, as well. This process was aided by the fact that such areas were relatively sparsely populated. Therefore, conflict with indigenous people was minimal, or easy to subdue. Australia, New Zealand, and most of Canada were sparsely populated. On the other hand, in areas of high European mortality, settlement was low. Instead, colonialism was implemented by means of extractive institutions. These areas included sub-Saharan Africa, Latin America, and parts of Asia. Extractive institutions were suited to areas with large indigenous populations, since the latter would provide a labor source for production.

Robinson and his colleagues argue that such power monopolies and corrupt institutions persist to this day, but their method only focuses on current institutions and measures of European settlements based on mortality to test their causal model. They write, “according to our theory, settler mortality (M) affected settlements (S); settlements affected early institutions (C); and early institutions affected current institutions (R)...” (Acemoglu et al. Dec 2001; 1393) The causal model explains how “M” affected “S”, but does not fully explain how “S” implied “C,” nor does it historically account for why “R” must follow from “C.” Thus, it is important to understand the details of early institutions in both areas of settlement and in areas of extraction.

In the post-independence era, the legacies of extraction institutions supposedly continue to haunt the developing world. These institutions created a number of difficulties and complications early on, that have been difficult to overcome in the present. For instance, it may be possible that among areas high in ethnolinguistic fragmentation, arbitrarily drawn borders, colonial preference of some ethnic groups over others, and distribution of resources among communities have resulted in, and continue to result in, conflict. William Easterly and Ross Levine point out that, “an assortment of political economy models suggest that polarized societies will be both prone to competitive rent-
seeking by the different groups and have difficulty agreeing on public goods like infrastructure, education, and good policies.” (Easterly and Levine 1997; 1205-1206) Again, we can refer back to Mauro’s observations of party favoritism to support this statement, as well. (Mauro 1995; 693 -694)

In the age of industrialization, elite monopolies of power often attempted to increase worker production, but also to maintain control. The existence of plantation systems and forced labor in some economies resulted in corrupt oligarchies that slowly dragged down the countries’ economic growth. Where plantation systems existed, as Robinson argues, laborers were prevented from private investment in industry, and landholders had no incentive to invest in it. Instances in which the elite were more politically oriented were not much better. In these cases, elites benefited not from ownership of large productions involving forced labor, but from political support, which could have been bought. Therefore, heavy involvement of political elites in the development of free markets was often detrimental to growth, as well. (Ludden 1992) Though in some instances, smallholdings were established, and work according to liberal ideology was attempted, elite unwillingness to concede power often interfered with sufficient development. Thus, the introduction of industry in these areas was hindered, either by heavy influence of the state or the economic elite.

Testable Hypotheses

In this paper, I test the proposed theory found in “The Colonial Origins of Comparative Development.” They include the hypotheses that in colonies of low mortality, such as the United States, a high rate of settlement allowed individuals to gain enough bargaining power to achieve institutions characterized by high protection against expropriation risk, high constraints on the executive, and high levels of democracy; in colonies of low settlement and high mortality, such as the Congo, settlement was too low for local advocacy, and institutions were established that have continuously been characterized low protection against expropriation risk, low constraints on the executive, and low levels of democracy. It is possible that the persistence of poor institutions is more likely in areas of high ethnolinguistic fragmentation, since indigenous people in such regions
would be less likely to coordinate for rights than European settlers who came from a more homogenous background, and I will therefore control for this factor. It is also possible that geographic location and natural resource abundance may have affected settlement patterns, and therefore institutional development. This will be controlled for, as well.

**Data**

Data for my hypotheses will be investigated through case studies of the United States, El Salvador, and Nigeria. Cases were selected based on high, low, and medium placements along the regression line for settler mortality and average expropriation risk between 1985 and 1995. The regression analysis was derived from “The Colonial Origins of Comparative Development: An Empirical Investigation,” by Daron Acemoglu, Simon Johnson, and James A. Robinson, in which data on mortality was derived from and compiled from Philip Curtin’s Death by Migration, Disease and Empire, and Hector Gutierrez’s “La Mortalite des Eveques Latino-Americains au XVIIe et XVIII Siecles.” Their work reports the earliest known death rates recorded among European colonists. This is measured by annualized deaths per thousand mean strength. The death rate among 1000 soldiers where each death is replaced with a new soldier is reported. It should be noted, however, that this data is likely to be flawed. Not only are the motives of the authors of these sources liable to inquiry, but the accuracy of the record-keeping itself may be intentionally or unintentionally off for one reason or another. Regardless, assuming that it is the only data available on death rates at the time, it will be useful to study cases that represent varying degrees of settler mortality. Most importantly, their scientific test correlates regional mortality rates with modern levels of nations’ average expropriation risk and per capita GDP, respective to the regions. The average expropriation risk is supposed to account for investment securities in the forms of rights commonly found in “democratic governments.” Although the correlation provides favorable results for it’s causal model, it does not account for what historical changes occurred between settlement and the present. It just assumes what may have happened.

I have attempted to select cases that represent varying regions of the globe in order to control for a number of factors, including geographic location, natural resources, and the variation
in colonizing powers. Sources for the cases will be based on mostly on primary sources located through careful study of secondary works. To summarize, a brief description of the cases to be studied follows. Their differing histories will control for variables previously mentioned.

**Method**

In the examination of each of these cases, I focus on two time periods, which include the process of colonization and the colonial era, and the process of independence and the immediate post-independence era. Both of these time periods are important to this project, as each will uncover how indigenous institutions changed upon colonization, what policies were implemented, what resistance occurred and whether or not it was successful in achieving reforms, and whether institutions established during colonization persisted in the post-independence era. In order to discover the effect of settlement on institutional development, I compare the changing political and economic roles of indigenous people as well as those of settlers throughout time.

