

Rage against the machines

Labor-saving technology and unrest in England, 1830-32 Bruno Caprettini (UZH) & Joachim Voth (UZH & CEPR)

Research Question

When do new technologies cause social unrest?



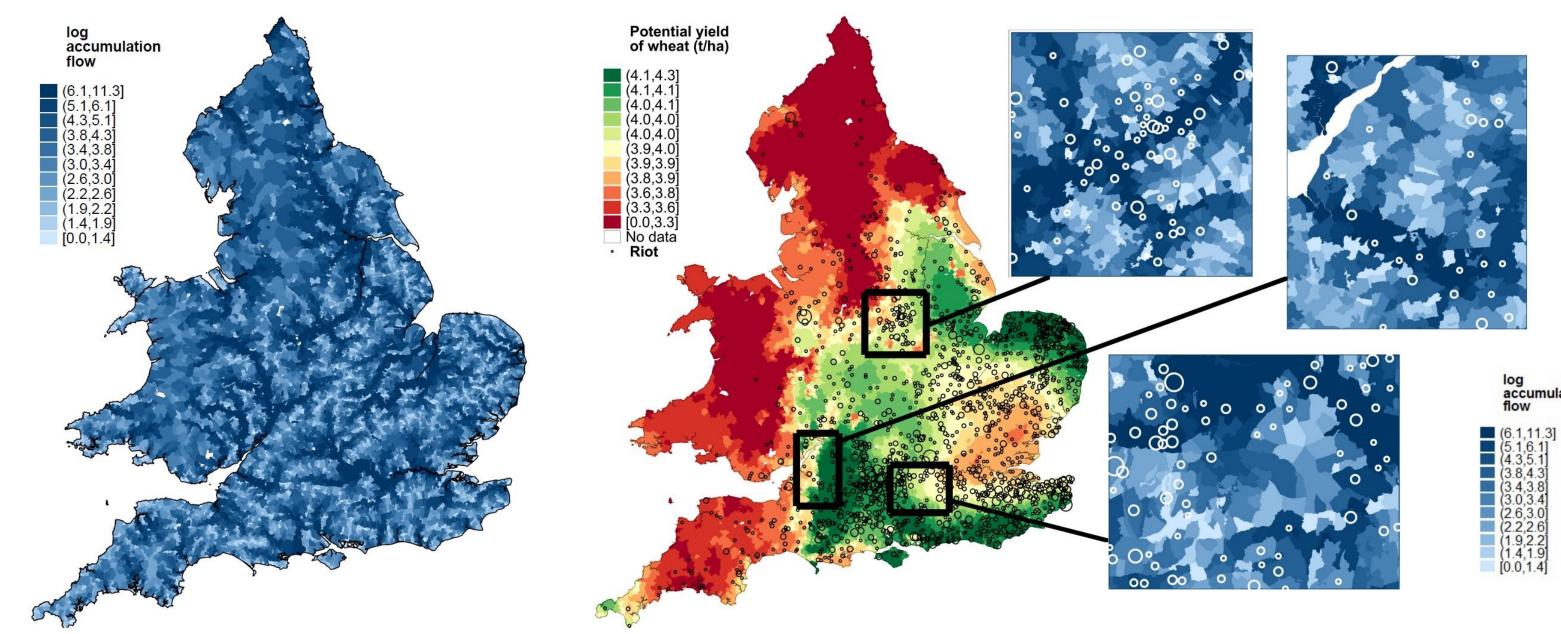
... 1. Labor market effects of new technologies.

