



UNITED KINGDOM · CHINA · MALAYSIA



# Race, Representation and Policy: Black Elected Officials and Public Spending in the US South

Andrea Bernini Giovanni Facchini Cecilia Testa Race, Representation and Policy: Black Elected Officials and Public Spending in the US South

Andrea Bernini, Giovanni Facchini, Cecilia Testa NICEP Working Paper Series 2017-01 March 2017 ISSN 2397-9771

Andrea Bernini
University of Oxford
Andrea.Bernini@economics.ox.ac.uk

Giovanni Facchini
University of Nottingham
Giovanni.facchini@nottingham.ac.uk

Cecilia Testa
University of Nottingham
Cecilia.testa@nottingham.ac.uk

## Race, Representation and Policy: Black Elected Officials and Public Spending in the US South\*

Andrea Bernini†Giovanni Facchini‡and Cecilia Testa§

March 20, 2017

#### Abstract

The Supreme Court has recently struck down key provisions of the Voting Right Act mandating federal scrutiny over states with a history of black disenfranchisement. How significant was the VRA for black political empowerment? Surprisingly, the answer to this important question remains largely moot. Using a novel dataset on the universe of local elected officials, we show that the VRA significantly boosted black representation in the immediate aftermath of its introduction. To identify the effect of the act we exploit the fact that a coverage formula was used to place a group of jurisdictions in the South – our treatment – under strict federal monitoring. Using non-covered counties of the former Confederacy as a comparison group, we find that larger pre–VRA shares of blacks led to a greater increase in black office holding in the treatment than in the control group. The impact of coverage was stronger in the presence of elections by single member districts. Finally, black representation led to greater provision of local public goods, particularly education.

JEL classification: D72, H7, I2, J15

Keywords: Voting Rights Act, Local Elections, Black Representation, Public Good Provision

<sup>\*</sup>Work on this project started while the last two authors were visiting the Department of Government at Harvard University, whose hospitality is gratefully acknowledged. We would like to thank Alberto Alesina, Elisabeth Cascio, Jeffrey Frieden, Horacio Larreguy, Jim Snyder, Ken Shepsle, Ebonya Washington, Gavin Wright and seminar audiences a Harvard, EPSA (Bruxelles), MPSA (Chicago) and the NICEP inaugural conference (Nottingham) for useful comments and suggestions.

<sup>&</sup>lt;sup>†</sup>University of Oxford; andrea.bernini@economics.ox.ac.uk.

<sup>&</sup>lt;sup>‡</sup>University of Nottingham, Universita' degli Studi di Milano, CEPR, CES-Ifo, CReAM, GEP, IZA and LdA; giovanni.facchini@nottingham.ac.uk.

<sup>&</sup>lt;sup>§</sup>University of Nottingham, LdA and Nicep; email: cecilia.testa@nottingham.ac.uk.

"Voting is the foundation stone for political action. With it the Negro can eventually vote out of office officials who bar the doorway to decent housing, public safety, jobs and decent integrated public education." (M.L. King, 1965).

"Blacks feel they can come to me and get answers to problems; they have a connection with the system." (Wirt (1997), page 69).

#### 1 Introduction

On June 25 2013, in a highly controversial ruling, the Supreme Court struck down key provisions of the Voting Right Act that required covered jurisdictions to seek federal pre-clearance for any change in voting procedures. The court decision was received as 'deeply disappointing' by the first African American President in US history. How important were these key provisions – known as *coverage* – in the process of black political empowerment? Surprisingly, the answer to this important question remains largely moot.

The Voting Right Act (VRA), signed into law by President Lyndon Johnson on August 6 1965, marked a watershed in the battle for blacks' political empowerment. As barriers that were a major obstacle to vote registration since the 1890s were removed, and registration rates among blacks soared, the act fundamentally changed the makeup of the electorate in the US South. The VRA was expected to radically transform southern politics and society. In particular, the election of blacks into office, besides carrying a high symbolic value, was hailed as the primary vehicle for policies that would improve the lives of black communities across the South. Still, the immediate effect of the VRA on black representation has been questioned since substantial gains in African American office holding – at the state and federal level – were slow in coming (Wright 2013, Cascio and Washington 2014). At the local level, where the journey toward black office seeking is likely to have started, there is instead little systematic evidence. To address this important gap, we assembled a novel data set on the universe of local black elected officials in the eleven states of the former Confederacy, digitizing information from the National Roster of Black Elected Officials on blacks serving on county commissions, municipal governing bodies, and local school boards between 1964 and 1980. By exploiting this rich dataset, we show that, in the immediate aftermath of its introduction, the VRA increased black representation at the local level, and that black office holding gains brought important policy changes for black communities, in the form of

 $<sup>^1</sup>$ On the day of the ruling, President Barack Obama issued the following statement 'I am deeply disappointed with the Supreme Courts decision today. For nearly 50 years, the Voting Rights Act enacted and repeatedly renewed by wide bipartisan majorities in Congress has helped secure the right to vote for millions of Americans. Todays decision invalidating one of its core provisions upsets decades of well-established practices that help make sure voting is fair, especially in places where voting discrimination has been historically prevalent.' Source:  $http://www.huffingtonpost.com/2013/06/25/obama-voting-rights-act_n_3497124.html$  accessed on march 19 2017.

increased spending on local public goods and especially on education.

The VRA of 1965 restated the prohibition against the denial or abridgment of the right to vote on account of race already contained in the Fifteenth Amendment, while providing some powerful tools for its enforcement. In particular, jurisdictions that imposed a test or device restricting the right to vote and experienced less than 50 percent turnout in the previous presidential elections were 'covered' under Section 5 of the act. As a result, they were subject to pre-clearance by the United States District Court for the District of Columbia or by the Attorney General of any change affecting the voting process. Furthermore, the Attorney General could dispatch federal examiners to covered jurisdictions and request that federal observers monitor activities within the county's polling place. Of the eleven confederate states, seven were 'covered' in 1965.<sup>2</sup>

In this paper we assess whether *coverage*, with the intense scrutiny it brought on local governments, affected black representation in the short and long run. To identify the effect of the VRA on the election of black officials, we exploit the fact that coverage in 1965 only applied to a group of southern states, and that its potential impact was greater in areas with larger black population shares, because candidates' race was highly salient for black voters. Using non-covered counties in the former Confederacy – with a similar history of slavery and black disenfranchisement - to form a comparison group, we thus estimate whether covered counties (treatment group) with larger preexisting black population experienced a larger increase in black representation – from before to after the VRA – when compared to counties that were not 'covered' (control group). Our identifying assumption is that, in the absence of coverage, the two groups – that in the pre-VRA period did not exhibit any substantial difference in black representation – would have experienced the same pattern in the election of black elected officials. However, since the share of black population was significantly larger in covered than in non-covered states, we also deploy a geographic discontinuity research design (GDR), where we compare contiguous counties spanning the border between covered and uncovered states, which do not display significant differences in black population shares as well as in most other economic and demographic characteristics.

Our results show that *coverage* doubled the extent to which black enfranchisement translated into representation, e.g. counties with larger black population shares in the treatment group experienced an increase the share of black elected officials that is twice as large than the corresponding counties in the control group. These results continue to hold when we address the issue of imbalance in black population shares between treatment and control group by deploying the geographic discontinuity research design.

The enforcement of the special provisions of the VRA – particularly pre–clearance – was crucial

<sup>&</sup>lt;sup>2</sup>Six States (Alabama, Georgia, Louisiana, Mississippi, North Carolina, Virginia) were fully covered and one (North Carolina) was partially covered. All covered jurisdictions were also forced to remove the literacy test provisions that de facto prevented blacks from registering to vote.

to the success of the act. Throughout the '70s an intense battle was fought in courts, were attempts to change existing voting rules in order to dilute the black vote were legally challenged (Davidson and Grofman 1994), as were pre-VRA electoral rules, such as elections at large, unfavorable to minorities (Parker 1990).<sup>3</sup> As a result, by the early '80s' all but one covered state had been transitioning towards single member districts (SMD) in the election of county commissioners. Given the importance of electoral rules in shaping representation, we investigate wether the impact of coverage varies depending on how county commissions are elected in covered states. We find that election by single member districts played an important role. First, focusing on the electoral system prevailing in the pre-VRA period, we find that covered states adopting single member districts before 1965 experience larger long term gains in black office holding. Second, restricting our attention to the very first election after the passage of the VRA, we find that only counties that already elected commissioners by single member district experienced a significant increase in the share of black officials. Finally, when we distinguish between counties in covered states that had SMD in place already before the VRA, those that switched toward SMD after the VRA, and those that did not, we find that the larger increase in the share of black elected officials only arises in counties within states that either adopted SMD before the VRA or transitioned to it afterwards. These results suggest that the intense scrutiny on voting rules brought about by coverage was crucial to translate black votes into black elected officials.

Having established that the VRA caused a sizeable increase in black representation in local offices, we next turn to study whether and how it affected policies, e.g. spending and taxation at the county level. In the US South, counties are the most important unit of local government. County governing bodies have the power to raise revenues and to appropriate funds for the financing of essential public services. Since the power of approving the budget is typically vested in the county commission, the main focus of the analysis is on the effect of black elected commissioners on current expenditure and local revenues— available at five year intervals from the Census of Governments since 1957. To identify the effect of black representation on local spending, we adopt again a difference-in-difference design exploiting our previous findings on the effect of coverage on black representation. In particular, we posit that, if black representation increased spending, we should observe a larger positive relationship between pre–VRA shares of black population and local spending growth in covered states (treatment) than in the non-covered ones (control). To disentangle the effect of the impact of the growth in black representation from the increase in turnout associated with the removal of literacy tests provisions – that has been shown to have a

<sup>&</sup>lt;sup>3</sup>Legal challenges over elections at-large, considered less favorable to minorities' candidates, were brought both under the Voting Rights Act as well as under the Fourteenth and the Fifteenth amendments. In particular, the Supreme Court ruling on *White vs Regester* (412 U.S. 755, 1973), and its subsequent application by the Fifth Circuit Court of Appeals in *Zimmer v. McKeithen* (485 F.2 d1297), laid out the standards for evaluating whether at-large elections diluted minority voting strength in violation of the Fifteenth and Fourteenth Amendments.

direct effect on spending (Cascio and Washington 2014) – we exploit the fact that in a group of covered states the litigation process in the post-VRA decade led to a switch towards SMD that increased the odds of blacks gaining office. Our results show that the initial share of blacks has a positive effect on the subsequent spending growth, and this effect is larger in covered counties (treatment group) than in non-covered ones (control group). Once we decompose the effect of the initial share of black distinguishing between counties in states that only removed literacy tests and states that also switched to SMD, we find that the additional effect of the change in election rules is comparable in size to the effect of removing literacy tests provisions. Our estimates also indicate that these effects were economically significant since, over the period of our analysis, covered counties experienced on average an 8 percent increase in education spending via the turnout channel and an additional 11 percent increase through the election of black officials. When we analyze revenues, we also find that the increase in black representation played an important role in securing local revenues and state transfers necessary to finance the increase in spending. Taken together, our results indicate that the VRA fundamentally changed local black representation and local public finances in the US South.

#### 2 Literature Review

The contribution of this paper is two-fold. First, by exploiting an original dataset on the universe of black elected officials to county governing bodies, municipalities and school boards across the former confederate states, we show that the special provisions introduced by the VRA changed black representation at the local level, particularly among county governing bodies, which in the US south have extensive budgetary powers. Second, we show that the election of blacks to county commissions had far reaching consequences in terms of policy, as it led to a significant increase in spending – in particular on education. Hence, to the best of our knowledge, our paper provides the first systematic assessment of how the election of black officials at the county level brought about by the VRA had important effects on local public finances.