In order understand whether or not settlement affected the development of institutions, governmental policies are an essential point to consider. I compare centralization of each government at each period and research the form of institution, eligibility to participate in politics, systems of checks and balances, and freedom of expression and association. In terms of land rights, I report the distribution of property, the role of the state in this distribution, laws regarding property rights, who invested at what period of time, and the reasons why some people did not invest. If very few elites were allowed to own land, it is predicted that investment incentives would have been low, and therefore development and democracy would not have occurred. In addition to these factors, the prevalence, forms, causes, and effects of rebellion against the colonial power should also reveal the level of corruption of institutions. For instance, according to the hypotheses, settlers who protested for land rights would most likely have achieved their goals. However, indigenous people who protested may not have had enough bargaining power, and would not have achieved their goals.

Finally, as noted in my hypotheses, ethnolinguistic fragmentation could play a large role in the persistence of corrupt institutions, as many colonial powers favored certain ethnic groups over
others. When testing for this variable, it is important to obtain data for the initial colonial period, as well as at the time of independence. Such data allows for the study of how fragmentation occurred and how it resulted in conflict.

**Cases**

**Introduction to Cases and Historical Data**

Modern historians question the validity of the binaries that Robinson and his colleagues implement. In his paper, “Conflict and Connection,” Frederick Cooper agrees that Western institutions had a large impact on their former colonies regarding institutional development, but stresses the importance of examining the intricacies of such a relationship. The relationship, that is, should not be understood as a top-down hierarchy, in which the Europeans were able to single-handedly alter the future of the colonized through a self-generated extractive power structure. This argument rejects the idea that Europeans could simply establish an extractive institution in a populated area that would exist to this day. As opposed to just using actions of settlers as data, actions of the colonized should also be considered in the evaluation of the state. Indigenous resistance was a major factor in creating what modern institutions exist. He writes,

> One can agree… that particular qualities of the colonial state- ‘gubernatorial, territorial, bureaucratic, paternalist-educational, caste-like,’ were carried over to post-colonial states, yet African rulers gave their own meaning to institutions they took over, adapting them to patrimonial social structures and complex modes of representing power.

Among Cooper’s major contributions to the historical recognition of resistance as power is his study of labor movements in sub-Saharan Africa and their impact on institutional development. The result of resistance movements meeting with European ideologies of progress was the path of “development.”

> Imperial bureaucrats… gave up aspects of their own imaginings: the idea that social and economic change could be directly controlled by those who claimed already to have arrived was lost in the struggles over decolonization. Where the imagination of anticolonial intellectuals in Africa and imperial bureaucrats overlapped was in the formal apparatus of the nation-state, the institutions and symbols constrained within territorial borders… nationalism was a ‘derivative discourse.’

Considering such arguments, one would find that it would be instrumental to consider resistance movements in the understanding of modern institutions. Acemoglu and his co-authors neglect this major factor and gloss over the details of colonial relationships. Additionally, they accept the idea
of a nation-state with specific characteristics as a desirable institution. All of their measures of good
government are those that are defined by the current post-Cold War categories of nation-states and
development. From a point of view that is sensitive to the methodology of historical narration, the
political scientists shape the findings of their argument from the very categories and definitions that
they begin with.

We will begin to understand this problem with knowledge of the following cases. It should
be noted that for each country, several historical events are highlighted which are relevant to the
point of this paper. Although more context for some examples may be helpful at parts, complete
and thorough histories are not provided, as the information is not necessary.

Nigeria

Among the numerous flaws in the economic theory at hand, newspaper articles, colonial
documents, memoirs and correspondences demonstrate its failure to acknowledge representation
and resistance in colonies with lower settlement patterns. Nigeria is an ideal example. The country
is listed by Acemoglu, Johnson, and Robinson to have had high mortality rates at 2004, average
protection against expropriation risk between 1985 and 1995 to be 5.55, and log GDP per capita in
1995 to be 6.81. (Acemoglu et al. Dec 2001; 1398) However, historical evidence shows that
regardless of how high Nigeria’s average expropriation risk may be at present, it can not be
attributed to lack of protest movements in colonial times. In fact, Nigeria is one of the centers of
protest and significant bargaining power among British colonies at the period. Unfortunately, this
was and continues to be overlooked in modern times. A local newspaper in 1918 claimed, “The
view is becoming fixed that there is no public opinion in Nigeria. The people who hold such a view
are wrong.” (Lagos Standard, 5 Jun 1918) An examination of Nigerian history will elaborate on
this statement.

In order to understand protest in Nigeria, one must have some knowledge of the regions
general background. One of the reasons why Britain was able to successfully maintain control over
a colony with such little settlement may be attributed to the practice of indirect rule. This system
was first introduced by the British governor, Lord Frederick Lugard, in the early twentieth century,
due in large part to the fact that,

the British Treasury was reluctant to finance colonial administration at that time, and because of the
unhealthy nature of the country, European recruits were hard to find. It was therefore necessary to use “native chiefs” who were not only cheap to hire but also accustomed to the climate of the country. (Nwabuguguogu 1981; 66)

While this research demonstrates the likelihood that Europeans did settle according to mortality rates, it does not imply that any sort of extraction institution evolved from this pattern. Rather, one may wonder if indirect rule actually gave locals more power than direct rule would have. Since indirect rule was implemented in areas of low settlement, areas of high settlement including Rhodesia and South Africa would have functioned under systems of direct rule. While I do not compare these countries’ settlement patterns and their systems of colonial rule in order to understand who had a more “just” system, it is important to keep in mind the types of rule that low settlement patterns resulted in. Indirect rule, as we will see, provided locals with a voice and opportunity to influence government policy in their favor throughout colonial times and in the transition to independence.