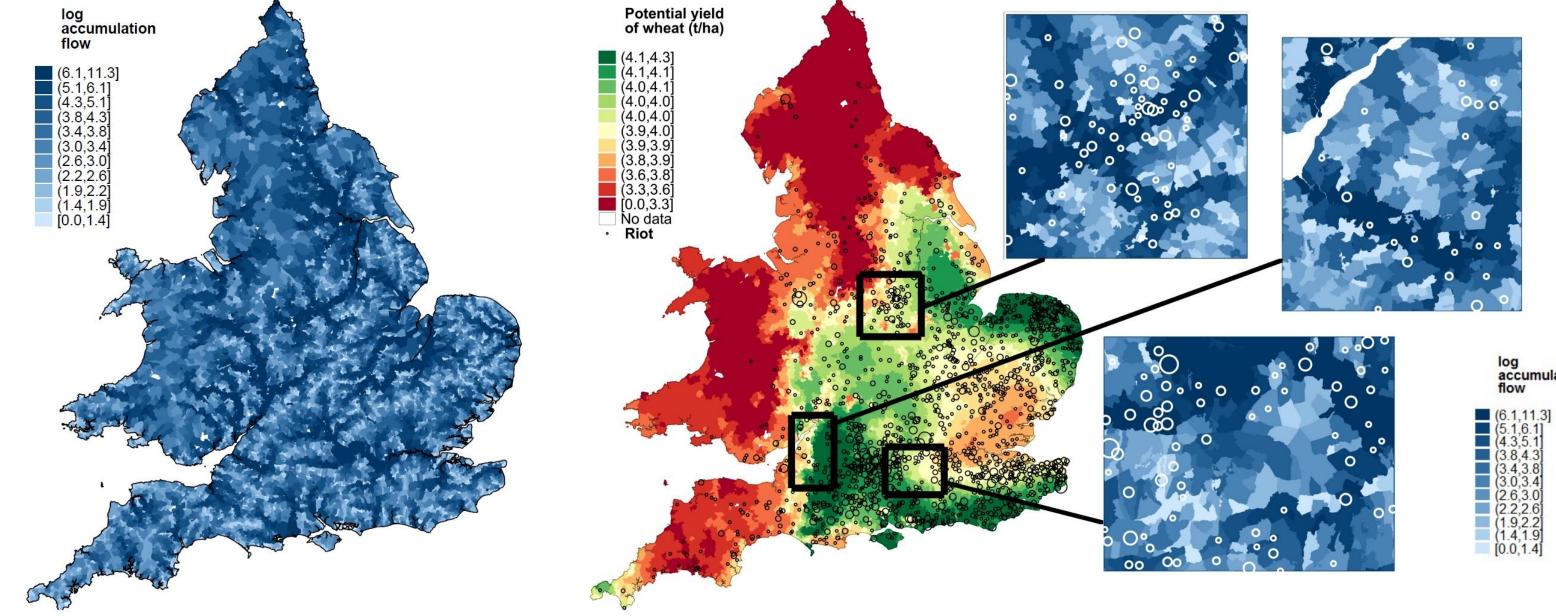
2. Economic determinants of civil conflict.



Is it causal? Identification strategy

1. Most productive machines operated by *water* ⇒ accumulation flow 2. Threshing machines useful to thresh *wheat* ⇒ wheat suitability



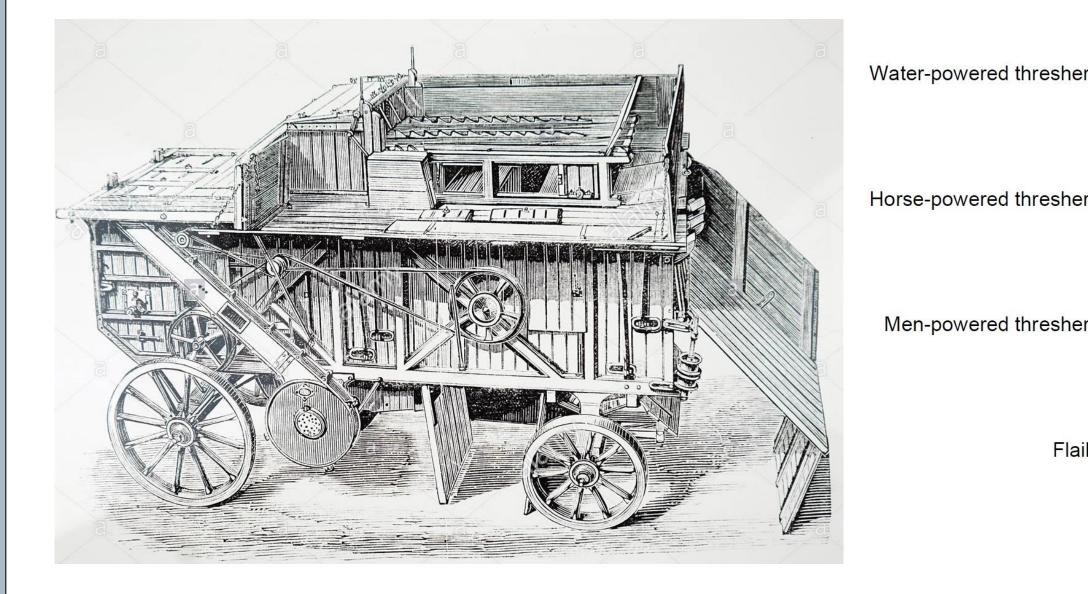


1800 England

In 1800, *threshing* is the most important winter task for rural workers.



In 1786, new labor-saving technology arrives: the *threshing machine*.