Our paper contributes to different streams of literature. Several studies have analyzed the pattern of black office holdings at the local level throughout the seventies, typically focusing on cross section of cities in a specific year.<sup>4</sup> However, systematic evidence on changes in black representation at the local level in the post-VRA period remains scant. Davidson and Grofman (1994) analyze the change in black representation in the post-VRA period using a sample of 1,060 cities in covered states, selected on a combination of population and ethnic composition thresholds. Considering an initial period that varies between 1970 and 1980, and a final period

 $<sup>^4</sup>$ For a comprehensive overview of studies focussing on cross sections of cities within a given year see Marschall, Ruhil, and Shah (2010)

in the late eighties or early nineties, they show that the largest gains in the proportion of blacks elected to councils took place in cities that switched from elections at-large to single member districts. Sass and Pittman (2000) extend their analysis to a longer time period and show that the gains in black office holding tend to level off in the nineties. Marschall, Ruhil, and Shah (2013) analyze instead the pattern of black representation on city councils using data from surveys administered by the International City/County Management Associations (ICMA) at five years intervals between 1981 and 2006. Drawing on a panel of 1,897 cities, they find that the likelihood of having at least one black councilor in a municipality, and the number of elected black councilors, are both positively correlated with coverage under section 5 of the VRA. Marschall, Ruhil, and Shah (2010), focusing instead on a sample of 300 school boards and councils, find that the odds of blacks winning office increase with election by single member districts. While our results are broadly consistent with previous work, our study extends the existing literature along several dimensions. First, since our data cover the *universe* of local (county, municipality and school boards) elected officials in the former Confederacy before and after the passage of the VRA, using a difference-in-difference estimation strategy similar to Cascio and Washington (2014), as well as a geographic discontinuity design, we estimate the causal relationship between coverage and the increase in share of black elected officials. Second, besides municipal bodies and school boards, we also analyze black representation among county governing bodies, which to the best of our knowledge have not been previously examined. Since, in the US South, unlike other regions of the country, counties are the most important administrative unit, filling this gap in the literature is important because it allows us to shed lights on the effect of black representation on local public finances, on which county governing bodies have significant control. To the best of our knowledge, Cascio and Washington (2014) is the the only systematic study providing causal evidence on the effect of the VRA on policy. Differently from us, their study focuses on the effect of the VRA on the growth of transfers from state governments to counties via increased turnout, rather than black representation, because the latter was very slow in coming at state and federal level. Since our analysis shows that coverage has an immediate effect on black representation at the local level, our study focuses instead on local public finances, where black representation might play an important role because county governing bodies are entrusted with significant spending and taxation powers.<sup>5</sup> We find that black office holding is important in explaining the increase in spending within counties with larger initial shares of blacks, and its effect is comparable in size to that of turnout. We also find that in the same counties, the increase in black office holding led to a significant increases in revenues raised locally.

The shift toward policies that benefited areas with larger share of blacks uncovered in our

<sup>&</sup>lt;sup>5</sup>Almost 60 percent of county revenues are raised locally and county governing bodies are typically are in charge of approving school budgets that represent the most important spending item in the county budget

analysis is consistent with identity politics models, where preferences of voters and politicians are aligned along individual characteristics such as race and gender (Besley et al. 2004, Chattopadhyay and Duflo 2004, Pande 2005). Since the enfranchisement of African Americans was the precondition for the election of blacks to office, our paper also contributes to the literature that has shown how the extension of the voting franchise affected State government spending in the US. In particular, Lott and Kenny (1998) find that the enfranchisement of women increased total state spending and revenues, whereas Husted and Kenny (1997) find that the enfranchisement of poorer voters through the removal of literacy test and poll tax registration requirements led to an increase of state spending in social welfare, but not on other programs. Differently from them we find that the enfranchisement of black voters increased spending on public goods – primarily education – but not on social welfare programs. Two important factors can explain these results. First, the provision of these goods is by and large controlled by local governments, which are the unit of our analysis. Second, public good provision can be more salient in ethnically diverse localities, because as shown by the literature on ethnic heterogeneity and local public finances (Alesina, Baqir, and Easterly 1999, Alesina and La Ferrara 2005), public good provision is lower when a significant fraction of tax revenues, collected on one ethnic group, is used to provide public goods shared with other ethnic groups. In fact, before the passage of the VRA, under-provision of public goods was a severe problem in areas with larger shares of blacks, suggesting that everything else equal white politicians – who were exclusively in control of local public finances before the VRA – were less willing to spend on public goods that would benefit blacks. As a result, increasing the provision of these goods was seen as crucial to the advancement of black communities. Importantly, our results show that the election of blacks into local offices increased the provision public goods in the most ethnically diverse counties, where the problem was most acute. This suggests that the inclusion of minorities in the decision making process can help to address the negative effect of ethnic heterogeneity on public good provision. The positive effect of enfranchisement of a new group of voters on the provision of local public goods has been uncovered in other contexts, such as nineteenth century Britain, where the extension of suffrage, instead of pure redistribution from the rich to the poor in the form of larger social welfare programs, fostered spending on programs with diffuse benefits (Lizzeri and Persico 2004). While the direct beneficiaries of this increase in local public spending were the newly enfranchised poorer voters, the shift in policy was in fact favored by a majority within the elite of industrialists and the commercial classes, but not by the landed aristocracy. Interestingly, in the post-VRA period, the US South witnessed a similar pattern of realignment of interests. As pointed out by Wright (2013), several pieces of evidence suggest that gains achieved by blacks did not take place at the expense of white Southerners, and in the account of Wirt (1997), "Whites reported that black empowerment had helped them overturn the old powers and the planters who had blocked racial and economic change". The so called 'biracial coalition for economic growth' (Wright 2013) emerged in the post–VRA period might have played a role in explaining why black officeholders were influential even though they typically remained a minority group within local elected bodies.

#### 3 The 1965 Voting Right Act

The Voting Right Act of 1965 restated the prohibition against the denial or abridgment of the right to vote on account of race which had been introduced by the Fifteenth Amendment. Importantly, the act contained some strong measures designed to preempt its violation, imposing special provisions targeted at jurisdictions where the potential for discrimination was believed to be the greatest. In particular, jurisdictions that imposed a test or device restricting the right to vote and experienced a turnout below 50 percent in the previous presidential elections were 'covered'. In 1965, seven of the eleven confederate states - Alabama, Georgia, Louisiana, Mississippi, South Carolina, Virginia and North Carolina fell in this category. Under Section 5 of the VRA, covered jurisdictions were subject to pre-clearance by the United States District Court for the District of Columbia or by the Attorney General of any change in legislation affecting voting. Furthermore, the Attorney General could dispatch federal examiners to these jurisdictions and request that federal observers monitor activities within the county's polling place. All covered jurisdictions were also forced to remove the literacy test provisions that de facto prevented blacks from registering to vote. The objective of these special measures was to prevent a re-enactment of the sort of discriminatory practices that had prevailed in the post-reconstruction period – and that had led to the practical disenfranchisement of vast sways of the African American population (Keyssar 2009).

The enforcement of the voting right act was far from smooth. At the state level, strategic redistricting was used to dilute the black vote. As a result, by the early '80's less than a third of the majority African American counties were represented by a black state representative. At the local level, however, the picture was different. Throughout the '70s an intense battle for the enforcement of the VRA provisions was fought in courts. The quest over the implementation of the VRA focussed on electoral rules – such as election at large – that were viewed as less favorable to minorities' candidates (Trebbi, Aghion, and Alesina 2008). Legal challenges over elections at-large were brought under the Voting Rights Act, as well as under the Fourteenth and Fifteenth amendments. Two influential court cases played a particularly important role. In

<sup>&</sup>lt;sup>6</sup>More precisely in 1965, six States (Alabama, Georgia, Louisiana, Mississippi, South Carolina, Virginia) were "fully" covered and one (North Carolina) was partially covered (i.e. of the 100 North Carolina counties, 39 fell under the provisions of Section 5). Arkansas, Florida, Tennessee and Texas were instead not covered.

1973, the Supreme Court ruling on White vs Regester (412 U.S. 755, 1973), and its subsequent application by the Fifth Circuit Court of Appeals in Zimmer v. McKeithen (485 F.2 d1297), laid out the standards for evaluating whether at-large elections diluted minority voting strength in violation of the Fourteenth and Fifteenth Amendments.<sup>7</sup> Even if in 1980, with City of Mobile vs Bolden (446 U.S. 55, 1980) the orientation of the Supreme Court would drastically change, throughout the seventies, the White-Zimmer standard opened the ground to legal challenges to elections at-large in general, rather than just to changes in voting rules in violation of section 5 of the VRA (see Parker 1990, chapter 6). A steady shift from election at large to single member district followed. According to the information reported by the 1957 Census of Government, before the passage of the VRA, elections at large of county governing bodies prevailed among four covered states - e.g. Alabama, Georgia, North Carolina and South Carolina. By the early 1980s', with the exception of North Carolina, all of them were on a path of transition toward single member districts in the election of county commissioners. As the enforcement of Section 5 of the Act also promptly addressed attempts to replace single member districts with elections at large, in less than two decades, court action insured that systems of elections unfavorable to minorities became the exception rather than the rule among covered states.

Following the passage of the VRA, black elected officials began to serve on county governments, municipalities and school board where virtually no African American had ever been in office since the times of Reconstruction. In 1967, just two years after the passage of the VRA, for example, the VEP news reported: "A little over four years ago, not a single Negro was registered to vote in West Feliciana Parish in Louisiana. (...) Today Negro registration totals over 2,000, or 56 per cent of the parish's total registration. (...) Last year, two Negroes were elected to the school board. This year, challenging political control of a parish in which violence and intimidation have not been uncommon, 17 Negro candidates awaited the November primary. When the results were in, six of the candidates had won. Having the vote obviously makes a difference in West Feliciana Parish."

Around the time of elections, reports of black office holding gains started to regularly make the headlines of local newspapers, suggesting that the enfranchisement of this group was fundamentally changing the make up of locally elected bodies. While bringing African Americans into office was

<sup>&</sup>lt;sup>7</sup>The key passage of Zimmer v. McKeithen, which became known as the "Zimmer formula", augmented the provisions already contained in the White vs Regester sentence to include a set of specific criteria stating that "where a minority can demonstrate a lack of access to the process of slating candidates, the unresponsiveness of legislators to their particularized interests, a tenuous state policy underlying the preference for multi-member or at-large districting, or that the existence of past discrimination in general precludes the effective participation in the election system, a strong case is made. Such proof is enhanced by a showing of the existence of large districts, majority vote requirements, anti-single shot voting provisions and the lack of provision for at-large candidates running from particular geographical subdistricts. The fact of dilution is established upon proof of the existence of an aggregate of these factors."

<sup>&</sup>lt;sup>8</sup>Source: VEP News: Voter Education Project, Atlanta, Georgia, November 1, 1967.

one of the most important objectives of the struggle for the right to vote that ultimately led to the passage of the VRA, the evidence of its effect on black representation and policy during the first twenty years after the passage of the act remains largely anecdotal. The goal of this paper is to address this gap, by assessing how the special provisions put in place by the VRA affected black office holding and local public finances.

#### 4 Data

The goal of our analysis is twofold. First, we are interested in studying the link between the enfranchisement of Black voters in the US South and their ability to elect officials at the local level. Second, we investigate whether and how the election of minority officials affected local public finances. To carry out our analysis, we have built a rich dataset, which is described below.

#### 4.1 Local black elected officials

While biographical data on elected officials, who were members of the US House of Representatives or of the US Senate is easily available from the Congressional Directories, similar information on local elected officials at the county, municipality and school board level is much more difficult to obtain, and has not been systematically collected throughout the period covered in our study. Moreover, even the Congressional Directories do not report data on the individual member's race, a key variable of interest for our analysis.

In the context of a broad effort to promote Black political engagement, in the eve of the VRA the Southern Regional Council's Voter Education Project started to systematically collect information on blacks elected to public office, both at the national and local level. As a result, a directory – the National Roster of Black Elected Officials – began to be published starting in 1969, reporting the name, the office held and the address of all black elected officials. The first issue covers individuals in office in 1968 and has been subsequently updated at a yearly frequency, but is available only in paper format. For this reason, to carry out our analysis, we have constructed and digitized counts – at the county level – of the number of black elected members of county and municipal governing bodies, and of local school boards for the eleven states of the Confederacy. For the period prior to the introduction of the VRA, no systematic effort to identify local Black elected officials has instead been carried out, "the chief reason being that such a phenomenon was virtually unknown until recent years" (Voter Education Project 1969). Still, in some constituencies black officials did run for office and were elected before 1965. Using information from the Southern Regional Council papers and local newspapers archives, we

<sup>&</sup>lt;sup>9</sup>A digital version is available in ICPSR Study 7803.

have collected also this data for 1964, the year immediately prior to the passage of the VRA. While some measurement error is unavoidable, our figures are consistent with aggregate counts of Black elected officials that have been published at the time (Voter Education Project 1969). Thus, our sample covers the universe of black elected officials in office between 1964 and 1980.

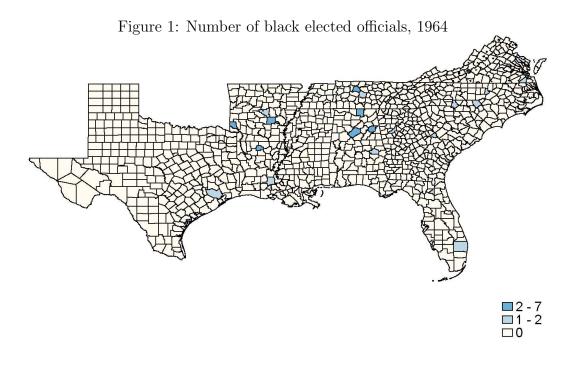
Our data indicate that in 1964 a total of 67 local and state black officials were in power: 56 held positions at the county level, whereas 11 had been elected to State Houses and Senates. By 1980 this number had increased more than thirty-folds. As a result, there were 2085 black elected members of county and municipal governing bodies and of local school boards, and 142 black state representatives and senators. As shown in Table 1, black representation was much more widespread at the county level than at the state level: 136 majority black counties – or 83 percent of the total – had at least one local black elected official, whereas only 44 – or 27 percent of the total – were represented by a black at the state level. The figures are comparable also among those counties with at least 30 percent of black residents: 313 – or 74 percent of the total – had at least one local black official, whereas only 73 – or 17 percent of them had a state black representative.