Initially, indirect rule was introduced by the first governor of Nigeria, Sir Frederick Lugard, and only to the northern protectorate. It should be noted that at this point, Nigeria was not a territory defined by the unity of its people, ethnic groups, or preexisting governmental arrangements, but by the convenience of European-drawn boundaries. The Niger region, when first colonized, was originally comprised of three separate protectorates, due to the regions’ different ethnic composition and their varying forms of indigenous government. Northern Nigeria was largely Muslim, while the two southern protectorates, the east and west, were mostly Hausa and Ibo. Indirect rule was only applied to the Northern protectorate before amalgamation because the British found that its Muslim population’s indigenous government was centralized enough to allow for some independent governance. However, in 1914 Nigeria’s regions were amalgamated by Sir Lugard.

This policy of British control over native affairs by means of native rulers may be found in a compilation of guidelines for the system composed by Frederick Lugard, “Political Memoranda.” While the memoranda are stated to be simply guidelines to be loosely applied, Lugard’s intentions for the system were by no means to condone excessive native authority. Again, the purpose of indirect rule was to effectively govern the region with as few costs as possible. (Lugard 1985; 67)
In 1906, the governor transferred his colonial post to Hong Kong, where he remained until called upon in 1914 to unite the Northern and Southern provinces of Nigeria. While he was on leave, Resident officials in Nigeria developed the policy of indirect rule as they saw fit. That is, Lugard’s policies were interpreted and applied to give more native authority than planned. Residents Charles Temple and Richmond Palmer, for instance, felt that their roles should be to, “…create a situation resembling as far as possible that which existed, or might be imagined to have existed, were a thoroughly able, well-meaning, liberal minded Emir (local Muslim leader) ruling over a unit untouched by foreign influence.” (Carland 1985; 70) This opinion was popularly held, presenting a major challenge to Lugard’s conservative original plans. The reformed concepts of indirect rule, …or at least to him (Lugard) represented a degree of decentralization in relation to himself as Governor that he was not prepared to accept. By emphasizing the authority of the Resident and Native Administration he worked with, it greatly cut into Lugard’s own power as Governor. (Carland 1985; 73)

While Lugard’s original goals for the system were much more strict and controlling than those that Temple and Palmer had implemented, in the period that he was gone, the colonial government of Nigeria had already begun the process of granting concessions to natives. Not only did a significant number of officials wish to preserve custom, but in the heat of British debate over the best system of colonial rule, it became crucial to avoid conflict with natives as much as possible. Uprisings in both Nigeria and other colonies led many British to conclude that governmental policy should be formulated with some consideration to native wishes. The 1885 Muslim uprising in Egyptian Sudan, which killed at least one official, played a large role in developing this mentality. (Kirk-Greene 1968) In his study on the appointment of Emirs (local Muslim leaders) as officials, Peter Tibenderana notes that, “the most important lesson the British learnt from the Satiru rebellion was that without the support of the Emirs, their rule in northern Nigeria was very vulnerable indeed.” Later in his study, he points out the importance of popular support, as well, concluding that British, “…acknowledged the fact that the best way to govern Northern Nigeria was to install Emirs who not only were loyal to the Administration but also enjoyed the support and respect of their subjects.” (Tibenderana 1987; 237, 254) The leverage of native opinion must not be overlooked. Documents and scholars demonstrate that cooperation between British and natives was viewed as imperative to colonial success.

Evidence of protest is also present in newspapers and other publications at the time. In
1918, The Lagos Standard published a series of articles on a protest in Egbaland, a region in the south near the main city of Lagos. The author seems to regard the uprising as a result of Sir Lugard’s policies. The article states, 

it is the general belief among natives in these parts that the present Administration cares little for them or takes little count of their interests… Rights of natives to their land have been assailed, native freedom under British Law restricted by ordinances… a system of dual rule has been introduced in the Protectorates under which native Chiefs could act as tyrants…

It continues to condemn the fact that there was no court system to which to appeal and about the system of direct taxation that had just been implemented. In fact, the authors refer to this system as one in which was applied in northern Nigeria and worked well, but also as one that was not suited for the Yoruba people of the south. These complaints are attributed as the factors for protest in Egbaland. According to the report on June 19, 1918, a European trader died, 4 European officials were missing, there were native authority casualties, and the railroad was torn up in some places. (Lagos Standard 19 Jun 1918) An earlier report on June 12 announced that the Nigerian government had proclaimed Egbaland as a disturbed area by the colonial government. (Lagos Standard 12 Jun 1918) Clearly this was a rebellion that could not be overlooked by officials. The fact that the region was recognized as a disturbed area and that the newspaper covered it for over a week demonstrates its significance.

Other assertions of indigenous rights may be found in social movements such as the National Congress of British West Africa. This organization’s roots may be traced back to 1913, when J.E. Casely Hayford and a Nigerian doctor, Akiwande Savage, contacted influential leaders around West Africa to organize a conference for the region. The purpose of the conference was both unity and nationalism, which may be summed up in a statement released, 

…the policy of the Congress shall be to maintain strictly and inviolate the connection of the British West African Dependencies with the British Empire, and to maintain unreservedly all and every right of free citizenship of the Empire and he fundamental principle that taxation goes with effective representation…

(Langely 1973; 117)

The call for effective representation for taxation is a familiar one, especially in the minds of American schoolchildren, who learn of America’s great democracy being founded on such demands. Indeed, Nigeria and other West African countries also endured such struggles. These took shape in the formation of great conferences and congresses, such as the N.C.B.W.A. The first gathering of the Congress in 1920 resulted in demands for a West African University, new
constitutions with specific guidelines for representation, and the repeal of the Palm Kernels Export Duty, which severely cut into West African merchants’ profits. (Langely 1973; 128-129) The N.C.B.W.A’s demands did not go unnoticed. Not only did the organization prove to be a threat to colonial officials, but it even gained recognition in the London Times. (Langely 1973; 243) One year later, the governor of Nigeria, Sir Hugh Clifford, began constitutional reforms along the guidelines recommended by the proposals in 1920. In a confidential dispatch regarding the constitution, Clifford wrote, “sooner or later the position must be recognized as intolerable by the more advanced sections of the indigenous population, and I suggest that it is preferable that the initiative in the matter of reform should be taken by the Government.” (Langely 1973; 271) Clifford’s response to the rise of nationalist movements clearly demonstrates a significant bargaining power among West Africans.