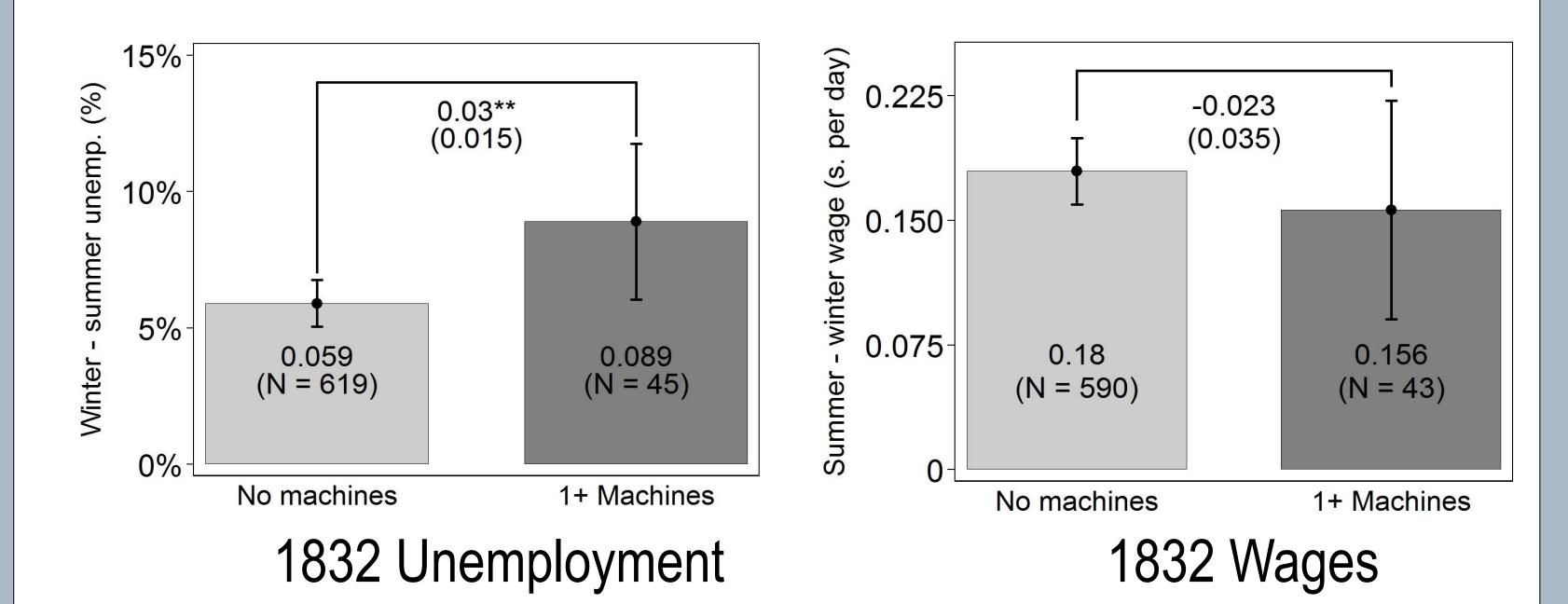
threshing

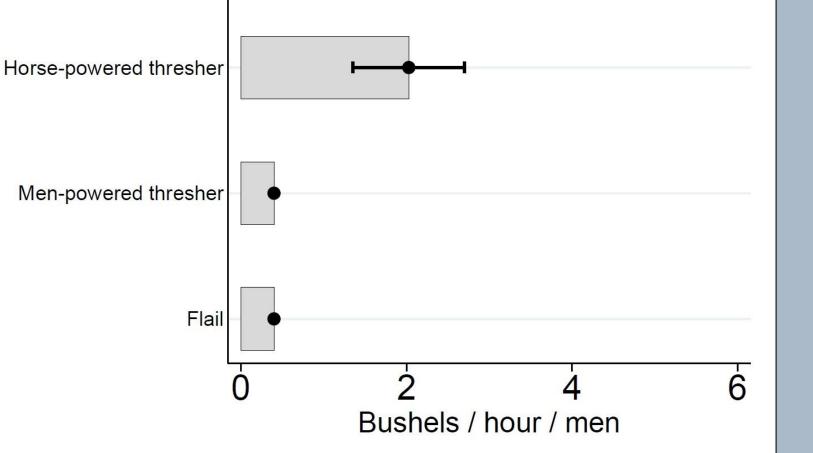
hedging

			Balan	ice				First stage]	Reduced form	n	$2 \mathrm{sta}$	ages least sq	uares
	% 1801	$\log 1821$	% 1801		log 1821	% 1821									
Dep. var.:	wheat area	population	wheat area	log area	sex ratio	agri workers	Threshing machines		"Swing" riots			"Swing" riots			
Thresh. machines													7.322^{***} (2.345)	6.737*** (2.184)	6.229^{**} (1.771)
log wheat suit. \times															
log acc. flow	$\begin{array}{c} 0.035 \ (0.022) \end{array}$	-0.422^{***} (0.117)	$\begin{array}{c} 0.035 \\ (0.022) \end{array}$	-0.150 (0.130)	-0.002 (0.006)	0.022^{*} (0.012)	0.030^{***} (0.011)	0.029^{**} (0.012)	$\begin{array}{c} 0.033^{***} \\ (0.010) \end{array}$	0.218*** (0.082)	0.193^{***} (0.052)	0.209*** (0.045)			
log wheat suit.	0.085 (0.088)	0.633 (0.456)	0.085 (0.088)	-0.722 (0.524)	-0.009 (0.022)	-0.030 (0.043)	-0.032 (0.039)	-0.023 (0.043)	-0.056^{*} (0.031)	-0.105 (0.318)	-0.242 (0.197)	-0.333** (0.160)	0.126 (0.159)	-0.087 (0.156)	0.015 (0.104)
