Songlines

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UniPi Economics Department Internal Seminar Series 2023-2024

Motivation

- Numerous economic studies emphasise the role of colonisation in long-run development (see, e.g. Acemoglu, Johnson, and Robinson 2001).
- A central focus of this research is to understand the drivers behind the patterns of European settlement and their long-term economic consequences (Easterly and Levine, 2016).
- To explain these patterns, scholars have mostly relied on the hypothesis of first-nature geography; natural features of the landscape playing a decisive role.
- A less explored dimension is the role of the key forces of second-nature geography, i.e. activity associated with the local knowledge possessed by the Indigenous population.

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- To explain these patterns, scholars have mostly relied on the hypothesis of first-nature geography; natural features of the landscape playing a decisive role.
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Motivation

- Numerous examples outside of economics of how the adoption of local knowledge shaped European colonial expansion e.g Plymouth Colony in the USA.
- Despite that historians and anthropologists have widely recognised this important channel, the economics literature has yet not fully investigated its potential economic impacts.
- Moreover, the underlying mechanisms that explain the path-dependence of these economic effects remain unexplored.
- We fill this gap by **focusing on Australia where the adoption of Aboriginal knowledge of the landscape** was an integral part of colonial exploration and settlement.

Related literature

- Colonialism and contemporary development (see, e.g., Sokoloff and Engerman 2000; Acemoglu, Johnson, and Robinson 2001; Acemoglu, Johnson, and Robinson 2002; Acemoglu and Johnson 2005; Dell 2010; Kampanelis 2019).
- Determinants of urbanisation (see, e.g., Glaeser et al., 1992; Page, 1999; Bosker et al., 2013; Duranton and Puga, 2014; Bleakley and Lin, 2015; Bosker and Buringh, 2017; Barsanetti, 2021).
- **Pre-colonial factors and contemporary outcomes** (see, e.g., Gennaioli and Rainer 2007; Michalopoulos and Papaioannou 2013; Angeles and Elizalde 2017; Elizalde 2020; and Dincecco et al. 2020).
- Long-term effects of historical trade routes (see, e.g., Wahl, 2017; Dalgaard et al., 2018; Barjamovic et al., 2019; Michalopoulos et al., 2018; Flückiger et al., 2021; Ahmad and Chicoine, 2021).
- Long-run effects of historical events (see, e.g., Nunn 2008; Valencia Caicedo 2019; Lowes and Montero 2021).

Historical overview: Aboriginal trade routes

- At time of contact, Aboriginal people in Australia had developed an extensive trading network based on oral traditions.
- Oral traditions known as "Songlines": Information about the land and how the Aboriginal people had to travel to their various destinations (Chatwin 1987)
- Wositsky and Harney (1999) define these 'songlines' as 'epic creation songs passed to present generations by a line of singers...[and] provide maps for the country...Some songlines describe a path crossing the entire Australian continent'.
- An example of a route based on "songlines" is the "Two Dog Dreaming", where "pituri" was traded.
- The Aboriginal trade routes were of remarkable length, some were 3,800 km long!
- Importantly, this trading network provided Europeans with vital knowledge for exploring and settling mainland Australia during colonisation (Kerwin, 2010)

Historical overview: Aboriginal trade routes

"The natives were the parties who first guided the White Man through the intricacies of their forests, led them to their Rivers, their springs, and rich pastures, assisted them in keeping their stock, watched their working oxen, tracked their stray Horses, and rendered other essential assistance . . . The knowledge of their Country was thus acquired, was turned to account" (Reynolds 1980).

"European exploration of Australia...was made possible by Aboriginal trading paths...Surveyors quickly expanded European occupation and territories, and they coloured the map of Australia in their image" (Kerwin 2010).

Historical overview: Access to interior



(a) Sydney to Bathurst, Australia



(b) First road over the Blue Mountains to Bathurst. Image drawn from John Oxley, S. Genl (1815).

Figure: Early development of the European transport infrastructure in Australia.

Data: Aboriginal trade routes

- We collected anthropological data on Aboriginal trade sites from McCarthy (1939).
- McCarthy's work relies on early written accounts from the time of contact with natives (e.g. Murdock's Ethnographic Atlas (1967)).
- Example of the description of a trade route in South Australia where pituri was traded:
 - "Jessop...says that at "these three places, Noarlunga, Augusta and Aroona, situated at distances of 150 miles in a direct line from south to north, where they interchanged their respective earths or clays, the natives drove also a good trade in skins with those who lined further inland"".
- We create a catalog of 1,642 origins and destinations in Australia.

Data: Aboriginal trading sites

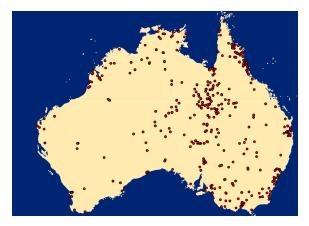


Figure: This map shows the origins and destinations that Aborigines used to exchange goods prior colonisation, based on the work of MćCarthy (1939).