Although early acts of protest could be observed, encouragement for cooperation with natives becomes evident especially in the period of constitutional reform in the 1940’s and 1950’s. Reform was largely fueled by young nationalists who were returning home from British and American educational institutions. One of the most noted activists was Nnamdi Azikiwe, who not only established two nationalist newspapers, the Daily Comet and the West African Pilot, but also managed to meet with colonial officials both in Nigeria and England. Invited to a meeting in 1943 with the Colonial Office in England, Azikiwe presented his memorandum titled, “The Atlantic Charter and British West Africa,” calling for independence of Nigeria fifteen years after the end the war. Although the British were not prepared or even interested in granting such independence, they could not dismiss the importance of such demands. Responding to them would be an effective way of, “…managing colonial reform in order to pre-empt the demand for self-government and draw the sing of a sting of a still relatively unarticulated nationalism.” (Lynn 2001; xlviii-xlix)

Although Azikiwe was mostly active in the south, it was obvious that local demands in the north had to be acknowledged, as well. In a meeting on constitutional reform in 1943, Sir Arthur Richards, the governor at the time, claimed that British authority, “…rested on the fact that the Emirs (local Muslim leaders in the north) gave the Government their support.” He was insistent that he speak with the Emirs to win their approval of his new constitutional plans, going as far as to
suggest that, “…progress would be according to the willingness and fitness of the people to advance and that the North would not be forced and further that every step would require the assent of the people concerned.” (Lynn 2001; 5-7) In his actual proposals for the new constitution, Richards advocates for decentralization, leaving more power to the local chiefs, tax returns and measures of accountability for local administrations, and greater representation in the assemblies. (Lynn 2001; 8-15)

Of course, the fact that this system would still be shaped by British hegemony cannot be neglected. Richards claimed that, “the type of Emir is slowly changing and the new ones tend to be English-speaking and educated. But we have to remember that their counselors are not so advanced. They represent the forces of reactionary Conservatism and have to be cajoled along the road to progress.” (Lynn 2001; 14) Perhaps then, if native voices were really considered in the making of these new reforms they were those whom were initially cooperative and compliant with the Colonial Offices ideas anyway. The word “advanced” builds off of the term “progress,” the usage therefore suggesting that those who were well trained in Western backgrounds were capable of leading Nigeria toward the “progress” of “nationhood.” If this is the case, then the spirit of indirect rule had indeed changed since Lugard’s return to Nigeria in 1914, when Temple and Palmer were advocating for the maintainence of indigenous customs.

Clearly however, there were considerable threats to the Nigerian colonial government, such as those that culminated in the events following the two World Wars. It is popularly known that at this time, Africans who had fought for the British were returning to Nigeria with feelings of empowerment and reinforced ideas about equality. Experiences shared with European soldiers of the lower classes, accompanied by the rising awareness of communism gave rise to a new understanding of worldwide oppression and solidarity. In 1945, the same year as the constitutional revisions, a general strike of government workers broke out due to incredibly low wages. It lasted five weeks and earned considerable publicity from Azikiwe’s press. There were a number of reasons for this, including the fact that the recent war increased the cost of living tremendously and inflation was high. In his own rationale for the strike, Chief Commissioner of the Western province, Sir G Whitley, wrote to the wartime coalition secretary of state for the colonies, Mr. O F
G Stanley,

The year 1939 was a period of moderate slump and this slump continued without any major change until the end of 1941 when the loss of territory in the Far East necessitated a complete re-orientation of Nigeria’s effort; instead of being as it was up to that time a comparatively unimportant source of raw materials Nigeria suddenly became the most important source of oil seeds and tin in the Colonial Empire. (Lynn 2001; 54)

In this statement, it is implied that previously, Nigeria did not serve as a colony for great extraction of wealth. Although it is evident that after the slave trade, palm oil became a commodity of high demand from Nigeria, Sir Whiteley’s letter would leave one to conclude that demand was rather elastic compared to war-time products. Therefore, in contrast to the claims of the economic study in question, greater extraction did not lead to uncontested oppression. Rather, it lead to events such as the general strike of 1945. The commissioner continues to discuss that such problems had been festering from as early as 1941, though agitation in that year led to the awards of increased wages. (Lynn 2001; 55) Therefore, not only were natives protesting, but the government was forced to respond.

Once again, the 1945 strike resulted in British unease and reaction. Among officials in both Nigeria and Britain, there was significant discussion on how to handle the disruption. The labor government’s Parliamentary Under-Secretary of State for the colonies, Mr. A Creech Jones, urged Mr. Stanley that wages should be increased, condemning the manner in which the situation was being handled. He wrote, “…Governments on behalf of society must themselves see that grievances don’t fester and that proper means are employed for the attainment of justice. It is appalling how little has been done in the colonies to achieve proper wage regulation…” This letter was specifically in response to other proposals, such as that of Sir Whiteley, to ignore the agitation. The argument buttressing the proposal was that a wage increase would only result in inflation. (Lynn 2001; 58-59)

Interestingly, although a commission was eventually organized to look into increasing the wage, thereby ending the strike, the British did take advantage of their control to ban Azikiwe’s newspapers. Sir G Whiteley wrote, “It has become increasingly evident that the strike is now being used as a political weapon, and political party, sponsored by Azikiwe, has been encouraging the strike… I have suspended the publication of both papers, which should have a salutary effect.” (Lynn 2001; 58-59) Referring back to our economic study in question, the banning of Azikiwe’s
publications do represent a lack of rights. That is, in this case one may observe a lack of freedom to express opinions and beliefs. However, not only must one recognize that this situation did end with a positive response to the strikers, but it is also important to realize that such a response was also encouraged by the fear of Azikiwe’s press.