log acc. flow	-0.048 (0.031)	0.706*** (0.158)	-0.047 (0.030)	0.179 (0.175)	-0.002 (0.008)	-0.037** (0.017)	-0.040*** (0.015)	-0.038** (0.016)	-0.044*** (0.013)	-0.294*** (0.109)	-0.252^{***} (0.069)	-0.272*** (0.059)	0.001 (0.012)	0.006 (0.011)	-0.000 (0.010)
log 1821 pop Parish controls 5 region FEs			√	~	~	√	√	\$	\$ \$ \$	~	\checkmark	< ✓ ✓	V	4	✓ ✓ ✓
Obs. R^2 F-stat	$3,326 \\ 0.066$	$10,099 \\ 0.059$	3,326 0.066	$10,099 \\ 0.400$	$10,099 \\ 0.052$	$10,099 \\ 0.357$	$10,099 \\ 0.019 \\ 7.1$	$10,099 \\ 0.022 \\ 5.7$	$10,099 \\ 0.040 \\ 11.7$	$10,099 \\ 0.061$	$10,099 \\ 0.092$	$ \begin{array}{r} 10,099 \\ 0.102 \end{array} $	10,099 -2.853	$10,099 \\ -2.357$	10,099 -1.973
Rubin-Anderson test $(p$ -value)							(An ADALTA)						0.007	0.000	0.000

Mechanisms

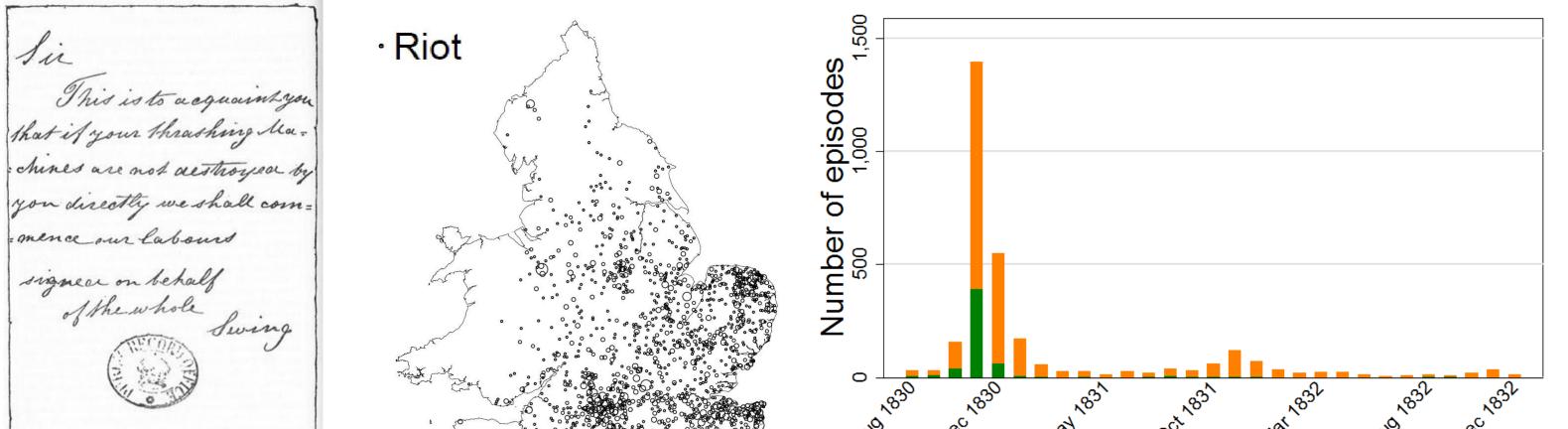
New technology created «technological unemployment».