Data: Human Mobility Index (HMI) by Özak (2018).

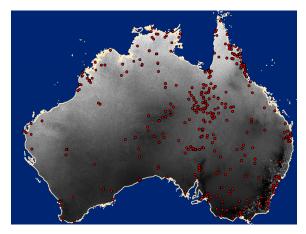


Figure: This map shows the raster for the HMI in Australia.

Data: Aboriginal trade routes based on a least cost path algorithm using HMI



Figure: This map shows the approximate location of Aboriginal trade routes in Australia, based on the work of MćCarthy (1939). White lines indicate trade routes. Trade routes were created using a least cost path algorithm. Trade routes were optimally constructed by authors using Özak (2018) with origins and destinations from MćCarthy (1939).

Data: Unit of analysis, outcome and controls

- Unit of analysis: grid cell of 10 km \times 10 km (100 km²). As robustness, we increase the size to 50 km \times 50 km.
- For each cell, we construct an indicator of economic activity using nighttime light emission data: Visible Infrared Imaging Radiometer Suite (VIIRS) sensor.
- VIIRS provides 45 times smaller pixel footprints, which increases the quality of the data in more remote areas.
- Large pool of geographical and climatic controls, e.g., agricultural suitability, elevation, ruggedness, rainfall, temperature, distance to the sea, coast orientation, water percentage, etc.
- Historical control: historical mining (gold rush in 19th century).

Empirical Strategy

Cross sectional regression:

$$Nightlight_i = \alpha_i + \beta \operatorname{TradeRoutes}_i + Z'_i \rho + \epsilon_i \tag{1}$$

where

- *Nightlight* = Binary dummy for night light in grid cell *i*.
- $\alpha = \text{Local Government-fixed effect.}$
- β = Dummy variable with value of 1, if grid cell *i* hosts at least one Aboriginal trade route, and 0 otherwise.
- Z' = Vector of climatic, topographic, geographic and historical variables
- $\epsilon = \text{error term}$

(Robust standard errors are clustered at local government level)

Main results

Table: Baseline results

	Dependent Variable: Binary dummy for night light (1) (2) (3) (4)					
-						
Trade Routes	0.035***	0.036***	0.034***	0.033***		
	(0.007)	(0.007)	(0.006)	(0.006)		
N	79731	79731	79731	79731		
R ²	0.222	0.222	0.228	0.232		

Notes: The unit of observation is a grid cell of 10km X 10km. The dependent variable is a dummy variable that takes the value of 1 if cell *i* has nightight, and 0 otherwise. This variable uses data from Visible Infrared Imaging Radiometer Suite (VIRS) sensor. All columns control for local government fixed effects. Columns (1)-(4) include a measure of pre-colonial Aboriginal trade routes. This measure is is a dummy variable that takes the value of 1 if cell *i* has at least one pre-colonial Aboriginal trade routes, and 0 otherwise. This variable was constructed using anthropological data from McCarthy (1939), which describes the trade routes created by Aboriginal people based on oral traditions prior to colonisation. The Human Mobility Index (HMI) from Ozak (2018) was used to identify optimal routes between origins and destinations, with a least-cost algorithm. From columns (2) to (4), geographical and climatic control variables were added gradually and incrementally. The descriptions of the geographical and climatic variables can be found in the Appendix. Robust standard errors clustered at the local government district level were used and the constant term was omitted for space. *****, ****** and ******* mean that the coefficient is statistically significant at 10%, 5% and 1% respectively.

- Geographical and historical controls added gradually from column (2) to (4).
- Local Government FE included in all columns

Baseline Results: Robustness checks

- Homogenising sample to address strong geographical variation in Australia (drop lowest or highest 25% of observed rainfall and temperature)
- Addressing unobservable factors:
 - We use cells with Aboriginal trade routes and all their tangents that may (or may not) host a trade route.
 - We develop a contiguous pair analysis
- We address measurement error in the construction of Aboriginal trade routes:
 - We increase the size of the cells to 50 to 50 km.
 - Trade routes reconstructed using other sources. e.g., location of Aboriginal rock art and historical maps by McCarthy (1939).
 - Estimated Aboriginal trade routes were validated using Trading Sites
- Further checks:
 - Controlling for number of centrality measures for the Aboriginal trading network
 - Dropping origins and destinations points
 - Dealing further with heterogeneity: drop states individually
 - Spatial autocorrelation: large-cluster approach, as implemented by Bester et al. (2011)

Dynamic effects: Urban evolution of Australia

- We investigate the dynamic effects of Aboriginal trade routes on the emergence of new settlements in Australia.
- This analysis allows investigate the shift in importance of these routes in the face of other historical shocks.
- We utilise data from Kampanelis (2019) which captures the year of foundation for 249 major cities in Australia between 1788 and 2000.
- Four groups were created according to their year of establishment: cities established before 1850 (from 1788), between 1850 and 1900, between 1900 and 1950, and between 1950 and 2000
 - Four dummy variables were created by assigning the value 1 if cell "i" is associated with one of these groups of cities and use them as dependent variables.