Figures 1 and 2 illustrate the geographic patterns of black representation across counties in 1964 and 1980. In 1964, only 23 counties out of a total of 1152 (i.e. 2 percent of the total) had at least one black elected official, and Calhoun county in Alabama had the largest black representation in the US South, with 7 individuals in office. No clear geographic pattern can be identified though. By 1980 on the other hand, 495 counties, or 43 percent of the total, had at least one black elected official, and Bolivar county in Mississippi had 54. Noticeably, at the time of the passage of the VRA, no county in Mississippi had instead any black local elected official. By 1980, the number of counties electing blacks was also clearly concentrated in the group of covered states (70 percent of them). Furthermore, as shown in Figure A.1 in the Appendix, by 1980 the geographic distribution of black representation closely followed the distribution of blacks in the total population.

Table 2 reports summary statistics for the variables used in our analysis, distinguishing between counties that were covered or not in 1965.<sup>11</sup> The top panel presents information on black officials as share of the number of elected by type of office in 1964 and in 1980. The proportion of blacks in all the levels of government included in our analysis went, in covered states, from one in 1000 in the pre-VRA period to almost 5 percent by the early eighties. The increase was much more modest instead in states that were not covered, where the average share of black elected officials in the last year of our sample was only 1.36 per cent. Turning to representation in specific levels of government, our data indicate that the largest increase is to be observed in school boards

<sup>&</sup>lt;sup>10</sup>Hobson City in Calhoun county was Alabama's first self–governed, all black municipality.

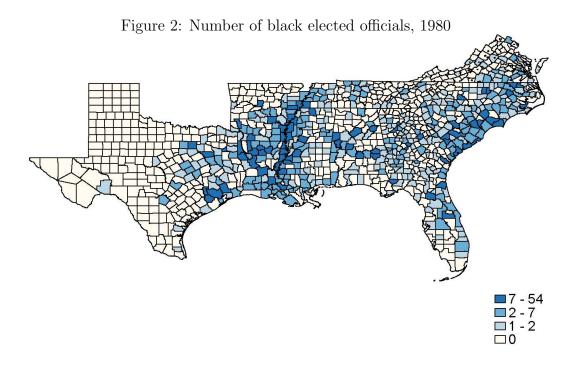
<sup>&</sup>lt;sup>11</sup>The covered counties are all counties in the fully covered states (Alabama, Georgia, Louisiana, Mississippi, North Carolina) and 39 counties in North Carolina that were covered in 1965 (See Appendix).



in covered states. From a situation in which there were virtually no black elected members in 1964, by 1980 approximately seven percent of the members were black; this change was much larger than the one observed in non covered states, where the increase was from 0.05 percent in 1964 to 2 percent in 1980. As for municipal councils, in covered states we observe an increase in black representation from 0.2 percent in 1964 to 5.4 percent in 1980; in non covered states the corresponding figure is from 0.05 to 1.9 percent. The increase in black representation in county governing bodies was more modest: by 1980, 2.6 percent of the seats were detained by blacks in covered states, and the corresponding figure only 0.4 percent for non covered states. Note though that by the 1980 nearly 60 percent of the counties did not elect any black official at the local level. If we focus only on counties that did elect at least one black commissioner by 1980, in fact the average share of blacks in county governing bodies is about 9 percent, with 11 percent of blacks serving on county commissions in covered counties and 4.5 percent in non covered ones.

#### 4.2 Local public finances

In the US South, counties are the most important administrative units (Wager 1951). County governments hold the power of the purse since they are entitled to raise revenues and to appropriate funds for the financing of essential public services. To study the effect of black representation at the county level on local public finances, we have collected information from the Census of Government – which is available every five fiscal years since 1957 – on expenditures and revenues at the county level. Since the 1962 the Census of Government does not report a comprehensive breakdown by type of expenditure and source of revenues, the first year before the passage of the VRA for which



we have detailed information on local public finances is 1957.<sup>12</sup> Local expenditure is financed through local revenues and state and federal transfers. As it can be seen from the middle panel of Table 2, own resources represent the main component of a county's budget: in 1957 they made up on average 57 percent of the total revenues, and in 1982 the figure was comparable at 58 percent. Correspondingly, the share of state and federal transfers went from 43 percent in 1957 to 42 percent in 1982. Spending and revenue in per capita terms among the covered counties was on average lower than in non–covered ones, both in the first and last year of our sample. However, by the early eighties, the spending gap between covered and non–covered counties decreased from 21 to 7 percentage points for total spending, and from 12 to 4 percentage points for education spending. A similar pattern can be observed also on the revenue side, where the gap in terms of "own revenues" decreased by 18 percentage points.<sup>13</sup>

#### 4.3 Other control variables

The other control variables we will use in our analysis are summarized in the bottom panel of Table 2, and have been obtained from various sources, described in the Appendix. As we can immediately see, covered counties were characterized by a much higher black population share than those not covered (32.47 vs. 13.18 percent); they also tended to be smaller and less urban, but more densely

 $<sup>^{12}</sup>$ The 1962 Census of Governments reports intergovernmental and federal transfers to counties but not total revenues and own revenues. On the spending side, information on current expenditures is provided for education but not for total spending and other spending items.

<sup>&</sup>lt;sup>13</sup>The gap decreased from 40 to 22 percentage points for own revenues, whereas for other revenues it remained approximately the same.

populated. Moreover, they were characterized by similar shares of the population living in rural farms, and by similar birth rates. As for the counties' economic characteristics, they share similar unemployment rates (4.9 percent in covered counties, 4.7 percent in non-covered ones), and poverty was very widespread: 46% of the population in covered states lived in households falling below the poverty line, and the corresponding figure for non-covered states was only slightly lower at about 43%. The vast majority of the population did not complete high school, and manufacturing represented less than a quarter of total employment in both groups of counties, even if it was higher in covered counties (25% vs 17%). Moreover, in 1960 all the counties in our sample were solidly democratic and not surprisingly, in the period immediately before the passage of the VRA, counties in covered states were characterized by greater racial tensions, as measured by both a the number of episodes of pro-black and anti-black activism registered between 1960 and 1964.

Summing up, the counties in covered and non covered states differed in terms of several observable characteristics, and some of these differences are statistically significant. This is particularly true for the share of blacks in the population. The imbalance in the distribution of the black population across counties is potentially problematic for our analysis. To address this concern, in section 5.4 we implement a geographic discontinuity research design (GDR), where we take advantage of the fact that counties spanning the border between a covered and a non–covered state are more "similar" than a pair of counties taken at random, also with respect to the share of African Americans in the population.

#### 5 The VRA and Black elected officials

#### 5.1 Estimation strategy

We are now ready to analyze the effect of the VRA on electoral outcomes. Before 1965, seven states of the former Confederacy - Alabama, Georgia, Louisiana, Mississippi, South Carolina, North Carolina and Virginia - adopted restrictions to the access to the franchise (e.g. literacy tests), which were administered in a discriminatory fashion to disproportionately affect black voters. The VRA, together with the removal of literacy tests, brought in special provisions targeted at these jurisdictions, where the potential for discrimination was believed to be the greatest. As coverage was meant to protect black voters from the infringement of their political rights, we expect its impact to be greater in areas where the share of blacks was higher. In principle, the special measures brought in by coverage did not need to translate into an increase in votes for black candidates, as the newly enfranchised black voters did not necessarily have to cast their ballot along racial lines. However, the VRA came into place in a context of extreme racial tensions, where the election of black candidates had a highly symbolic value. The importance of the race

dimension in the electoral context of the post–VRA period is epitomized by the words of the first African American running for office in Edgefield county, South Carolina: "There's an inherent value in office holding that goes far beyond picking up the garbage. A race of people who are excluded from public office will always be second class". <sup>14</sup> Thus, given the salience of race, we posit that the effect of the VRA on black office holding at the local level should depend on the county pre–existing share of blacks. Hence, a straightforward way to estimate the effect of the VRA on black representation is to investigate how the relationship between the share of blacks in the county population and the share of blacks elected in local governments changed over time within states which were covered under section 5 of the VRA. In particular, if the legislation had an effect, we would expect the slope of this relationship to increase around the time of the passage of the act.

As pointed out by Cascio and Washington (2014), one important problem with this type of strategy is that areas with larger shares of blacks in the population may have seen increases in black representation even in the absence of the specific provisions included in the VRA. For example, civil rights activism could have led to greater black efforts to cast a ballot in local elections, even in the absence of coverage, and this could have led to an increase in black representation. For this reason, following Cascio and Washington (2014) we combine the strategy discussed in the first paragraph, with the creation of a comparison group including the four states of the former Confederacy (Arkansas, Florida, Tennessee and Texas) and 61 counties in North Carolina, with similar history of slavery and black disenfranchisement, which were not covered in 1965. In other words, we estimate whether covered counties with a larger black population (treatment group) experienced a larger increase in black representation – from before to after the VRA – when compared to the counties of the other former confederate states that were not covered (control group). Our identifying assumption is that, in the absence of coverage, the two groups – that in the pre-VRA period did not exhibit any substantial difference in black representation – would have experienced the same pattern in the election of black elected officials. As we already discussed in section 4.3, treated counties were characterized by a larger share of African Americans in the population than non-treated ones. Despite this imbalance, there is significant variation in the share of African Americans to insure the existence of a sufficient degree of common support in black shares that allows for the identification of the effects. However, we also replicate our differences-in-difference estimations using a GDR design that addresses the issue of imbalance by focusing on counties spanning the border of a treated and non-treated state, and our results are robust.

Besides estimating the effect of the VRA on black representation, we are also interested in

<sup>&</sup>lt;sup>14</sup>Quoted by Wright (2013), page 202.

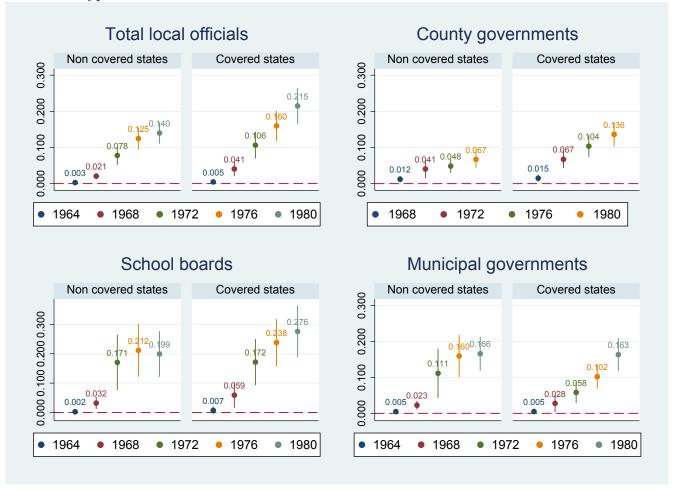
analyzing its impact on local public finances. Due to budgetary inertia, the latter typically takes time to materialize and for this reason our analysis will focus on long run differences in representation between the treatment and control groups. Still, before moving to the long run estimations comparing two points in time – e.g. the first and last year of our sample – we briefly present estimation results obtained using also the intervening years.

In Figure 3 we illustrate the relationship between the share of black elected officials and percent black in 1960, obtained by regressing the share of black officeholders in the years coinciding with presidential elections on the 1960 share of blacks, separately by year and treatment status. In all our specifications, we also include state fixed effects and a number of other pre–VRA socio-economic control variables, capturing the different propensity to vote, e.g. unemployment rate, percentage of families below the poverty line, percentage of unskilled, urban and rural, and pro-and anti-black activism. In the top left panel we consider all local elected officials, and turning clockwise we focus next respectively on county governments, municipal governments and school boards.

Our estimates indicate that, before the passage of the VRA, the relationship between share of black officials and the 1960 share of blacks was not different from zero for either the treatment or the control group. After the passage of the VRA a clearly different pattern emerges: the relationship between share of black officials and 1960 share of blacks becomes clearly positive, and for the states in the treated group it is steeper than for those in the control group. The differential change in slope is evident already in the 1968 election, where a 10 percent increase in the 1960 share of blacks in a county's population is associated with a 0.4 percent increase in the share of black officials in covered states, and only a 0.2 percent increase in those that were not covered. By 1980, a 10 percent increase in the 1960 share of blacks in a county led to a 2.15 percent increase in the share of black elected officials in covered states, and only a 1.4 percent increase in the share of black elected officials in non-covered states. The change in the slope of the relationship is apparent also when we look at the different types of local governments.