The impact of Azikiwe is even more obvious in later years through his leadership in protest against the 1945 “obnoxious ordinances,” as he called them. These ordinances were passed in the Legislative Council and granted the Crown all rights of Nigerian resources and property, as well as full rights to appoint native officials as seen fit. Although the “Crown” did actually refer to the Nigerian government, which natives were destined to control, and while the Crown had always held the unofficial power to appoint native officials, the ordinances were an opportunity for movements such as Azikiwe’s National Council of Nigeria and the Cameroons (NCNC) to speak out against the practices. In the few following years, Azikiwe made his presence known through a national tour followed by another delegation to the United Kingdom. In the U.K, the Secretary of State assured the visitors that the British Government was working toward self-government for the people of Nigeria, and that there would be further opportunity to revise the current constitution and regulations. Upon returning home to Nigeria, the delegation was met with huge crowds shouting freedom slogans. (Coleman 1958; 282-284, 293-294)

As Nigerian politics evolved, one witnesses a slow transformation in British policy to grant more and more concessions to the native people of the land. A constantly revised constitution progressively made way for increased native representation. By the time of independence, though the country certainly lacked certain democratic characteristics, it can be argued that the British certainly were not profiting off an extractive institution there. Rather, the British were constantly involved in high investments in government and development throughout their rule. Unfortunately, while all the protest mentioned above led to democratic policies and self-government, the infant country was still left with flaws. For instance, the north, east, and west were still divided territorially and ethnically. At the time of independence, Azikiwe and Chief Obafemi Awolowo (another freedom-fighter) both lamented at the fact that the federal apparatus would always be governed by one ethnic group, thereby leaving an open door to clientelism and corruption. Despite
the fact that there was a great deal of discussion about these problems in the process of gaining independence, the issues were clearly left unresolved, as there continues to be factional disagreements according to ethnic groups to this day. (Coleman 1958; 387-408)

El Salvador

While the case of Nigeria exhibits one loophole in Robinson and his colleagues’ theory, that is, that effective protest actually did exist among natives and not just settlers, the case of El Salvador presents a completely different problem. According to the calculations, El Salvador is one of the middle countries on the regressions between mortality rates, expropriation rates, and per capita GDP. Its mortality rate was 78.1, log GDP per capita in 1995 was 7.95, and average expropriation risk between 1985 and 1995 was 5.00. (Acemoglu et al. Dec 2001) This data predicts that El Salvador had moderate settlement patterns, moderate mortality rates for Europeans, and moderate levels of elitism in government. A detailed examination of the country’s colonial history, however, will reveal that it does not so closely fit the model that Robinson and his colleagues present.

El Salvador was colonized in 1524 by Spain, who profited from the export of local products including cocoa and indigo. The conquest of Central American in general is known for its violence and search for wealth. Spanish explorers looked for gold and other precious resources, bringing disease and illness to the locals in their path. One scholar notes, “…most of the leading conquerors seem to have had no great interest in Central America from the point of view of development or administration.” (MacLeod 1973; 43) This seems to be quite the opposite of Nigeria, where a civilizing mission and blatant concern for native involvement were present. If Central America was simply a place of extraction and exploitation, shouldn’t it have a higher expropriation risk and per capita GDP than Nigeria? The logic is not so simple.

Although the Spanish did claim land for its own use and profit, they also allowed peasants to maintain enough property for their own subsistence. Towns and communities had rights to hold communal land (ejidos), as well. Prior to independence, peasant communities took advantage of the Spanish law allowing every town to claim up to 1,710 hectares of ejidos, and many grew drastically. (Lauria Santiago 1999; 25) While communal claim to property was motivated by
numerous factors, among the most notable was ethnic competition. Townships and peasants were in least competition with European settlers, since the latter usually settled around cities, and the former in the countryside. The most competitive factions over land were comprised of Indians and Ladinos. Ladinos were former Indians who had embraced European culture and lifestyles. They were therefore often found in the countryside, but engaged in activities that interfered with the traditional subsistence and small-production lifestyles.

The Spanish also encouraged, and perhaps even forced Indians to participate in trade and commercial activities by passing a law in 1747 requiring tribute to be paid in coin. The government was very involved in regulating the market, and even went to great lengths to protect indigenous growers of indigo from debt in complex systems of credit with merchants. For instance, it established the Montepio de Cosecheros de Anil (Indigo Growers Society) as a credit institution for this purpose. (Lindo-Fuentes 1990; 14-15) As records indicate, it becomes increasingly clear that the Spanish did not gain much profit from Central America. Hector Lindo-Fuentes notes that, Central America, being poor in gold and silver, did not have much to be deprived of... the overwhelming obstacles for the economy were in the acute scarcity of capital, human and physical, and, being located on the Pacific coast when most trade was in the Atlantic... (Lindo-Fuentes 1990; 17)

This observation is in complete contrast to the theories proposed by Robinson and his colleagues, not only in that it exhibits the lack of resources available to exploit. According the their studies, Central America would have to have a large indigenous population to lure Spanish conquest and oppression. They note that, “high (indigenous) population density, by providing a supply of labor that could be forced to work in agriculture or mining, made extractive institutions, with political power concentrated in the hands of a small elite, more profitable.” This statement is then followed by several examples from South America. (Acemoglu et al. Aug 9 2001; 15-16) The notes above, however, indicate that El Salvador, which is categorized as a country with a poor institution by Robinson and his colleagues, does not share the predicated factors for an extractive institution. Further research will indicate that it was not the legacies of poor institutions, which led to El Salvador’s post-independence problems, but rather lack of post-independence resources and leadership experience necessary for development.