Dynamic effects: Results

	All Cities	Cities est. before 1850	Cities est. in 1850-1900	Cities est. in 1900-1950	Cities est. in 1950-2000
	(1)	(2)	(3)	(4)	(5)
Trade Routes	0.004***	0.001*	0.002***	0.000	0.000
	(0.001)	(0.001)	(0.001)	(0.000)	(0.000)
N	79731	79731	79731	79731	79731
R ²	0.054	0.089	0.029	0.018	0.010

Table: Dynamic effects

Notes: The unit of observation is a grid cell of 10km X 10km. OLS estimates are shown with robust standard errors clustered at the local government district level. In column (1), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1788 and 2000 in Australia. In column (2), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1800 and 1900. In column (4), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (4), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (5), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (5), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (5), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (5), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (5), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900 and 1950. In column (5), the dependent variable is a dummy variable that takes the value of 1 if cell *i* has a major city that was established by Europeans between 1900. In Austral, all columns control for local government fixed effects, as well as for a set of geographical, climatic and historical variables, which include: the coordinates of eab

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Mechanism: Path dependence and agglomeration effects

- Early European transport infrastructure:
 - As the first settlements emerged along these routes, an important transport infrastructure was developed to connect them to the main colonies.
 - Hence, early transport infrastructure ⇒ concentration of economic activities in the long term, as it allowed for better connectivity (Flückiger et al.).
- Historical maps of Australian network of **railways and highways, as well as European explorations** in the 19th and early 20th centuries, respectively.

European exploration routes



Figure: European exploration routes, 1601-1901. Source: Robinson (1927).

European exploration routes: Digitised



Figure: European exploration routes, 1601-1901. Source: Robinson (1927).

Mechanism: Results

Table: Mechanisms

	Early Railways	Early Highways
	(1)	(2)
Trade Routes	0.013** (0.006)	0.027*** (0.007)
N R ²	79731 0.200	79731 0.135

Notes: The unit of observation is a grid cell of 10km X 10km. OLS estimates are shown with robust standard errors clustered at the local government district level. In columns (1), the dependent variable is a dummy variable that takes the value of 1 if cell i has at least one railway built between 1880 and 1920, and 0 otherwise. In column (2), the dependent variable is dummy variable that takes the value of 1 if cell i has at least one highway built in Australia until the early 1950s, and 0 otherwise. The measure uses only major interstate and state highways. Both measures were constructed by digitising and georeferencing a series of historical maps, with sources provided in the description of variable section in the Appendix. All columns control for local government fixed effects, as well as for a set of geographical, climatic and historical variables, which include: the coordinates of each grid cell, agricultural suitability, elevation, ruggedness (standard deviation of elevation), rainfall and standard deviation of rainfall, temperature and standard deviation of temperature, distance to the sea, distance to Sydney, distance the state capital, distance to historical mines, and water percentage. The descriptions of the geographical, climatic, and historical variables can be found in the Appendix. The constant term was omitted for space. *, ** and *** mean that the coefficient is statistically significant at 10%, 5% and 1% respectively.

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Validating identification assumption: Natural Routes

- Adoption of Aboriginal knowledge of the landscape influenced the way Europeans explored and settled Australia → shaping spatial distribution of modern urbanisation patterns
- Do our findings reflect a genuine adoption of Aboriginal knowledge or are attributable to the inherent characteristics of Australian topography?
- Following Barjamovic et al. (2019), we exploit exogenous variation in European exploration and settlement by creating Natural Routes.
- Natural Routes were defined as geographically innate travel routes from each coastal cell to the interior.
- The number of intersections of these travel paths within each pixel indicates its degree of connectedness, i.e. better Natural Routes

Natural Routes

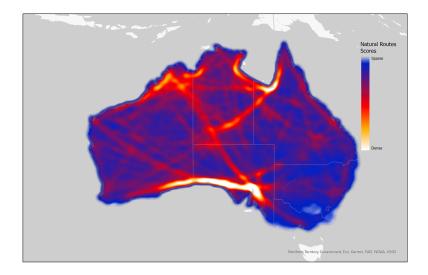


Figure: Natural Routes Scores

Natural Routes analysis: Results

	Exploration routes	Cities	Early Railways	Early Highways	Night Llghts
	(1)	(2)	(3)	(4)	(5)
Natural Routes	0.007*	0.000	0.001	0.011***	0.005***
	(0.004)	(0.000)	(0.002)	(0.004)	(0.001)
Aboriginal Trade Routes	0.019***	0.001***	0.004**	0.008***	0.010***
	(0.003)	(0.000)	(0.002)	(0.002)	(0.002)
N	79731	79731	79731	79731	79731
R ²	0.068	0.054	0.200	0.136	0.232