In Figure 4 we show instead how the relationship between share of black elected officials and the 1960 share of blacks varies over time within counties in treated states as compared to those in the control group, by type of office. To this end, we interact our variable of interest - e.g. the 1960 share of blacks - with year and coverage dummies. As in our specification we include county fixed effects, to identify the model we omit the interactions with the first year of the sample, e.g. we use the first year as reference for evaluating how the slope of the relationship between share of black officials and 1960 percent black changes over time. In all our specifications we also include a full set of interactions between control variables, year and coverage indicators, as well as state specific trends. As it is immediately clear by looking at the top left panel, the treatment-control difference

Figure 3: Trends in the gradient of Black Elected Officials in 1960 percent black, by treatment status and type of office.



Note: Bars represent 95% confidence intervals.

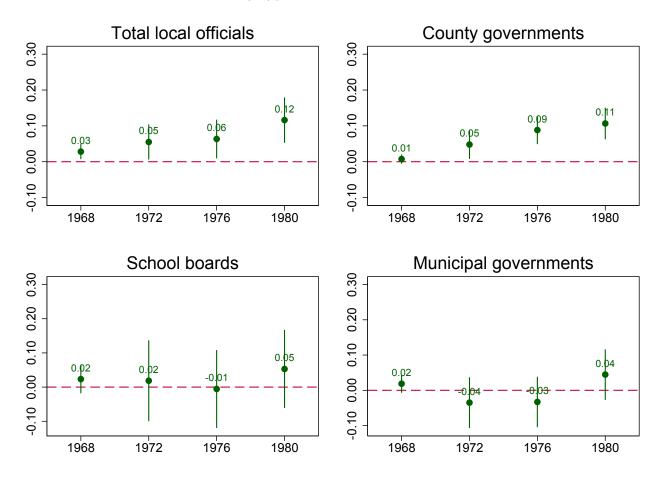
in the slope of the 1960 black share coefficient is clearly positive and statistically significant when we consider all local elected officials. Furthermore, this difference increases over time. The same broad pattern emerges when we consider county governments, whereas black representation in school boards and municipal governments does not exhibit significant differences by treatment status.

#### 5.2 Long-difference estimates

The evidence we have presented so far is consistent with the idea that the VRA had an effect on the election of blacks in local governments. We can now turn to focus on long run differences in black representation by estimating the following specification:

$$\Delta Black\ Elected_{cs} = \gamma Percent\ Black_{1960} + \theta\ PercentBlack_{1960} \times Covered + \mathbf{X'}_{cs}\beta + I_s + \epsilon_{cs}\ (1)$$

Figure 4: Difference in the gradient of Black Elected Officials in 1960 percent black between covered and non-covered counties, by type of office.



Note: Bars represent 95% confidence intervals.

where the dependent variable  $\Delta Black\ Elected_{cs}$  is the change in the share of black elected officials in county c in state s between 1964 and 1980 and  $I_s$  is a state fixed effect (that captures a state specific trend in this long difference specification).  $\mathbf{X}'_{cs}$  is a vector of pre-VRA county characteristics, including unemployment, the percent of families below the poverty line, the percent unskilled, the percent urban and rural and pro- and anti-black activism. The coefficient  $\gamma$  captures the within–state change in the gradient of the 1960 black population share in the control group, whereas  $\gamma + \theta$  does the same in the treatment group. As before, we are interested in the difference between the two, i.e. the coefficient  $\theta$ . Our identifying assumption is that in the absence of coverage, black representation would have changed in the same way in the treated and non–treated counties.

Table 3 presents our baseline results focusing on the change in the share of total black elected officials, which includes individuals elected to county governing bodies, municipal governments and school boards. Column (1) reports the findings from a parsimonious specification, where we

control only for the share of blacks in 1960, and its interaction with the coverage dummy. As we can immediately see, counties with a larger pre-VRA black population elect a larger proportion of black officials; furthermore, the change in elected from before to after the VRA in the treatment group is significantly larger than in the control group. In column (2) we add state specific trends to account for unobserved, state specific time varyings shocks, and the results are unaffected. In column (3) we add instead a series of county level economic controls, that have been found in the literature to affect turnout rates and vote choices (e.g. Cascio and Washington 2014). We find that counties with higher pre-VRA unemployment rates tend to elect a greater share of black officials, whereas the opposite is true for countries where poverty is more widespread. Importantly, including these additional controls does not affect the sign and significance of our main findings. In column (4) we additionally account for the geographic distribution of the county population, by controlling for the share living in urban areas, and for the share living in rural farms in 1960. We find that urban counties tend to elect a larger share of black representatives, whereas we don't find any significant impact for the share of the population living in rural farms, and adding these controls does not affect our benchmark results. The years before the passage of the VRA saw an overall increase in civil society's engagement with the racial issue (Wright 2013), which varied substantially across counties and states in the South. To account for this we have constructed two variables, "Pro-black activism, 1960-1964" and "Anti-black activism, 1960-1964" which are respectively based on the counts of pro- and anti-black events occurred between 1960–1964, as reported by the Dynamics of Collective Action Dataset at the state and city level, which we have then carefully mapped to the county level. <sup>15</sup> Our results indicate that greater pro-black activism in the pre-VRA era is correlated with a higher share of blacks subsequently elected to local public office. At the same time, counties characterized by higher levels of anti-black activism between 1960–64 tend to subsequently elect a lower number of blacks to office, even though this effect is not statistically significant. In the last specification of Table 3 (column 6) we additionally allow the impact of the control variables to vary between covered and non-covered states to rule out the possibility that the patterns we have uncovered might be driven by other sources of heterogeneity among counties in covered states. Importantly our main coefficient of interest remains significant and its magnitude increases. Finally, since to address voting discrimination against members of language minority groups, the 1975 re-authorization of the VRA extended coverage to Florida and Texas, in Table A.1 we carry out an additional robustness check by trimming the sample in order to keep the coverage status constant in the post-1965 period. <sup>16</sup> In column (1) we restrict our

<sup>&</sup>lt;sup>15</sup>For more details on the construction of the variable, see Appendix.

<sup>&</sup>lt;sup>16</sup>In the 1975 re-authorization of the VRA, the coverage formula was modified expanding the 1965 definition of "test or device" to include the practice of providing election information only in English in states or political subdivisions where members of a single language minority constituted more than five percent of the citizens of voting age

sample to the pre-1975 period, whereas in column (2) we drop Florida and Texas from the control group. As we can see, our main results are robust.

How large is the effect of the VRA on the change in the share of local black elected officials 15 years after its introduction? Focusing on our preferred specification in column (6) of Table 3, we can see that a ten percent increase in a county's share of blacks in 1960 leads to a one percent increase in the share of black representatives elected in local office in non-covered states. This effect is more than doubled if we consider instead covered states: a ten percent increase in the share of blacks in 1960 leads to a 2.3 percent increase in the share of black elected officials in those former members of the Confederacy which fell under the provision of Section 5 of the VRA.

In Table 4 we investigate the effects of the VRA on black representation in different types of local offices using the same specification as in column (6) of Table 3. In column (1) we start by looking at county governing bodies; in column (2) we consider municipal governments and finally in column (3) we examine school boards. As we can immediately see, coverage induced a differential effect on representation in county governments, but not in municipal governments and school boards, confirming the findings we have uncovered in our event study using all years between 1964-1980.

#### 5.3 Electoral rules and black representation

As discussed in Section 3, covered states displayed significant differences in the rules shaping the election of county governing bodies, providing an additional source of variation to investigate potential heterogeneous effects of the VRA on electoral outcomes. In particular, since elections by single member districts were considered to be more favorable to minority candidates, the effect of coverage on black office holding might vary depending on the election rules prevailing when the VRA was passed. Moreover, as the battle fought in court over the enforcement of the VRA led to the steady removal of "at-large" elections, counties in covered states that switched toward single member districts should also experience a larger gain in black office holding after the passage of the VRA. While information on the election rules applying to county governing bodies is not available at the county level in the pre–VRA period, <sup>17</sup> we can exploit data on the election rules of county governing bodies generally prevailing at the state level, as reported by the 1957 Census of government and the 1980 National Roster of Black Elected officials.

Our results are presented in Table 5. Focusing on the electoral rules prevailing when the VRA was passed, in column (1) we decompose the effect of black enfranchisement in covered states distinguishing between counties belonging to states that adopted single member districts (SMD)

 $<sup>^{17}</sup>$ To the best of our knowledge, for this period, the only source of systematic information on election rules at the local level are surveys covering municipal bodies, administered by the International City Manager's Association to cities with at least 5000 residents.

(Lousiana, Mississippi and Virginia), at-large (Georgia) or mixed systems (Alabama, North Carolina, South Carolina) in the election of their county governing bodies. Consistently with the expectation that single member districts were more favorable to the election of minority candidates, we find that only covered counties using single member district – alone or in combination with election at large (Mixed) – experienced a larger increases in the share of black county commissioners. Since states that adopted SMD before the VRA had incentives to switch toward elections at-large, an alternative and "cleaner" way to isolate the effect of electoral rules is to focus on the years immediately after the passage of the VRA, before the strategic manipulation of rules became widespread. Even if soon after the VRA some attempts were made to change electoral rules favorable to minorities, the vast majority of counties electing commissioners by SMD in 1964 continued to do so in 1968, i.e. the first post-VRA election year in our sample. Therefore, we are confident that focusing on the short-run we can isolate the causal effect of electoral rules. Our estimates are reported in column 3 of Table 5 and confirm that the effect of coverage on electoral outcomes crucially depends on electoral rules since among covered counties, only those that adopted SMD before the VRA experienced a larger increase in the share of black commissioners.

In column (2), we exploit instead the long run change in electoral rules between 1957 and 1980. On the one hand, thanks to the enforcement of section 5 of the VRA in court, all the three covered states that adopted SMD before the VRA (Lousiana, Mississippi and Virginia) continued to do so by 1980. On the other, we are able to identify the covered states that were on a transition path toward SMD, e.g. Alabama, Georgia, South Carolina, as opposed to North Carolina that retained a systee. In particular, we decompose the effect of coverage using the long term variation in electoral rules and we find that counties within covered states that switched toward SMD experienced significantly larger gains in black office holding than counties within non-covered states, albeit smaller that those recorded in counties within covered states that adopted SMD already before the VRA. On the other hand, "covered" counties that did not change electoral rules unfavorable to minorities did not see a larger increase in their share of black elected officials. To exclude the possibility that counties within states switching toward SMD were already on course to elect more black before court action began, in column 4 we analyze the short-run change in the share of black-elected officials distinguishing between counties in states that adopted SMD before the VRA, those that would subsequently switch toward it, and those that would not. As we can see, future switchers are not more likely to elect blacks than subsequent non-switchers. These results indicate that the court rulings, fostering the transition towards single member district elections,

<sup>&</sup>lt;sup>18</sup>According to the information reported by Parker (1990), by the time of the Supreme Court ruling on *Allen vs State Board of Elections (1969)*, only 13 of the 82 counties in Mississippi had changed from SMD to at-large in the election of their county supervisors. All of these counties where subsequently ordered to return to election by single member district, although some of them were allowed to run elections at large for the last time in 1971.

were crucial to the gains in black office holding observed within covered states. One further concern is whether court cases might have taken place in states with a more favorable disposition toward black minorities, implying that - even without changing their election rules - counties with larger black population shares in those states would have elected more blacks. However, the only state that lagged behind in legal challenges to elections at large was North Carolina, by far the most progressive among the covered states. As a result, in the absence of a change in election rules, the pattern in black representation should be the opposite than the one we observe, e.g. everything else equal, counties in the most progressive covered state (North Carolina) should have experienced larger gains in black office holding than those in the less progressive ones. As black office holding also grew on average more in counties within covered states states where pre-VRA election rules favourable to minorities (SMD) were protected by legal action, we can conclude that the enforcement of the VRA in courts was vital to insure that coverage would produce the desired effects on black representation.

#### 5.4 Threats to identification

Our baseline results show that coverage doubles the extent to which black enfranchisement is translated into representation, e.g. counties with larger black population shares in the treatment group experience an increase the share of black elected officials from before to after the VRA that is twice as large than in corresponding counties in the control group. Our identifying assumption is that in the absence of coverage, counties in all former confederate states would have followed the same pattern in the election of blacks. In fact, treatment and control group shared a similar history of discrimination and black disenfranchisement, as shown by the fact that they a did not differ in the election of blacks before the passage of the VRA (see the discussion in section 5.1). However, the two groups differ in one important dimension: the share of blacks in the total population. On average, in 1960 African Americans in covered states were twice as numerous than in non-covered states.

