

COMMENT ON HELDRING, ROBINSON, AND VOLLMER (HRV), “THE ECONOMIC EFFECTS OF THE ENGLISH PARLIAMENTARY ENCLOSURE”

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HRV: WHAT IS THE ECONOMIC IMPACT OF PARLIAMENTARY ENCLOSURE IN ENGLAND?

- First causal assessment of economic impact of enclosure
- Enclosure: extinction of common rights over farmlands and commons of a parish, and with it abolition of scattering in open fields and creation of consolidated holdings
- Parliamentary enclosure: procedure to petition, by parish, to obtain enclosure by statute
- Outcome: Productivity: Arthur Young's two parishes vs. Bob Allen's Midlands, Greg Clark
- Outcome: Change in landholding exacerbates inequality; Thompson "Robbery"

WHAT DO HRV USE?

- How: look at a cross-section of parishes in 1830
- Use Tate and Turner's data on enclosures under the parliamentary regime (1750-1830)
- Use data on enclosure petitions that failed (Hoppit, 1997; and Journal of the House of Commons) (used in instrument)
- Survey for the 1836 Tithe Commutation Act in (wheat yield per acre; value of plots; owners and renters)

OLS AND NEGATIVE SELECTION INTO CONTROL

Table 2: PARLIAMENTARY ENCLOSURE, AGRICULTURE, AND INE

<i>Dependent variable:</i>	LN(WHEAT YIELD) IN BUSHEL PER ACRE	
	(1)	(2)
Parliamentary enclosure (yes/no)	0.03 (0.01) [0.007]	0.03 (0.01) [0.007]
Mean dep. var.	3.05	3.05
SD dep. var.	0.21	0.21
Observations	3641	3641
R^2	0.19	0.32
<i>Scale:</i> Parish area	N	Y
<i>Geography:</i> Elevation	N	Y
<i>Location:</i> Latitude, longitude, latitude*longitude	N	Y
<i>Regional differences:</i> Region fixed effects (n=4)	Y	Y
<i>Soil characteristics:</i> Soil type indicators (n=11)	Y	Y

MCCLOSKEY ANTICIPATED THE NEED FOR AN EXPERIMENTAL APPROACH (JEH, 1972)

RESULTING INCOME TRANSFERS WERE.

The increase in national output at the time of each enclosure, however, is only a lower bound on the true increase attributable to enclosures at some terminal date. It is plainly not possible to know directly what national output would have been had enclosures not occurred. Events did not perform the relevant experiments. No one set aside in 1760 a group of typical villages to be exempted from enclosure and to act as a control in an experiment to determine its ultimate effects; nor did anyone in 1820 put the enclosed fields back for a time into an open state to satisfy the curiosity of later historians. Assessing the “impact” of enclosure necessarily involves the experiment of removing its influence from the scene at some date and observing the fall in national income that results.

OLS AND 2SLS

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<i>Geography:</i> Elevation	N	Y
<i>Location:</i> Latitude, longitude, latitude*longitude	N	Y
<i>Regional differences:</i> Region fixed effects (n=4)	Y	Y
<i>Soil characteristics:</i> Soil type indicators (n=11)	Y	Y

Table 4: THE EFFECT OF PARLIAMENTARY ENCLOSURE ON AGRICULTURAL

<i>Dependent variable:</i>	LN(WHEAT YIELD) IN BUSHEL PER ACRE	
	(1)	(2)
Parliamentary enclosure (yes/no)	0.48 (0.31) [0.09]	0.45 (0.14) [0.08]
Mean dep. var.	3.05	3.05
SD dep. var.	0.21	0.21
Observations	3641	3641

Panel I: I

QUESTION: SPATIAL AUTOCORRELATION

- Kelly (2019; 2020): spatial autocorrelation, standard errors will be too small
- HRV compute Conley standard errors and do so for various bandwidths
- Kelly's main point: "estimation of reliable spatial kernels is the defining problem of spatial statistics"
- Downward bias to standard errors reduced when using Matérn kernel
- "triangular kernel" \Leftrightarrow Matérn kernel?

QUESTION: THE INSTRUMENT AND THE EXCLUSION RESTRICTION

- Challenge: self selection out of enclosure by parishes with little to gain
- Instrument: leave-one-out mean passage rate of petitions by parishes that would have had similar parliamentary committee. In practice these are near-by parishes. Betz, et al objection

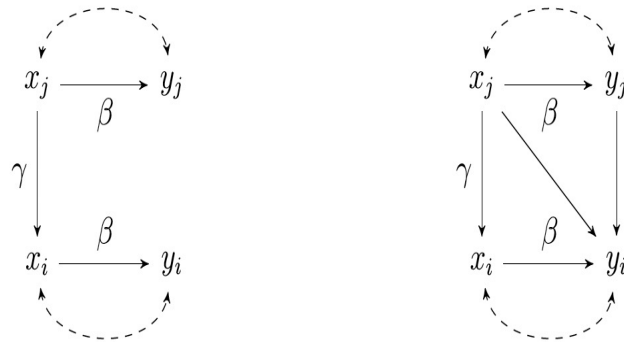


Figure 2. Spatial IV relationships. The left panel shows the assumed model when using spatial instruments: x_i is affected by other units x_j , which serve as instruments. The right panel shows two possible additional spatial relationships that have to be ruled out explicitly: spillovers (from x_j to y_i) and interdependence in the outcome (from y_j to y_i). Both pathways result in violations of the exclusion restriction.

BOB ALLEN WAS RIGHT ABOUT THE MIDLANDS (BUT IN THE WRONG PLACE)

- Enclosure had little to no effect on yields in the Midlands
- But the Midlands are not England
- A counterfactual: what if England-ex-Midlands had enclosed? Implications for evidence-based policy
- Separately, what is the aggregate effect that McCloskey invoked, and that Allen attempted for the Midlands, for England? What would be the change in GDP in 1800 if there had been no enclosure?