Overall throughout the period prior to independence, and contrary to the theories of
Robinson and his colleagues, most citizens of colonial El Salvador were land owners; the few large
landowners who did exist did not profit much off the land, and the countryside was relatively poor
due to its lack of valuable crops and large-scale production. Poverty was not a cause of denied
property rights or expropriation risk, but rather a lack of resources in which to invest. (Lauria-
Santiago 1999; 25-33) It may also be noted that in addition to land rights, the Spanish established
school systems for Salvadorans, though they were not sustained with the greatest efforts and the
quality of the lessons were quite low. (Lindo-Fuentes 1990; 12)

After independence, communal lands continued to exist. Peasants had access to this land
through rental payments to the local government, which were regulated by federal laws. Town
councils comprised the local governments, which usually adopted some bias in land distribution
according to whichever ethnic group comprised the majority. Lauria-Santiago writes, “throughout
the nineteenth century, ethnic differences and competition underlay most cases of violence or legal
conflict, especially those involving municipal power, land, irrigation, and taxes.” In the late 1800’s,
after independence, land regulations under the Barrios presidency favored peasants’ access to land.
Legislation called for minor land redistributions, the requirement that all ejidos land must be
farmed, and that ejidos serve as a peasant protection against larger commercial interests. (Lauria
Santiago 1999; 41-69)

The political economy of El Salvador became more complicated during the process of
independence (gained in 1821 by the entire Central American Federation) and with the rise of
industrialization. Though colonial independence was achieved peacefully, as the Spanish were
preoccupied with retaining Mexico at the time, numerous problems followed. The most immediate
included the fact that there were very few educated locals to serve as officials, and also that there
weren’t enough funds in the treasury to finance any development. Most trade was through buying
imports, so that money constantly flowed out of the country, and there was very little
manufacturing at home. (Lindo-Fuentes 1990; 36-34)

These problems were compounded by the breakup of the Central American Federation in
1839, the consequential fall in the price of indigo, and lack of an organized system of taxes to fund
both war and development expenditures. The 1828 secretary-general of San Salvador wrote,
Since our separation from Spain old contributions have been abolished in part, and in part they have
considerably diminished, and as a consequence there must be a deficit in the treasury. This deficit must be
greater in proportion to the increase in our needs, and the local governments, who rather than oppress the
people with contributions want to make the lighter, face difficulties sustaining themselves… (Qtd. in
Lindo-Fuentes 1990; 47-48)

Again, in contrast to the theories proposed by Robinson and his colleagues, the initial government
of El Salvador (although at the time of this quote, the region was not yet independent from the
Central American Federation) was not corrupt, and certainly did not maintain policies from times of
Spanish rule. The period of independence was one of drastic policy changes.

During wartime, taxes were eventually raised, and peasant rebellions in response
throughout the region resulted in the abandonment of larger estates and forms of production.
Peasant rebellions were specifically a product of new head taxes, public works laws, and limits on
community landholding enforced by the head of state, Mariano Prado. After violent protests that
could not be put down by military response, the National Assembly repealed the taxes. However,
rebellions continued as the political economy of El Salvador changed. For instance, Anastasio
Aquino led a mass movement against haciendas (larger estates and farms), claiming the owners’
wealth and redistributing it to the poor. In 1835, President Morezan removed General Nicolas
Espinoza as chief of state after he was caught assisting the Indians in revolts against whites and
Ladinos. Although Espinoza’s revolts were not due to Indian access to land, they were a response
to the selling of Central American land to non-Indians and English. The government needed
money, but Espinoza participated in this effort by placing higher regulations of Ladinos and
passing legislation against them. (Lauria-Santiago 1999; 104-131) The passage of time did not
change the political climate for the better; crises continued as wars within the Federation increased
and the economy of the region evolved.

Prior to this period, El Salvador was largely reliant on Indigo as a source of income. While
those who profited from the crop most before turmoil were Ladino and white Hacendados (estate-
owners), they soon abandoned their estates due to lack of war-time investment, or the land was
taken over by neighboring Indians. Investment during these years slumped to extremely low levels.
Lindo-Fuentes notes that a total of 1, 286 buildings (private, public, and religious, listed respective
to number) were destroyed in El Salvador in 1828, when Guatemala invaded the territory. Looting
and raiding were rampant. Between 1824 and 1842, 2,546 Salvadorans, or 3% of the workforce, died fighting. Furthermore, Guatemala prohibited exchange of letters and trade between the two countries in 1827 and constantly competed with its neighbor for cattle and horses in raids. Guatemala was a primary part of trade for El Salvador at this time, which severely damaged income and growth potential even more. (Lindo-Fuentes 1990; 53-58) Surprisingly, it was these Indians and small-scale production that improved the economy as war progressed, returning indigo back into the market and bringing it to its highest levels of production around 1830. This is probably because smaller producers were more likely to survive crises such as civil war, and the investment in the crop was therefore less risky. By the mid-nineteenth century, many Indians and small-scale producing Ladinos engaged in greater market trading. (Lauria-Santiago 1999; 71-81)

The era following the breakup of the Federation brought Salvadoran attention back to the many difficulties developing a sound administration and economy. Although the indigo trade was again on the rise, exports were still at a low. In 1955, they amounted to less than two pesos. Conditions improved slowly as better transportation developed, and especially after the California Gold Rush brought attention to the region. Because the country was lacking educated professionals (for instance, there were only four lawyers at the time of independence), the government made efforts to build a mandatory educational system. In 1941, a law ordered that all towns with a population of at least 150 open a primary school. Those who could not afford to participate would be assisted by federal funds. Unfortunately, again there were too little funds and not enough organization to reach this goal. Repeated efforts were made, but with little success. (Lindo-Fuentes 1990; 62-69, 102-103) Official efforts were sincere, but lacked the power with which to grow.