To address the potential threats to identification posed by the imbalance between treatment and control group, we deploy a geographic discontinuity research design (GDR) where we compare more homogeneous contiguous counties spanning the border between covered and uncovered states. In fact, as we can see in Figure 5, the difference in average black population shares between treatment and control group is not statistically significant for border counties (e.g. those whose centroid is located at less than 25 miles from the border).

Counties sharing a border between covered and non-covered states are more "similar" to each other also with respect to the other covariates used in our model. To see this point, consider Figure 6, where we plot the coefficients of the treatment variable obtained from within regressions run on

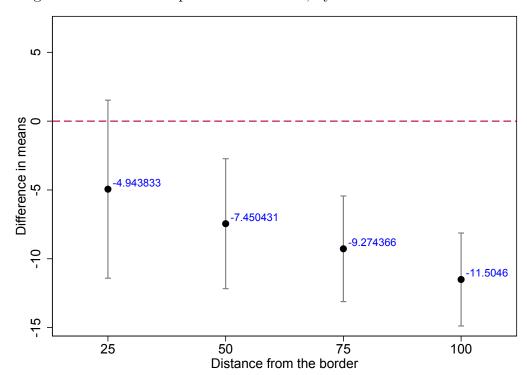


Figure 5: Difference in percent black 1960, by distance from the border.

Note: Bars represent 95% confidence intervals.

the 254 county-pairs in our border sample. As we can see, while county-pairs exhibit statistically significant differences in the share of black county commissioners by coverage status, differences on other covariates are not statistically significant.

Table 6 presents the GDR estimation results, where the effect of the VRA on black representation is identified out of the variation within county pairs spanning the border between covered and uncovered states. Despite the significant reduction in sample size implied by the GDR design, our main results are broadly robust: columns (1) through (4) show that counties within covered states experience a significantly larger increase in the share of black county commissioners from before to after the VRA than the neighboring counties on the other side of the border within non-covered states, whereas black representation in school boards and municipalities is not affected by coverage.

#### 6 Black elected officials and local public spending

The results of our the previous sections show that the VRA, by fundamentally changing the make up of the electorate in the US South, produced an important shift in the characteristics of individuals elected to local offices. Our analysis also highlights that the specific measures put in place by the VRA were crucial to its success. In particular, coverage and the subsequent

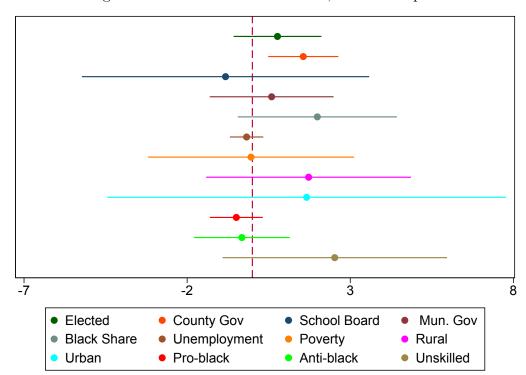


Figure 6: Balance in the covariates, border sample.

Note: Bars represent 90% confidence intervals. Reported effect pertain to a variable run on the coverage indicator and county pair fixed effects.

enforcement of its anti-discriminatory provisions by court action played a key role in driving the observed gains in black office holding. The fact that, in just a little over a decade from the passage of the VRA, a minority group – previously banned from the voting booth– was able to elect minority candidates into office, is per se an important achievement. The election of blacks had a high symbolic value as – in the words of civil right activist Laurence Guyot – it represented "(...) A bit of black authority, a gradual return to respect for those accustomed to having their lives manipulated by white hands". 19 However, as pointed out by Wirt (1997), "Many blacks had first wanted their local representatives to be symbolic, that is to be black like themselves. In time tough they wanted representatives to provide individual or group services and to secure the public policies that would provide sufficient resources". 20 In this section we explore whether the election of African American into local offices affected public policies, by focusing on local public finances. We begin by analyzing the patterns of public spending at the county level, and we later turn to revenues. Focussing again on long-run effects, first we present preliminary evidence showing the broad correlation patterns between growth in local public spending and change in black elected officials within all counties of the former Confederacy. Next, we implement a differencein-difference design, exploiting the differential patterns in the change of black elected officials

<sup>&</sup>lt;sup>19</sup>Quoted by Wright (2013), page 202.

<sup>&</sup>lt;sup>20</sup>Wirt (1997), page 69.

uncovered in the previous section to identify the effect of the VRA.

Table 7 presents the estimation results obtained by regressing growth across different spending categories on the change in the share of blacks elected to all local offices. In all our specifications we use state specific trends to account for unobserved time-varying state heterogeneity, as well as a full set of initial socio-economic factors that may affect expenditure dynamics. These include the initial spending level, standard economic and demographic characteristic (e.g. unemployment, poverty, population, birth rate, size of the manufacturing sector and population density), and political variables capturing pro- or anti-black activism and support for the democratic party. Starting from the analysis of current expenditures (columns (1)-(3)), we can see that the relationship between total spending growth and change in black elected officials is positive and statistically significant. When we decompose the growth in spending distinguishing between education (the most important item) and other spending categories, we find that the positive relationship with the change in black elected officials is mainly driven by education spending. On the other hand, when we consider capital expenditures (columns (4)-(6)), we do not find any statistically significant relationship between change in black elected officials and growth in capital expenditure. As for the other explanatory variables, our results indicate that spending growth is positively correlated with the initial level of poverty, which is consistent with the redistributive nature of several programs, such as education. At the same time, counties that are more populated and have larger shares of employed in manufacturing experience a larger spending growth, suggesting that a broader tax base has a positive impact. We also find that counties that are more solidly democratic experience higher spending growth, as shown by the positive and significant coefficient of the vote share for democratic president, which is consistent with the typical pro-spending stance of democrats. Finally, our results indicate that the direct pressure exercised by pro- and antiblack activism is positively related with spending growth, but in different ways: while pro-black activism is associated with an increase in total spending and in non-education related spending, anti-black activism is positively related to spending on education. These results suggest that while the change in black representation are mainly associated with an increase in education spending, other forms of pro-black activism related to the civil right movement were related to increase in other spending programs. Moreover, the fact that counties with more anti-black activism also experienced a larger growth in education expenditures, suggests that spending might have been used also to ease anti-black sentiment.

The results in Table 7 indicate that the increase in black representation is mainly associated with an increase in current expenditure (chiefly on education), and in the remainder of the paper our analysis will focus on this component. Since gains in black office holding were associated with an increase in turnout that, as shown by Cascio and Washington (2014), can by itself, and

independently of the final electoral outcome, affect spending, in Table 8 we also directly control for change in turnout in presidential elections at the county level. Our result confirms the finding of Cascio and Washington (2014) - i.e. that an increase in turnout is positively related to an increase in spending. Importantly though, we also find that the change in the number of of black elected commissioners has a separate, positive impact, both when we consider the entire sample (columns 1-3 of the Table) and when we drop from our sample counties that did not elect any black commissioners (columns 4-6).

In Tables 9 and 10 we use more specific information on characteristics of elected bodies to carry out several robustness checks providing stronger evidence that our previous results are not just capturing a spurious correlation between spending growth and black office holding gains. First, in Table 9 we study the relationship between spending growth and change in the share of black elected officials by different type of office. We uncover a positive relationship between black office holding in county commissions and municipalities and total and education spending, whereas black representation in school boards is only associated with more education spending. These results are consistent with the limited mandate of school boards to spending decisions in the education domain. Interestingly, the magnitude of the estimated effects also varies substantially by type of office: the estimated coefficient for county governing bodies is approximately twice the size of the estimated coefficients for municipalities and school boards. This result is consistent with the fact that county governing bodies are entrusted with appropriation powers by the budgetary process.

Since the influence of black officials on policy might vary depending on the size of the minority delegation in elected bodies, in Table 10 we decompose the effect of gains in black office holding by size. In particular, we present the results from three specifications, where the change in black elected officials is interacted with indicator variables specifying whether the change in the share black elected officials was low (less than 5 percent), medium (between 5 and 10 percent), or high (10 percent or higher). The omitted group is represented by counties that did not record any increase in black office holding. As we can see, only counties where the increase in black office holding exceeded 10 percent experienced a larger spending growth compared to counties that did not elect any black.

In our last robustness check we analyze instead more in detail education spending by exploiting some important institutional variation in budget authority across states. In the South, counties tend to be the main unit of school administration. School boards in general submit their budget to the county governing body for approval. Thus, the authority on the school budget mainly belongs to counties. However, as states, counties, municipalities and school boards share responsibilities in the running of the school system, there is substantial overlapping between the different administrations, and also variation in the extent to which school spending decisions are decentralized to the

local level: from the most decentralized systems – where school boards have substantial spending powers – to the least decentralized, where the state controls more tightly school spending. Since the degree of decentralization should affect the power of locally elected officials, in Table 11, we decompose the effect of gains in black office holding on educational spending depending on the degree of decentralization in school spending decisions distinguishing between low, medium and high decentralization.<sup>21</sup> The results indicate a strong positive relationship between the degree of decentralization and the influence of black elected officials on education spending for all type of elected officials. In other words, the election of blacks into local offices matters the most when spending decision are more decentralized at the local level.

### 6.1 Black elected officials and local public spending: coverage and electoral rules

The robust evidence on spending patterns provided in the previous section indicates that spending grew more within Southern counties of the former Confederacy that experienced a larger increase in turnout and black representation in the post-VRA period. However, since we cannot rule out that this change in spending might have arisen independently of the increase in black representation and turnout, we implement next a difference-in-difference estimation, where we exploit again the special provisions of the VRA (e.g. coverage) to separate counties into a treatment and a control group. Remembering that our previous analysis showed that the initial share of blacks produced a larger gain in black representation within counties in covered states, then if black representation increased spending, we should observe a stronger positive relationship between spending growth and initial share of blacks in the treatment than in the control group.

At the same time as shown by Cascio and Washington (2014), black enfranchisement in covered states led to a larger increase in turnout, that by itself increased spending. Since covered states experienced an increase both in black turnout and representation, to separate the two effects we exploit the fact that coverage had a stronger impact on black office holding in those states in which the litigation process that took place in the seventies fostered a switch towards single member districts. In other words, while all covered counties experienced an increase in turnout, those belonging to states that switched toward SMD experienced a larger increase in the share of black representatives. Thus, the switch toward single member district brought about by litigation provides an additional source of variation to separately identify the effects of black representation from those of increased turnout.<sup>22</sup>

<sup>&</sup>lt;sup>21</sup>The definition of low, medium and high decentralization is reported in Appendix.

<sup>&</sup>lt;sup>22</sup>Regressing the change in turnout on the pre–VRA share of blacks and its interaction with coverage, similarly to Cascio and Washington (2014), we find that the initial share of blacks had a larger effect on turnout in covered states that removed literacy tests provisions. At the same time, if we decompose the effect of the initial share of

Table 12 reports our results for the estimated long run relationship between spending growth and the initial share of blacks by treatment status. Considering the results in columns 1-3, we can immediately see that spending grew more rapidly within counties with larger shares of blacks only if such counties were targeted by the special measures of the VRA. The effect of coverage is clearly driven by education spending, since other spending items are not affected. Given that the interaction of the initial share of blacks with the treatment status coflates the turnout and black representation effects, in columns 4-6 we exploit the additional source of variation provided by the switch towards single member district by adding a further interaction term that allows us to disentangle the two channels. Once we separate the two effects, we find once again that the VRA affects education spending, and that the coefficients of the two interactions are statistically significant and comparable in magnitude. In particular, our estimates indicate that for each percentage point increase in the 1960 share of black, coverage increased education spending by 0.24 percent among non-switchers and by an additional 0.35 percent among switchers. Given that among covered states a little more than one third of the population in 1960 was black, our estimates imply that over the period of our analysis, on average treated counties experienced an 8 percent increase in spending via the turnout channel and an additional 11 percent increase through the election of black officials. Based on these results we can conclude that both turnout and black representation play an important role in explaining the growth in education spending brought about by the VRA.

Our analysis shows that the main effect of black office holding is represented by an increase in education spending. This is not surprising given that education is the most important outlay in a county's budget, and improving school quality was clearly salient among blacks at the time. For spending other than education, we find that for covered counties within 'switch' states, the effect of the initial share of blacks is positive, but only marginally significant. Since spending other than education includes many diverse items, ranging from highways to public welfare, it could well be that we do not find a strongly significant effect of black office holding because the latter is limited to some specific spending item. Unfortunately, data limitation do not allow us to systematically consider all sub-components of spending, but we can study the effects of coverage on total spending on utilities, public welfare and highways. Table 13 reports our results. Our findings indicate that the VRA had an impact on spending in utilities, but not on public welfare and highway expenditure. In particular, we find that only counties within covered states that switched toward single member districts experienced a significantly faster growth on spending in utilities. These results indicate that the election of blacks led to an increase in the provision of some local public goods, but not in pure redistributive goods (e.g. public welfare) or other public

blacks within covered states accounting for the change in electoral rules, we find that counties within states that switched to SMD did not experience a larger increase in turnout (for more details, see Table A.2 in the Appendix).

goods, like highways, that are not under the control of local governments.

