

## RESEARCH NEWSLETTER

### Historical Shocks and Long-Term Development

May 2019

#### FEATURE STORY



From left to right: L. Colin Xu, Aaditya Mattoo, Laura Bailey.

### Historical Calamities: Shedding New Light on the Consequences for Development

Over the last decade, researchers have turned to a surprising source to better understand the mechanisms behind long-term development. Historical calamities like the Black Death and the Taiping Rebellion were accompanied by tragic consequences, often fracturing the status quo. But they also allowed societies to build new foundations, and a growing body of research

is examining these episodes for clues to deal with current development challenges. At a recent [Policy Research Talk](#), World Bank economist Colin Xu provided a sweeping account of the history of wars, rebellions, and epidemics to show how they affect long-term economic transformations and demographic transitions.

[Story](#) | [Presentation](#) | [Video](#)

#### RESEARCH HIGHLIGHTS

##### ✓ [Factions, Local Accountability, and Long-Term Development: County-Level Evidence from a Chinese Province](#)

*Hanming Fang, Linke Hou, Mingxing Liu, [L. Colin Xu](#), Pengfei Zhang, World Bank Policy Research Working Paper 8837, May 2019.*

When the Communist armies took over Fujian Province from Nationalist control in 1949, county leaders were assigned from two different army factions. Counties governed by the faction with less power at the provincial level also developed greater local accountability, with better growth, education, private-sector development, and survival during the Great Famine (1959-61).

##### ✓ [What Is State Capacity?](#)

*[Stuti Khemani](#), World Bank Policy Research Working Paper 8734, February 2019.*

The crux of state capacity is the culture of bureaucracies: the incentives, beliefs, and expectations shared among state personnel about others' behavior. This paper offers insights on how rich and poor countries grapple with the problem of state capacity to go

where markets fail and to deliver public goods, with implications for reform leaders and the role of external partners.

✓ **[Stationary Bandits, State Capacity, and the Malthusian Transition: The Lasting Impact of the Taiping Rebellion](#)**

[L. Colin Xu](#) and [Li Yang](#), *World Bank Policy Research Working Paper 8620*, October 2018 | [VoxEU Article](#).

China's Taiping Rebellion—one of the bloodiest civil wars in history—permanently shifted the economic trajectories of conflict-affected areas. The rebellion shaped the Malthusian transition and long-term development that followed, especially in areas where the experiences stemming from the rebellion led to better property rights, stronger local fiscal capacity, and rule by leaders with longer-term governance horizons.

✓ **[The Long-Run and Gender-Equalizing Impacts of School Access: Evidence from the First Indochina War](#)**

[Hai-Anh H. Dang](#), [Trung X. Hoang](#), and [Ha Nguyen](#), *World Bank Policy Research Working Paper 8480*, June 2018.

A mass education program conducted by the Democratic Republic of Vietnam in areas occupied during the First Indochina War experienced beneficial inter-generational impacts a half century later, especially for girls. Affected girls enjoyed higher household living standards, had more educated spouses, and raised more educated children.

✓ **[Peacekeeping and Development in Fragile States: Micro-Level Evidence from Liberia](#)**

[Eric Mvukiyehe](#) and [Cyrus Samii](#), *World Bank Policy Research Working Paper 8389*, March 2018.

Since the 1990s, peacekeeping operations have been given a broader mandate to provide security and boost economic and social revitalization in communities recovering from civil wars. This study investigates U.N. Peacekeeping Missions in Liberia at the local level. It finds little evidence that deployments increase local security and finds only modest effects on economic or social vitality.

✓ **[Predicting Conflict](#)**

[Bledi Celiku](#) and [Aart Kraay](#), *World Bank Policy Research Working Paper 8075*, May 2017.

This study looks at the performance of three alternative methodologies for predicting conflict across countries and over time. A simple “threshold classifier” model that predicts conflict when a sufficiently large number of conflict indicators exceed thresholds provides the best predictive performance.

To access the latest Policy Research Working Papers, please click [here](#).

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## UPCOMING EVENTS

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- **June 10–14, 2019:** [DIME Workshop: Manage Successful Impact Evaluations](#)
- **June 13, 2019:** [Policy Research Talk: Estimating Intergenerational Mobility in Developing Countries: New Methods and Evidence from India](#)
- **June 17–18, 2019:** [12th International Conference on Migration and Development](#)
- **June 17–18, 2019:** [Annual Bank Conference on Development Economics 2019—Multilateralism: Past, Present, and Future](#) (registration open)
- **June 24–29, 2019:** [Overview Course of Financial Sector Issues](#)

- **September 9, 2019:** [6th Urbanization and Poverty Reduction Research Conference: People, Markets, and Cities](#)

To see more events, please click [here](#).

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## IN CASE YOU MISSED IT

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### Research Digest: Spring 2019 Issue on Urbanization and Infrastructure Development

This issue features research that supports national and city-level policy makers in thinking strategically about the opportunities and challenges of urbanization.

[Read the digest »](#)

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## SOCIAL MEDIA

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### Replication Redux: The Reproducibility Crisis and the Case of Deworming

[@OwenOzier](#) | May 2, 2019

A few 🐼wild🐼things I learned writing "Replication Redux: The Reproducibility Crisis and the Case of Deworming." Forthcoming in the World Bank Research Observer. Are economics results replicable? From 1986 to 2018, there has been a massive increase in the probability of successful replication. But there is room for improvement. Only a fraction are good enough for @marome1 to replicate tables and figures in under 4 hours!!

[Read the Twitter thread](#) | [Download the paper](#)

### Learning from impact evaluations: Lessons from Cambodia

[Deon Filmer](#) | *Education for Global Development*, May 1, 2019

What happens when a study of a program's impact finds that the intended effects are negligible or even negative? When the Government of Cambodia, supported by the World Bank, launched a project in 2008 to expand preschools and other preprimary education programs, [Deon Filmer and his research colleagues](#) tracked the impact on children from low-income households. The study found that problems with the program's rollout and lack of demand from parents resulted in the program having little, and sometimes even negative impacts on children's cognitive and social-emotional development. Instead of giving up, the research team worked with the Cambodian government and World Bank operational colleagues to design a new program that incorporated lessons learned from the impact evaluation. In an interview, Filmer explains what happened:

[Read the blog »](#)

### What do poor people think about direct cash transfers?

[Stuti Khemani](#), [James Habyarimana](#), and [Irfan Nooruddin](#) | *Future Development*, April 8, 2019

Universal or basic minimum income—direct cash transfers from the government to people—is on the policy agenda in the U.S. and India, the world's two largest and most vigorous democracies. One of its earliest proponents in India has invoked Victor Hugo and proclaimed "no force on earth can stop an idea whose time has come." It is timely then to share some descriptive evidence on what the poor citizens of India think about such schemes that global technocratic elites are cooking up for their benefit. In a survey conducted over November-December 2018, we asked people in rural Bihar, one of India's poorest states, what they think about spending public budgets on direct cash transfers.

[Read the blog »](#)

To read more of our blogs, see: [Let's Talk Development](#) | [Development Impact](#)

This newsletter is produced by the Development Research Group, part of the Development Economics Vice Presidency of the World Bank Group. Please send your comments and feedback to: [research@worldbank.org](mailto:research@worldbank.org).

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