The corruption that is well known in the political economy of El Salvador began when coffee was introduced to the area. Although the plant had been grown since Spanish rule, it required a great deal of capital and resources to produce successfully. Since there was little investment in the country and no credit institutions, the crop was largely neglected. When indigo sales dropped, however, those with a little more to lose were willing to take their chances investing in a new market.

The coffee trade grew with immense speed, partly due to the improved transportation
systems established during the Gold Rush. The process differed from that of the growth of indigo, in that the slow pace of the indigo market allowed for subsistence living and a preservation of indigenous lifestyles. It did not require an abundance of land and labor, whereas coffee did. In efforts to improve the economy, officials began granting communal and public lands to the industry. By the 1920’s, coffee’s share of total exports rose 99 percent, from its low presence in the market in the 1850s. Small farmers began to invest in the crop especially after witnessing Costa Rica’s successful profits in the 1840’s. Indians were less likely to invest after witnessing a brief decline in coffee prices as common lands became privatized. They also did not own suitable land for the crop. However, most of the country found that low initial capital costs were a tempting opportunity to seize. (Lauria-Santiago 1999; 132) Between 1959 and 1863, for instance, Gerardo Barrios specifically assigned certain public lands for the sole purpose of growing coffee. In 1881, a law was passed stating that,  

The land owned by communities impedes agricultural development, is an obstacle to the circulation of wealth, and weakens family ties and the independence of the individual. Its existence is against the economic and social principles adopted by the Republic. (Qtz. in Lindo-Fuentes 1990; 127-128)  

Although the government was not comprised of coffee planters, concessions were made that would lead to this condition. As the few who could afford to grow coffee increased in wealth and power, an elite began to develop which would alter the path of development for the country.

The introduction of coffee to the economy at first seemed to bring mixed blessings. For instance, while in 1880 there was only one bank, by 1898 there were six. On the other hand, small landowners were being forced to leave their property and work long hours for very little on plantations. By the end of the century, the government was making efforts to tax coffee, which angered the wealthy and powerful elite. In June 1894, the government of General Ezeta was overthrown by the elite “fourty-four,” which remained in power until 1979. Of the elite, twenty-one families can be traced back to “old money,” half of which gained their wealth before coffee, thirty-eight were immigrant families, and four families gained their wealth in the later half of the twentieth century. (Lindo-Fuentes 1990; 159-182)  

It may therefore be concluded that an extractive and corrupt institution in El Salvador did not evolve by the manner which Robinson and his colleagues suggest. Rather than Europeans
settling and establishing such institutions, corruption came to exist through civil strife, lack of resources, and uninformed, perhaps even desperate, political and economic decisions in the post-independence era. It is not the colonial institution that persists in this case, but more importantly the lack of organization upon decolonizing, to which we may attribute El Salvador’s initial experiences with oligarchy and class warfare.

The United States of America

Little detail will be documented in this section, as the history of the United States is popularly known, well documented, and only a few examples are necessary to relate it to the subject at hand. This last case represents a country with a low early European mortality rate. Specifically, the main mortality estimate is 15; LOG GDP per capita in 1995 is listed as 10.22; average expropriation risk between 1985 and 1995 is listed as 10. (Acemoglu et al. Dec 2001) The country is known for its strong democracy, human rights, and status mobility. However, it is also known for its violent revolution for independence concluding in 1776, and constant minor rebellions prior to this major event. While Robinson and his colleagues argue that the United States is a highly democratic institution today because its colonizers favored them, historical records demonstrate that this was not necessarily the case. Furthermore, after independence, property rights were not secured for many people.

For this paper’s purposes, it is most revealing to examine the history of the U.S. in contrast to the cases listed above. Specifically, comparison of rebellions and colonial responses in Nigeria and the U.S. exhibit very little difference in British policy. An example of a similar rebellion to those in Nigeria would be the Sugar and Stamp Acts, passed by Britain in its American colonies in 1764 and 1765, respectively. They were met by extreme opposition and revolt by colonists. Howard Zinn writes, “through this Act (Stamp), the British were taxing the colonial population to pay for the French war, in which colonists had suffered to expand the British Empire.” (Zinn 1995; 61) Ironically, this quote suggests that England was even using its colonies in the Americas to extract wealth. After Britain realized that the colonists would not give up protesting the legislation, it repealed the acts in 1766. All was not to the colonists’ advantage, however, for simultaneously,
the mother country passed the Declaratory Act, which articulated the country’s right to demand direct taxes in all cases, as deemed necessary.

As if Britain did not learn its lesson, in 1767, Parliament passed the Townshend Acts, which imposed duties on numerous items commonly imported to the colonies. Again, the acts were repealed in 1770 due to protest, but the tax on tea remained. At the time, the British East India Company was experiencing financial troubles, and in an effort to assist the company’s revival, Britain allowed that it hold a monopoly on tea imports to the colonies, among several other concessions. Again, in this instance one witnesses the British taking advantage of the American colonies for other profits. These events led to the infamous Boston Tea Party in 1773, in which Bostonian merchants and businessmen masqueraded as indigenous people and raided the company’s ships, throwing the tea cargo into the water. In response, Britain passed the Coercive Acts, restricting Boston’s trade, reducing the level of independence stated in the colony’s charter, and reducing regulations on trying British officials for offences. Only a year later, the colonies developed the First Continental Congress, which marked the start of the fight for independence.