Finally, although in all our spending regressions we control for initial socio-economic and political factors that may affect subsequent spending patterns, we cannot rule out that changes in spending might be driven by changes in other control variables that are not fully captured by initial conditions. Since using changes in other controls in our regression would be problematic because they might in turn be affected by local spending patterns, we use again the GDR design, focussing on counties on the border between covered and not covered states to address this potential endogeneity problem. In fact, neighboring counties are not only much more similar on most control variables, but they do not display significantly different patterns in the change of such variables from before to after the VRA as illustrated in Figure 7, where we regress the changes in each control variable on the coverage dummy accounting for county-pair fixed effects.<sup>23</sup> The results of the spending regressions on the border sample are reported in Table 14. The findings confirm that counties with larger shares of blacks in covered states that switched toward SMD experience a larger spending growth, whereas other covered counties do not display a significantly larger increase in spending.

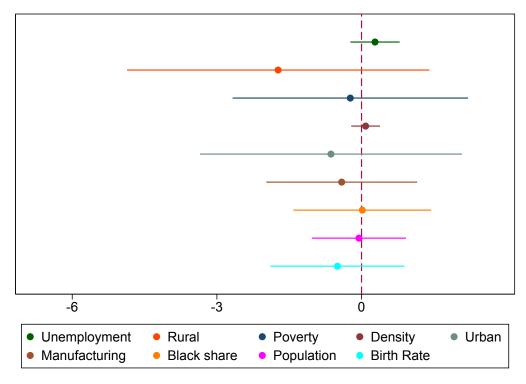


Figure 7: Balance in change in the covariates, border sample.

Note: Bars represent 90% confidence intervals. Reported effect pertain to a variable run on the coverage indicator and county pair fixed effects.

<sup>&</sup>lt;sup>23</sup>We also regress all initial socio-economics and political factors on the coverage dummy. The estimated coefficients of the treatment variable from the within county-pair regressions are summarized in Table A.3 in Appendix.

#### 6.2 Black elected officials and revenues

We conclude our analysis by examining local revenues. In Table 15 we separately study the determinants of the long run changes in own revenues and other revenues. We begin by analyzing the relationship between change in revenues and initial share of black by coverage status (columns 1-2). As we can see, coverage leads to a steeper gradient of the 1960 share of blacks on revenue growth for the other revenues category, whereas own revenues are not affected. However, once we take into account the switch towards single member districts, we find that coverage within switch states led to a significantly steeper relationship between own revenues and initial share of blacks. The same holds for other revenues, where we find that coverage led to an increase in the gradient of the 1960 share of blacks, both among switchers and non-switchers. These results indicate that own revenues are only affected by coverage when more blacks are elected into local office. This is not surprising, given that local taxes are determined by county governing bodies. On the other hand, other revenues (that by and large are made up by state transfers) are affected by the VRA both via the turnout and the representation channel. Hence, like Cascio and Washington (2014) we find that the increase in turnout brought about by the VRA led to a larger increase in state transfers toward counties with large pre-VRA black shares. At the same time, we find that the increase in black office holding brought about by the VRA significantly affected local public finances, e.g. counties that elected more black officials were able to attract more state and federal transfers, as well as raise more revenues locally. We thus conclude that the election of more black officials to county governing bodies was crucial to secure the increase in revenues necessary to finance the spending growth observed among covered states.

#### 7 Conclusions

The Voting Right Act of 1965 restated the prohibition against the denial or abridgment of the right to vote on account of race contained in the Fifteenth Amendment, while passing some drastic measures to preempt its violation. As a result, seven of the former Confederate states were covered in 1965 by special provisions to prevent a re-enactment of the sort of discriminatory practices that had prevailed in the post-reconstruction period. In this paper we ask whether coverage was effective by focusing on (1) whether it played a role in explaining the patterns of black office holding in the post-VRA period, and (2) whether and how it affected local public finances. To estimate the effect of coverage on black representation, we have studied whether counties with larger pre-existing shares of blacks within covered states experienced a larger increase in black office holding than the corresponding counties in states of the former Confederacy that were not covered in 1965. Our results show that, while before 1965 black office holding in all states of the former Confederacy

was unrelated to the shares of blacks, after the passage of the VRA black representation increased more in counties with larger shares of blacks, and the gradient of the relationship was clearly steeper for counties in covered states. We also find that the increase in black representation in the post-VRA period crucially depends on the prevailing electoral rules, since election by single member district is more favorable to the election of candidates from minority groups. As a result, in the early years after the passage of the act, a larger gain in black office holding from coverage only occurred in states that adopted election by single member district. As the court battle over the enforcement of the act led to a sustained transition toward this institutional setting, in the long run the gains in black representation also spread to other states. Gains in black representation led in turn to a significant increase in the provision of local public goods, particularly education. The election of black officials was also crucial in securing the funds necessary to finance spending growth since counties in covered states that elected more blacks were also able to secure more state transfers and raise more revenues locally. The fact that, in less than two decades from the passage of the VRA, candidates from a minority group previously banned from the voting booth were able to win office and change local policy shows that the special measures brought by coverage were very important in securing the success of the Act.

#### References

- Alesina, A., R. Baqir, and W. Easterly (1999). Public goods and ethnic divisions. *Quarterly Journal of Economics* 114, 1243–1284.
- Alesina, A. and E. La Ferrara (2005). Ethnic diversity and economic performance. *Journal of Economic Literature* 43, 762–800.
- Besley, T., R. Pande, L. Rahman, and V. Rao (2004). The politics of public good provision: evidence from indian local government. *Journal of the European Economic Association* 2, 416–426.
- Cascio, E. U. and E. Washington (2014). Valuing the vote: The redistribution of voting rights and state funds following the voting rights act of 1965. *Quarterly Journal of Economics* 129, 376–433.
- Chattopadhyay, R. and E. Duflo (2004). Women as policy makers: Evidence from a randomized policy experiment in india. *Econometrica* 72, 1409–1443.
- Davidson, C. and B. Grofman (1994). The Quiet revolution in the South: the impact of the voting right act 1965–1990. Princeton, NJ: Princeton University Press.

- Husted, T. A. and L. W. Kenny (1997). The effect of the expansion of the voting franchise on the size of government. *Journal of Political Economy* 105, 54–82.
- Keyssar, A. (2009). The Right to Vote. New York: Basic Books.
- Lizzeri, A. and N. Persico (2004). Why did the elites extend the suffrage? democracy and the scope of government, with an application to britain's age of reform. *The Quarterly Journal of Economics* 119, 707–765.
- Lott, J. R. J. and L. W. Kenny (1998). Did womens suffrage change the size and scope of government? *Journal of Political Economy* 107, 1162–1198.
- Marschall, M. J., A. V. S. Ruhil, and P. R. Shah (2010). The new racial calculus: Electoral institutions and black representation in local legislatures. *American Journal of Political Science* 54, 107–124.
- Marschall, M. J., A. V. S. Ruhil, and P. R. Shah (2013). Are we there yet? the voting rights act and black representation on city councils, 1981–2006. *Journal of Politics* 75, 993–1008.
- Pande, R. (2005). Can mandated political representation increase policy influence for disadvantaged minorities? theory and evidence from india. *American Economic Review 93*, 1132–1151.
- Parker, F. R. (1990). Black Votes Count: Political Empowerment in Mississippi after 1965. Chapel Hill, NC and London: University of North Carolina Press.
- Sass, T. R. and B. J. Pittman (2000). The changing impact of electoral structure on black representation in the south, 1970–1996. *Public Choice* 104, 369–388.
- Trebbi, F., P. Aghion, and A. Alesina (2008). Electoral rules and minority representation in U.S. cities. *Quarterly Journal of Economics* 123, 325–357.
- Voter Education Project (1969). Roster of Black Elected Officials in the Southern States. Atlanta, GA: Southern Regional Council.
- Wager, P. W. (1951). County government across the nation. Chapel Hill: The University of North Carolina Press.
- Wirt, F. M. (1997). We Ain't what We was: Civil Rights in the New South. Durham and London: Duke University Press.
- Wright, G. (2013). Sharing the Prize: The Economics of the Civil Rights Revolution in the American South. Cambridge, MA: Harvard University Press.

Table 1: Black Elected Officials by level of government, 1980 Black Elected Official Yes No Total Counties with % black > 50%County Level 136 (83%) 27 (17%) 2085State Level 44 (27%) 119 (73%) 142  $Counties \ with \ \% \ black > 30\%$ County Level 313 (74%) 112 (26%) 2085State Level 73 (17%) 352 (83%)

142

Note: Yes: at least one Black was elected to office in that county.

Table 2: Summary Statistics

	Covered		Not covered	
	Mean	St. Dev.	Mean	St. Dev
Local Black Elected Officials				
All local officials (%), 1964	0.13	1.11	0.04	0.33
All local officials (%), 1980	4.90	8.53	1.36	3.12
Municipality (%), 1964	0.20	1.68	0.05	0.47
Municipality (%), 1980	5.48	9.68	1.92	4.86
School board (%), 1964	0.04	0.94	0.05	0.84
School board (%), 1980	6.65	14.07	2.09	7.85
County governing body (%), 1964	0.00	0.00	0.00	0.00
County governing body (%), 1980	2.61	6.03	0.47	1.81
Local Public Finances (real 2000 dollars)				
Current Per Capita Revenues				
Own revenues, 1957	332.58	218.13	556.87	472.93
Own revenues, 1982	954.23	591.57	1228.94	893.12
$\Delta \ln(\text{Own revenues})$	1.07	0.45	0.89	0.50
Other revenues, 1957	287.69	114.87	261.20	132.82
Other revenues, 1982	713.22	211.89	637.32	216.65
$\Delta$ ln(Other revenues)	0.96	0.47	0.93	0.51
Per Capita Expenditures				
Total expenditure, 1957	514.45	192.80	654.30	373.14
Total expenditure, 1982	1445.86	489.01	1565.26	657.63
$\Delta \ln(\text{Total current expenditure})$	1.05	0.32	0.94	0.42
Education, 1957	268.33	99.98	305.78	170.61
Education, 1982	686.71	202.33	722.33	261.25
$\Delta \ln(\text{Education expenditure})$	0.99	0.49	0.97	0.59
Other, 1957	246.41	146.61	348.52	237.90
Other, 1982	762.03	434.61	826.72	444.83
$\Delta \ln(\text{Other expenditure})$	1.13	0.42	0.92	0.52
County Characteristics				
Percent black, 1960	32.47	19.98	13.18	14.07
County population (thousands), 1960	34.75	57.82	40.88	101.86
Population density (thousands), 1960	0.26	0.89	0.06	0.12
Percent urban, 1960	28.22	29.01	32.95	28.15
Percent in rural farms, 1960	20.74	15.20	21.36	15.23
Birth rate, 1960	18.33	5.95	17.89	6.27
Unemployment rate (%), 1960	4.96	1.94	4.87	2.16
Percent of families below poverty line, 1960	46.14	16.19	43.67	14.94
Percent less than highschool completed, 1960	73.86	8.69	70.74	9.60
Percent employed in manufacturing, 1960	24.61	11.67	17.26	12.35
Percent employed in manufacturing, 1900 Percent vote for democratic president, 1960	58.26	16.61	52.95	12.33
Pro-black activism, 1960-64	1.09	5.67	0.54	3.19
Anti-black activism, 1960-64	0.30	2.04	0.54 $0.05$	0.49
Counties	661		491	

Table 3: OLS models. Dependent Variable: Change in Black Elected Officials

	(1)	(2)	(3)	(4)	(5)	(6)
Percent black, 1960 X Coverage	0.049***	0.060**	0.075***	0.074***	0.075***	0.115***
	(0.016)	(0.026)	(0.025)	(0.026)	(0.026)	(0.032)
Percent black, 1960	0.111***	0.131***	0.147***	0.139***	0.135***	0.118***
	(0.010)	(0.014)	(0.014)	(0.014)	(0.014)	(0.013)
Unemployment rate (%), 1960			0.311***	0.208**	0.219**	0.077
			(0.079)	(0.094)	(0.094)	(0.062)
Percent of families below poverty line, 1960			-0.054***	-0.013	-0.010	-0.023**
			(0.015)	(0.018)	(0.018)	(0.010)
Percent unskilled, 1960			-0.015	-0.032**	-0.033**	0.025
			(0.016)	(0.015)	(0.015)	(0.023)
Percent urban, 1960				0.022**	0.017**	0.019***
				(0.009)	(0.009)	(0.005)
Percent rural, 1960				-0.009	-0.009	0.024**
				(0.016)	(0.016)	(0.011)
Pro-black activism, 1960-64					0.114***	0.117
					(0.035)	(0.096)
Anti-black activism, 1960-64					-0.016	-0.363
					(0.114)	(0.491)
State Trends	No	Yes	Yes	Yes	Yes	Yes
Coverage X Controls	No	No	No	No	No	Yes
Adj. R-Square	0.41	0.43	0.45	0.45	0.46	0.47
N	1133	1133	1125	1125	1125	1125