The 1830 "Swing" riots

1830-1832: largest rural revolt in the history of England. 3000+ episodes across 45 counties.



New technology more disruptive where:

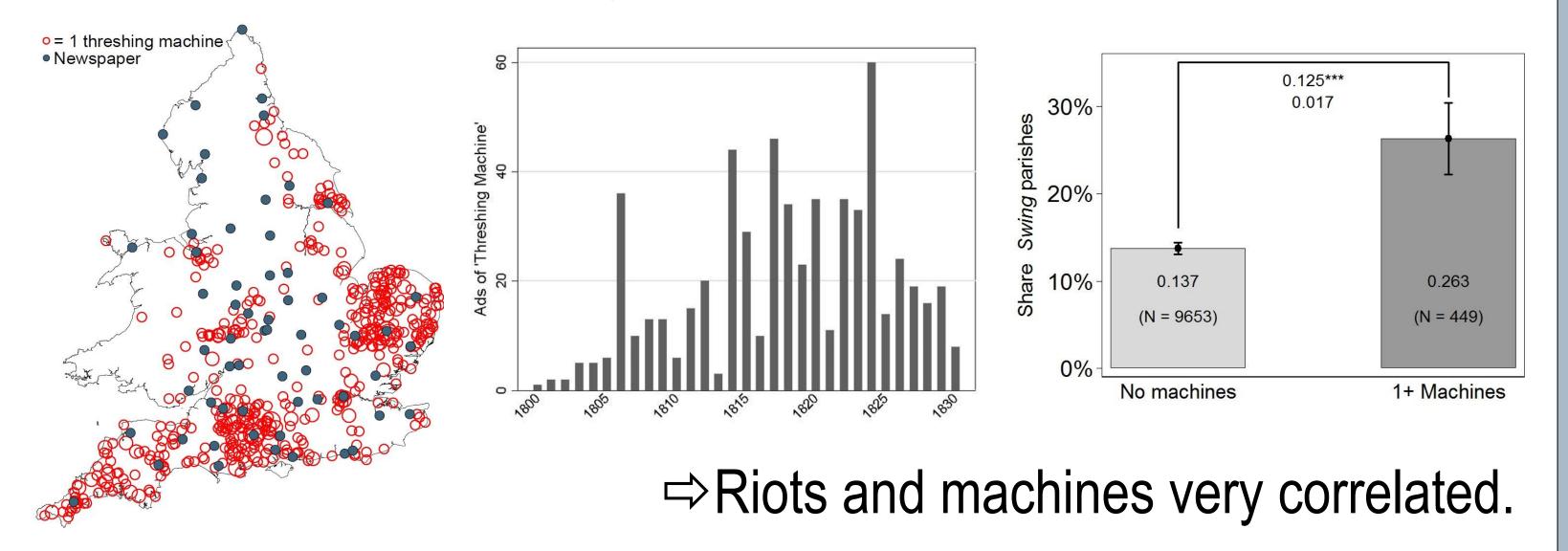
- Welfare support was less generous;
- There were more enclosures;
- Manufacturing centers were farther away. 3.

Dep. var.:		"Swing" riots							
	Welfare su	ipport	Enclos	sures	Distance to industry				
Sample :	Non-generous	Generous	Many	Few	Far away	Close			
log wheat suitability \times									
log accumulation flow	0.252^{***}	-0.025	0.988***	0.536^{*}	0.268***	0.129^{*}			
	(0.072)	(0.810)	(0.253)	(0.322)	(0.047)	(0.073)			
log wheat suitability	-0.763***	4.107	-0.801	0.339	-0.589***	0.286			
	(0.247)	(3.799)	(0.743)	(1.174)	(0.144)	(0.295)			
log accumulation flow	-0.291***	0.057	-1.354^{***}	-0.738*	-0.329***	-0.181*			
	(0.084)	(1.093)	(0.343)	(0.445)	(0.058)	(0.098)			
Parish controls	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark			
5 region FEs	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark			
Observations	664	669	3,502	3,517	5,049	5,050			
R-squared	0.168	0.172	0.107	0.111	0.135	0.081			
p-value of equality of effect	0.724	1	0.19	99	0.184				



Machines & riots

New database on threshing machine diffusion from newspapers' ads.



Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Consequences of the riots

Lower adoption of labor saving technology in 1832-1853 where rioters attacked threshing machines.

Opposite effect for non-labor saving machines (seed drills & chaffers).