Although numerous other rebellions are known throughout the history of colonial America, these few are sufficient to demonstrate that the process of protest and compromise were very similar in both areas of high and low settlement. Britain did not favor colonists because its descendents lived there. Clearly, they were a source of revenue for Parliament, and were just as important as such as any other colony, considering the costs Britain went through to maintain rule, both through legislation and the war to follow.

It is also worthy to note, in the context of Robinson and his colleagues’ arguments, that land rights were never fully secured before or after independence. Land was often expropriated by colonial legislatures without compensating the owner, especially if it was uncultivated. Usually in these cases, it was transferred to someone who would make more productive use of it. Additionally, it was not uncommon for the government to build public roads on private property. If land was being cultivated, however, or if it was under use for some other purpose, the owners would generally be compensated. Eventually James Madison initiated the Just Compensation Clause of the Fifth Amendment to the constitution, which declared that, “nor shall private property
Perhaps even more interesting is that an elite class did exist in the American colonies, and these were the people who led the revolution and created the new government. At the time of Bacon’s rebellion, for instance, poor colonists were angry and resentful to the wealthier for pushing them west to find cheap land. (Zinn, 1995; 39-40) In colonial Boston, most of the wealth was concentrated in the hands of only a few. A well-known study by James A. Henretta at Harvard University describes in detail the class boundaries that so harshly divided the city. He writes of an elite class that not only controlled most of the wealth, but also political influence. A large population of men who lacked property existed and worked for what little they could manage. (Henretta, 1965) This lack of social mobility and incentives to invest suit Robinson and his colleagues’ descriptions of colonies of extraction. However, the fact that Boston is now part of a country with a “good institution” adds weight to the idea that some colonial legacies do not persist.

It is clear, therefore, that throughout American history, both before and after independence, numerous instances of injustice, rebellion, and compromising have occurred. The reasons for the country’s strong present democracy cannot be accounted for by the study in question. Perhaps part of its success may be attributed to the comparatively high level of education that was constant throughout the colonial and immediate post-independent periods. However, even these early examples of educated people were few, just as in Nigeria. In both cases, revolutionary movements were led by the educated elite. The answers for differences in development must come from further detailed and complex research, not just a few simple statistical regressions.

Conclusion

This study’s historical focus tests the accuracy of the hypothesis that institutions have developed and persisted according to European mortality rates in colonies. Because Robinson and his colleagues only performed statistical tests for a large group of countries, their study was limited and lacks detail of historical processes. Furthermore, in “The Colonial Origins of Comparative Development: An Empirical Investigation,” the researchers only demonstrate a relationship between European mortality rates and modern institutions. In this study, I have examined the
details of development in three countries in order to discover links among and changes between pre-colonial, colonial, and post-colonial institutions. The factors examined do not altogether refute the study in question, but demonstrate that there are loopholes to be examined further. Because I have tested for institutional persistence, this information will be relevant to inquiries in later developments of governmental structure and policy in former colonies, as well as inquiries into modern problems of this matter. Thus, this study is a contribution to literature on state building in the modern era.

One drawback of this paper is that the limited number of cases may not accurately depict patterns of development for all former colonies. Although I attempted to control for variations including geography, identity of the colonizer, possession of natural resources, and ethnolinguistic fragmentation, it is impossible for three countries to represent the sixty-four studied by Robinson and his colleagues. Even though my research supports my hypotheses, each country obviously has a unique historical background that could potentially deviate from a general pattern.

Perhaps even more difficult to measure and articulate into a valuable study are the varying types of protests, rebellions, and the outcomes that they may produce. A vital part of the study in question is to understand which countries have stronger histories of demands for rights. Moreover, it is equally important to be able to rank the varying ways in which colonizing governments responded. Robinson and his colleagues write,

…when a large number of Europeans settled, the lower strata of the settlers demanded rights and protection similar, or even better than, those in the home country. This made the development of effective property rights for a broad cross section of the society more likely. (Acemoglu et al. Aug 9 2001; 16)

My work now demonstrates that both Nigeria and the United States have strong histories of protest. However, how may one measure which country hosted better activists? Is it possible to claim, empirically, that England responded to the United States better, even if protests in Nigeria were just as strong? These questions may be discussed through further research and a thorough comparative examination of each country’s records on protest and concessions made.

Another drawback in my work is that mortality and settlement rates cannot account for all of the other factors that may have affected development in various regions. As scholars like Cooper point out, the history of development is complex, and the specific link between settler mortality and
institutional development does not come close to offering a solution to modern problems of underdevelopment. For instance, he notes that cultural changes within colonies may be considerable factors in the evolution of independent modern states. In my research, I have encountered many other valid arguments and causes for the persistence of corrupt institutions, aside from those that Robinson and his colleagues point out. I have not, however targeted the complete and detailed factors that actually do account for underdevelopment. That will be left to further complex research.

Finally, documents on the history of El Salvador are few and far between in English. This paper, therefore, relies upon only several books as sources of information for this case. While effective research makes use of primary sources and a number of secondary sources, this work is based upon several well-known books in the academic community. I have made my greatest efforts to check their information against one another to ensure credibility.

Despite these drawbacks, it is important to understand how and why institutions did develop in colonies in order to understand current patterns of stability and development. Robinson and his colleagues offer an intriguing proposal. However, statistical tests must represent the data on which they are based. In this case, some historical details must fill in spaces that the tests have left.

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