Table 4: OLS models. Dependent Variable: Change in Black Elected Officials

	(1)	(2)	(3)
	County	Municipal	School Board
Percent black, 1960 X Coverage	0.098***	0.047	0.025
	(0.022)	(0.038)	(0.061)
Percent black, 1960	0.050***	0.140***	0.219***
	(0.010)	(0.024)	(0.042)
Unemployment rate (%), 1960	-0.030	0.066	0.224
	(0.035)	(0.117)	(0.163)
Percent of families below poverty line, 1960	-0.021***	-0.021	0.021
	(0.007)	(0.015)	(0.030)
Percent unskilled, 1960	0.025*	0.041	-0.189**
	(0.015)	(0.028)	(0.075)
Percent urban, 1960	0.013***	0.020**	0.029
	(0.003)	(0.008)	(0.018)
Percent rural, 1960	0.019*	0.009	0.069
	(0.010)	(0.018)	(0.044)
Pro-black activism, 1960-64	0.117	0.127	0.964
	(0.095)	(0.139)	(0.681)
Anti-black activism, 1960-64	-0.576*	-0.308	-4.274*
	(0.315)	(0.668)	(2.403)
State Trends	Yes	Yes	Yes
Coverage X Controls	Yes	Yes	Yes
Adj. R-Square	0.38	0.35	0.34
N	1135	1121	1078

Table 5: OLS models. Dependent Variable: Change in Black Elected Officials, County Governing Body

	Long	Run	Short	Run
	(1)	(2)	(3)	(4)
Percent black, 1960 X Coverage X SMD	0.138***	0.135***	0.044***	0.044***
	(0.028)	(0.028)	(0.016)	(0.016)
Percent black, 1960 X Coverage X Mixed	0.132***		0.009	
	(0.047)		(0.016)	
Percent black, 1960 X Coverage X At Large	-0.009		0.008	
	(0.024)		(0.017)	
Percent black, 1960 X Coverage X Switch		0.064**		0.009
		(0.031)		(0.013)
Percent black, 1960 X Coverage X Non-switch, Mixed		0.008		0.003
		(0.028)		(0.007)
Percent black, 1960	0.050***	0.051***	0.010**	0.010**
	(0.010)	(0.010)	(0.004)	(0.004)
Unemployment rate (%), 1960	-0.030	-0.036	-0.012*	-0.013*
	(0.035)	(0.035)	(0.007)	(0.007)
Percent of families below poverty line, 1960	-0.022***	-0.011*	-0.002	-0.001
	(0.008)	(0.006)	(0.002)	(0.001)
Percent unskilled, 1960	0.029	-0.007	0.000	-0.003
	(0.018)	(0.012)	(0.005)	(0.003)
Percent urban, 1960	0.013***	0.009***	0.002**	0.002*
	(0.004)	(0.003)	(0.001)	(0.001)
Percent rural, 1960	0.019**	0.016*	0.004	0.003
	(0.010)	(0.010)	(0.003)	(0.003)
Pro-black activism, 1960-64	0.119	0.100	0.053	0.051
	(0.095)	(0.091)	(0.050)	(0.050)
Anti-black activism, 1960-64	-0.582*	-0.523*	-0.095	-0.090
	(0.317)	(0.302)	(0.181)	(0.181)
State Trends	Yes	Yes	Yes	Yes
Coverage X Controls	Yes	Yes	Yes	Yes
Adj. R-Square	0.42	0.40	0.13	0.13
N	1135	1135	1136	1136

Table 6: Border Regressions. Dependent Variable: Change in Black Elected Officials

	(1) Total	(2) County	(3) School Board	(4) Municipal
Percent black, 1960 X Coverage	0.037 (0.039)	0.067** (0.026)	-0.004 $(0.079)$	0.019 (0.061)
Percent black, 1960	0.106 (0.067)	-0.042 $(0.053)$	-0.223 (0.304)	0.204** (0.090)
County Pair Trends	Yes	Yes	Yes	Yes
Adj. R-Square N	0.61 295	0.52 295	0.19 278	0.59 295

Robust standard errors in parenthesis. \*\*\*, \*\*, and \* indicate statistical significance at the 1%, 5% and 10% levels, respectively.

Table 7: OLS models. Dependent Variable: Change in Local Spending

	(1)	(2)	(3)	(4)	(5) Capital	(6)	
		Current		Capita			
	Total	Education	Other	Total	Education	Other	
$\Delta$ Total Black Elected Officials	0.002**	0.004***	0.002	-0.003	0.001	0.003	
	(0.001)	(0.001)	(0.002)	(0.006)	(0.008)	(0.007)	
Unemployment rate (%), 1960	0.006	0.003	0.007	-0.014	-0.008	-0.006	
	(0.005)	(0.004)	(0.008)	(0.018)	(0.023)	(0.024)	
Percent of families below poverty line, 1960	0.009***	0.008***	0.010***	0.004	0.004	0.008**	
	(0.001)	(0.001)	(0.001)	(0.003)	(0.004)	(0.004)	
County population (thousands), 1960	0.000**	0.000	0.000***	0.001**	-0.001***	0.002***	
	(0.000)	(0.000)	(0.000)	(0.000)	(0.001)	(0.001)	
Birth rate, 1960	0.002	0.004***	0.002	0.004	-0.001	0.010*	
	(0.002)	(0.001)	(0.003)	(0.005)	(0.007)	(0.006)	
Percent employed in manufacturing, 1960	0.003***	0.002***	0.005***	-0.006**	-0.007	-0.005	
	(0.001)	(0.001)	(0.001)	(0.003)	(0.004)	(0.003)	
Population density (thousands), 1960	0.028*	-0.003	0.036	-0.015	-0.220*	-0.101**	
	(0.016)	(0.014)	(0.024)	(0.043)	(0.123)	(0.047)	
Pro-black activism, 1960-64	0.005**	0.001	0.009***	0.015***	-0.007	0.014**	
	(0.003)	(0.002)	(0.003)	(0.005)	(0.007)	(0.005)	
Anti-black activism, 1960-64	0.001	0.013***	-0.012**	-0.022*	0.030*	-0.030**	
	(0.004)	(0.003)	(0.006)	(0.013)	(0.015)	(0.013)	
Percent vote for democratic president, 1960	0.006***	0.005***	0.007***	0.006***	0.008**	0.002	
	(0.001)	(0.001)	(0.001)	(0.002)	(0.003)	(0.003)	
Expenditure, 1957	Yes	Yes	Yes	Yes	Yes	Yes	
State Trends	Yes	Yes	Yes	Yes	Yes	Yes	
Adj. R-Square	0.92	0.95	0.87	0.33	0.30	0.40	
N	1103	1100	1100	1097	1047	1067	

Robust standard errors in parenthesis. \*\*\*, \*\*, and \* indicate statistical significance at the 1%, 5% and 10% levels, respectively.

Table 8: OLS models. Dependent Variable: Change in Local Spending

	(1)	(2) All counties	(3)	(4) Counties	(5) with change	(6) in elected
	Total	Education	Other	Total	Education	Other
$\Delta$ County gov. body Black Elected Officials	0.0031*	0.0034**	0.0021	0.0080**	0.0049*	0.0079
	(0.0017)	(0.0017)	(0.0025)	(0.0034)	(0.0027)	(0.0053)
$\Delta$ Presidential turnout	0.0023*	0.0019*	0.0034**	-0.0007	0.0024	-0.0006
	(0.0012)	(0.0010)	(0.0017)	(0.0025)	(0.0021)	(0.0035)
Other controls	Yes	Yes	Yes	Yes	Yes	Yes
State Trends	Yes	Yes	Yes	Yes	Yes	Yes
Adj. R-Square	0.92	0.95	0.87	0.95	0.97	0.91
N	1099	1096	1096	185	183	183

Table 9: OLS models. Dependent Variable: Change in Local Spending

	(1) Total	(2) Education	(3) Other	(4) Total	(5) Education	(6) Other	(7) Total	(8) Education	(9) Other
$\Delta$ County gov. body Black Elected Officials	0.004** (0.002)	0.004*** (0.002)	0.004 (0.003)						
$\Delta$ Municipality Black Elected Officials	, ,	, ,	, ,	0.002** (0.001)	0.002** (0.001)	0.001 $(0.001)$			
$\Delta$ School board Black Elected Officials				,	,		0.001 $(0.001)$	0.002** (0.001)	0.000 $(0.001)$
Other controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
State Trends	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adj. R-Square N	0.92 1108	0.95 1104	0.87 1104	0.92 1099	0.95 1097	0.87 1097	0.92 1052	0.94 1048	0.87 1048

Table 10: OLS models. Dependent Variable: Change in Local Spending

	(1) Total	(2) Education	(3) Other
Low $\Delta$ Black Elected Officials	-0.0105 $(0.0091)$	-0.0059 $(0.0084)$	-0.0107 $(0.0130)$
Medium $\Delta$ Black Elected Officials	0.0007 $(0.0053)$	0.0014 (0.0043)	0.0019 (0.0069)
High $\Delta$ Black Elected Officials	0.0050*** (0.0017)	0.0049*** (0.0017)	0.0042 (0.0026)
Other controls	Yes	Yes	Yes
State Trends Adj. R-Square	Yes 0.92	Yes 0.95	Yes 0.87
N	1108	1104	1104

Robust standard errors in parenthesis. Low, Mediuum and High  $\Delta$  Black Elected Officials are respectively counties where the change in the share of black elected officials is lesst than 5 percent, between 5 and 10 percent and above 10 percent, respectively. Other controls are Unemployment rate (%), 1960; Percent of families below poverty line, 1960; Percent unskilled, 1960; Percent urban, 1960; Percent rural, 1960; Pro-black activism 1960-64; Anti-black activism, 1960-64. \*\*\*, \*\*, and \* indicate statistical significance at the 1%, 5% and 10% levels, respectively.

Table 11: OLS models. Dependent Variable: Change in Education Spending

	(1)	(2)	(3)
$\Delta$ Elected County X low decentralization	0.001		
	(0.003)		
$\Delta$ Elected County X medium decentralization	0.007***		
	(0.002)		
$\Delta$ Elected County X high decentralization	0.012***		
	(0.003)		
$\Delta$ Municipality X low decentralization		0.001	
		(0.002)	
$\Delta$ Municipality X medium decentalization		0.003***	
A Manistration V Island January Islands		(0.001) $0.005***$	
$\Delta$ Municipality X high decentralization		(0.005)	
$\Delta$ School Board X low decentralization		(0.002)	-0.012
Denote Board A low decembranzation			(0.009)
$\Delta$ School Board X medium decentralization			0.003***
			(0.001)
$\Delta$ School Board X high decentralization			0.005***
			(0.002)
Other Controls	Yes	Yes	Yes
State Trends	Yes	Yes	Yes
Adj. R-Square	0.95	0.95	0.94
N	1096	1094	1040

Table 12: OLS models. Dependent Variable: Change in Local Spending

	(1)	(2)	(3)	(4)	(5)	(6)
	Total	Education	Other	Total	Education	Other
Percent black, 1960	-0.0012 $(0.0010)$	-0.0025*** (0.0009)	0.0006 (0.0013)	-0.0014 $(0.0010)$	-0.0027*** (0.0010)	0.0004 (0.0013)
Percent black, 1960 X Coverage	0.0022** (0.0011)	0.0037*** (0.0011)	0.0012 (0.0014)	0.0007 (0.0011)	0.0024* (0.0012)	-0.0000 $(0.0015)$
Percent black, 1960 X Coverage X Switch	, ,	,	` '	0.0038*** (0.0012)	0.0035*** (0.0011)	0.0031* (0.0018)
Other controls	Yes	Yes	Yes	Yes	Yes	Yes
State Trends	Yes	Yes	Yes	Yes	Yes	Yes
Adj. R-Square	0.92	0.95	0.87	0.92	0.95	0.87
N	1110	1106	1106	1110	1106	1106

Table 13: OLS models. Dependent Variable: Change in county expenditure

	(1)	(2)	(3)
	Utilities	Public Welfare	Highways
Percent black, 1960	0.002	0.012**	-0.002
	(0.003)	(0.005)	(0.001)
Percent black, 1960 X Coverage	-0.007	-0.004	-0.003
	(0.004)	(0.005)	(0.003)
Percent black, 1960 X Coverage X Switch	0.011**	-0.005	0.002
	(0.006)	(0.004)	(0.003)
Utilities current, 1957	-0.002***		
	(0.000)		
Public Welfare, 1962		-0.014***	
		(0.002)	
Utilities current, 1957			-0.003***
			(0.000)
Other Controls	Yes	Yes	Yes
State Trends	Yes	Yes	Yes
Adj. R-Square	0.48	0.33	0.28
N	1023	962	1074

Table 14: Border Regressions. Dependent Variable: Change in Local Spending

	(1)	(2)	(3)
	Total	Education	Other
Percent black, 1960	0.005	0.007***	0.006
	(0.004)	(0.002)	(0.006)
Percent black, 1960 X Coverage	-0.003	-0.002	-0.004
	(0.003)	(0.002)	(0.005)
Percent black, 1960 X Coverage X Switch	0.015*	0.015**	0.020*
	(0.008)	(0.006)	(0.011)
Total expenditure, 1957	-0.001***		
	(0.000)		
Education, 1957		-0.003***	
		(0.000)	
Other, 1957			-0.001**
			(0.000)
Percent employed in manufacturing, 1960	0.003	0.006**	0.004
	(0.004)	(0.003)	(0.006)
Percent vote for democratic president, 1960	0.008***	0.006***	0.009**
	(0.003)	(0.002)	(0.004)
County Pair Trends	Yes	Yes	Yes
State Trends	Yes	Yes	Yes
Adj. R-Square	0.94	0.98	0.88
N	293	293	293

Robust standard errors in parenthesis. \*\*\*, \*\*, and \* indicate statistical significance at the 1%, 5% and 10% levels, respectively.

Table 15: OLS models. Dependent Variable: Change in county revenues

	(1)	(2)	(3)	(4)
	Own	Other	Own	Other
Percent black, 1960	-0.003** (0.001)	-0.000 (0.001)	-0.003** (0.001)	-0.001 (0.001)
Percent black, 1960 X Coverage	0.001 (0.001)	0.004*** (0.001)	-0.001 $(0.002)$	0.002** (0.001)
Percent black, 1960 X Coverage X Switch			0.006*** (0.002)	0.004*** (0.001)
Other Controls	Yes	Yes	Yes	Yes
State Trends	Yes	Yes	Yes	Yes
Adj. R-Square	0.86	0.94	0.86	0.94
N	1110	1110	1110	1110

# A Appendix

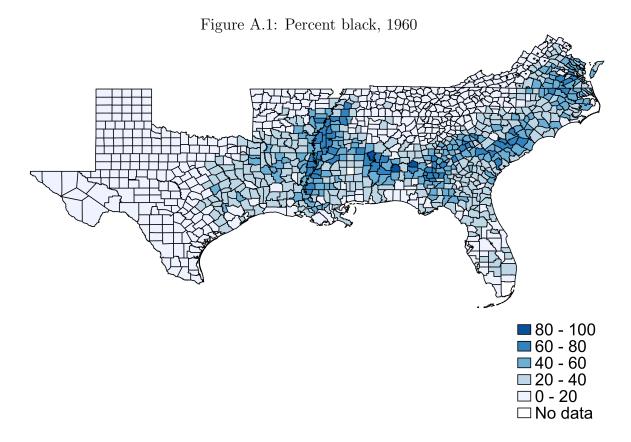


Table A.1: OLS models, trimmed samples. Dependent Variable: Change in Black Elected Officials

	(1)	(2)
Percent black, 1960 X Coverage	0.125***	0.094***
	(0.028)	(0.035)
Percent black, 1960	0.031***	0.141***
	(0.008)	(0.017)
State Trends	Yes	Yes
Controls	Yes	Yes
Coverage X Controls	Yes	Yes
Adj. R-Square	0.27	0.48
N	1096	805

Table A.2: OLS models. Dependent Variable: Change in presidential turnout rate

	(1)	(2)
Percent black, 1960	0.219***	0.217***
	(0.026)	(0.026)
Percent black, 1960 X Coverage	0.141***	0.120***
	(0.029)	(0.030)
Percent black, 1960 X Coverage X Switch		0.052
		(0.039)
Other Controls	Yes	Yes
State Trends	Yes	Yes
Adj. R-Square	0.71	0.71
N	1100	1100

Table A.3: OLS models. Balancing Test within border county pairs

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Pop	Dens	Unempl	Pov	Birth	Man. Empl.	Pro Black	Anti Black	% Dem. Pres.
Coverage	-1.929 (13.889)	0.019 (0.037)	-0.177 $(0.309)$	-0.042 (1.908)	0.501 (0.841)	2.756* (1.430)	-0.492 (0.490)	-0.323 (0.889)	5.002** (2.249)
County pair fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adj. R-Square	0.25	0.09	0.91	0.95	0.94	0.91	0.27	0.37	0.95
N	295	295	295	295	295	295	295	295	295

Robust standard errors in parenthesis. \*\*\*, \*\*, and \* indicate statistical significance at the 1%, 5% and 10% levels, respectively.

### Variable definitions and sources

Local Black Elected officials.

Share of black elected officials by type of office: number of black elected officials in county governing bodies, municipalities and school boards as reported by the National Roster of Black Elected Officials divided by the total number of elected officials for the corresponding offices at county level as reported by the Census of Governments. The number of black elected officials by type of office at county level have been obtained by counting black elected officials by type office reported in the National Roster of Black Elected officials in 1969, 1971, and for the period 1973-1980, and matching them to counties using the address provided by the Roster for each elected official. The information on total number of elected officials by type of office that we use to construct the share of black elected officials is only reported by the Census of Governments in 1967 and 1977. Thus, for the period 1964-1972, elected officials by type of office are from the Census of Governments, Volume 1, Governmental Organization, Number 2, Popularly Elected Officials, 1967. For the period 1973-1982, elected officials by type of office are from the Census of Governments Volume 1, Governmental Organization, Number 2, Popularly Elected Officials, 1967.

Local public finances: Expenditures.

Real (2000 USD) per capita by spending program: Current Expenditure (Total, Education and Other Expenditure) obtained from the Census of Government Historical Database available at five—year intervals starting from 1957 at ftp://ftp2.census.gov/pub/outgoing/govs/special60/. The data for Current Education Expenditure, reported in the County Areas Finances section, Expenditures A, is available at five—year intervals starting from 1957. The data for Total Current Expenditure and Current Expenditure Other than education, reported in the County Areas Finances section, Expenditures A, are available for 1957, 1972, 1977 and 1982. The data for Public Welfare spending reported in the County Areas Finances section, Expenditures B are available for 1962, 1972, 1977, 1982. The data for Utility Spending, reported in the County Areas Finances section, Expenditures B are available for 1957, 1972,1977, 1982. All Real per capita figures have been obtained dividing the nominal figures by the county population and converting them in 2000 USD using the CPI index.

Local public finances: Revenues.

Real (2000 USD) per capita by source: Own revenues and Other Revenues have been obtained from the Census of Government Historical Database available at five—year intervals starting from

1957 at ftp://ftp2.census.gov/pub/outgoing/govs/special60/. For Own Revenues we use the variable Total Revenue Own Source reported in the County Areas Finances section, Expenditures, Revenues, available for 1957, 1972, 1977, 1982. Other Revenues are the sum of Total IG Revenues and Total Federal Revenue reported in the County Areas Finances section, Expenditures, Revenues, available for 1957, 1962, 1967 1972, 1977, 1982. All Real per capita figures have been obtained dividing the nominal figures by the county population and converting them in 2000 USD using the CPI index.

## Coverage.

Dummy variable equal to one for the counties that were covered by Section 5 of the Voting Right Act in 1965 and zero otherwise. The counties of six States (Alabama, Georgia, Louisiana, Mississippi, South Carolina, Virginia) were all covered, whereas of the 100 North Carolina counties, 39 were covered. Arkansas, Florida, Tennessee and Texas were instead not covered. The North Carolina counties covered in 1965 are the following: Anson, Beaufort, Bertie, Bladen, Camden, Caswell, Chowan, Cleveland, Craven, Cumberland, Edgecombe, Franklin, Gaston, Gates, Granville, Greene, Guilford, Halifax, Harnett, Hertford, Hoke, Jackson, Lee, Martin, Nash, Northampton, Onslow, Pasquotank, Perquimans, Person, Pitt, Robeson, Rockingham, Scotland, Union, Vance, Washington, Wayne, Wilson. Source: https://www.justice.gov/crt.

## County Characteristics.

Percent black, 1960: Percent black in the 1960 county population is from the County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Population, 1960: the county population is from the County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Unemployment rate, 1960: county unemployment rate is from the County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Percent of families below poverty line, 1960: percentage of family with income less than 3000 Dollars, 1960 from the County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Percent unskilled, 1960: county percentage of 25 year old or more with less than high school, 1960, from County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Percent urban, 1960: county percentage of urban population in 1960 from County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Percent rural, 1960: county percentage of population living in rural farms in 1960 from County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce

1978).

Birth rate, 1960: county live births divided by total population in 1960, from County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Presidential turnout 1960: votes cast in the 1960 presidential election divided by population of voting age (e.g. over 21 years old). The data on votes cast in the presidential election are from the General Election Data for the United States, 1950-1990. ICPSR00013- v2. The data on population over 21 years old are from the Minnesota Population Center, National Historical Geographic information System.

Presidential turnout 1980: votes cast in the 1980 presidential election divided by population of voting age (e.g. over 18 years old). The data on votes cast in the presidential election are from the General Election Data for the United States, 1950-1990. ICPSR00013-v2. The data on population over 18 years old are from the County and City Data Book, 1983, ICPSR version (U.S. Department of Commerce 1978).

Percent vote for democratic president, 1960: the share of votes for democratic president in the 1960 election from County and City Data Book Consolidated File, County Data 1947-1977 (U.S. Department of Commerce 1978).

Pro-black activism, 1960-64: counts of pro-black events occurred between 1960-1964 as reported by the Dynamics of Collective Action Dataset by states and cities, matched to counties by the authors. The original data is available at web.stanford.edu/group/collectiveaction/cgi-bin/drupal.

Anti-black activism, 1960-64: counts of anti-black events occurred between 1960-1964 as reported by the Dynamics of Collective Action Dataset by states and cities, matched to counties by the authors. The original data is available at web.stanford.edu/group/collectiveaction/cgi-bin/drupal.

Election rule of county governing bodies.

The information on the system of elections of members of county governing bodies comes from the Census of Governments, Elective Offices of State and Local Governments (1957) and the National Roster of Black Elected officials (1980). In Louisiana the county governing body is called Police Jury. In Mississippi and in Virginia members of the county governing are called Supervisors. In Alabama, Georgia, North Carolina and South Carolina members of county governing bodies are called Commissioners. We have used the summary information reported by the Census of Government (1957) and the NRBEO (1980) at state level to construct indicators for the system of election of county governing bodies as detailed below.

Single member districts (SMD): indicator equal to one for covered states where members of county governing bodies are elected by single member districts (e.g. Louisiana, Mississippi and

Virginia) and zero otherwise.

<u>Mixed</u>: indicator equal to one for covered states where members of county governing bodies are elected with a combination of single member districts and district at-large (e.g. Alabama, North Carolina and South Carolina) and zero otherwise.

At-large: indicator equal to one for covered states where members of county governing bodies are elected at-large (e.g. Georgia) and zero otherwise.

<u>Switch</u>: indicator equal to one for covered states that by 1980 had transitioned toward election by SMD of members of county governing bodies. To code a state as switch we have used the information on system of elections from the Census of Governments, Elective Offices of State and Local Governments (1957), the National Roster of Black Elected officials (1980), and supplemented it with information on legal challenges to elections at large of county governing bodies reported by Davidson and Grofman (1994).

#### School administration.

In the South, counties tend to be the main unit of school administration. School boards in general submit their budget to the county governing body for their approval. However, there is some variation in the degree of centralization in school administration by state. Using the information on school administration from Wager (1951), the degree of decentralization of the school system in a state is coded as high, medium and low when the administration of the school system is predominantly under the control of respectively school boards, county governing bodies, and state departments, as explained below. In two states - Arkansas and Louisiana - the school system is predominantly under the control of school boards: in Arkansas the school district rather than the county is the basic unit of administration, and districts financially able to pay a supervisor exercise 'complete' local control. In Louisiana the unit of education administration is the parish, but schools are administered by school boards more as an independent agency than as part of the parish government. On the other hand, In Texas and Florida, the school system is more tightly controlled by the state. In Florida the board of county supervisors does not have the last word on county budget, this is a responsibility of a county budget commission appointed by the governor. In Texas, although the county serves as a unit for some school functions, the basic unit of administration is the school district. The county board of education exercises authority on all school district except on independent school districts that are completely within a municipality, but the functions of the board are limited since it does not have budget power. A board of trustees approves instead the budget prepared by the county superintendent who is nominated by the governor. Hence, in Arkansas and Louisiana, the degree of decentralization is coded as high, in Florida and Texas is it coded as low, and in the remaining states it is coded as medium.