Table: Natural Routes versus Aboriginal Trade Routes

Notes: The unit of observation is a grid cell of 10km X 10km. OLS estimates are shown with robust standard errors clustered at the local government district level. All columns show standardised coefficients. Natural Routes is the logarithm of the number of optimal travel routes that intersects within each pixel. Aboriginal Trade Routes is a dummy variable that takes the value of 1 if cell *i* has at least one Aboriginal trave routes, and 0 otherwise. In column (1), the dependent variable is an indicator that takes the value of 1 if grid cell *i* has at least one amjor city that was established by Europeans between 1788 and 2000 in Australia. In column (2), the dependent variable is an indicator that takes value of 1 if grid cell *i* is associated to the establishment of a city in Australia hetween 1788 and 2000, and 0 otherwise. In column (3), the dependent variable is an indicator that takes value of 1 if grid cell *i* has associated to the establishment of a city in Australia between 1788 and 2000, and 0 otherwise. In column (3), the dependent variable is an indicator that takes value of 1 if grid cell *i* has nightlight, and 0 otherwise. In column (5), the dependent variable is an indicator that takes value of 1 if grid cell *i* has nightlight, and 0 otherwise. All columns control for local government fixed effects, as well as for a set of geographical, climatic and historical variables, which include: the coordinates of each grid cell, agricultural suitability, elevation, ruggedness (standard deviation of relevation), rainfall and standard deviation of rainfall, temperature and standard deviations of the geographical, climatic, and historical variables can be found in the Appendix. The constant term was omitted for space. *, ** and *** mean that the coefficient is statistically significant at 10%, 5% and 1% respectively.

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Conclusion

- We document that the adoption of **local knowledge** by Europeans in their colonial expansion had long-term economic effects on contemporary societies.
- We use a unique **historical experiment** in colonial Australia, when Europeans drew on **Aboriginal knowledge of the landscape for exploration and settlement**.
 - Extensive network of trade routes created by Aboriginal people based on oral traditions, known as Songlines.
 - Anthropological evidence suggests that Aboriginal trade routes provided Europeans with important knowledge for exploration and settlement.
- Hence, we create a **new dataset on Aboriginal trade routes** and explore their impact on contemporary economic activity.
- We show that Aboriginal trade routes in Australia had a significant impact on the spatial patterns of modern economic activity and urbanisation.

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Contiguous analysis: Model

Cross sectional regression:

$$Nightlight_{i(j)} = \alpha_{i(j)} + \beta \operatorname{TradeRoutes}_{i(j)} + Z'_{i(j)}\rho + \epsilon_{i(j)}$$
(2)

where

- *Nightlight* = Binary dummy for night light in grid cell *i* that has a trade route, and is also adjacent to cell *j*, which does not have a trade route.
- $\alpha_{i(j)} =$ Pairs-fixed effect.
- $\beta = \text{Aboriginal trade routes.}$
- Z' = Vector of climatic, topographic, geographic and historical variables.
- $\epsilon = \text{error term.}$

(Robust standard errors are clustered at local government level)

Population density and primary roads

	Population Density	Primary Roads
	(1)	(2)
Trade Routes	0.534*** (0.160)	0.108*** (0.023)
N R ²	79731 0.581	79731 0.344

Table: Alternative measures of modern economic activity

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Homogenising sample

Table: Homogeneous sample

	Dependent Variable:	Binary dummy for night light
	(1)	(2)
	\geq 25% Precipitation	$\leq\!\!25\%$ Temperature
Trade Routes	0.044***	0.028***
	(0.006)	(0.006)
N	59457	59678
R^2	0.238	0.252

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Alternative Sources

Table: Alternative sources

		Dependent Variable: Binary dummy for night light							
	(1)	(2)	(3)	(4)	(5)	(6)			
	HMI & RA	DIG & RA	DIG	HMI=HMI & RA	HMI=DIG & RA	HMI=DIG			
Trade Routes	0.012***	0.012***	0.011***	0.052***	0.051***	0.053***			
	(0.002)	(0.003)	(0.003)	(0.009)	(0.008)	(0.008)			
N	79731	79731	79731	59266	62922	62323			
R ²	0.231	0.231	0.231	0.222	0.217	0.216			

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Trading Sites: Results

Table: Trading Sites

	Dependent Variable: Binary dummy for night light							
	(1)	(2)	(3)	(4)	(5)	(6)		
	all cells	excl. 50km	excl. 100km	excl. 200km	excl. 300km	excl. 500km		
Trading Sites	0.200***	0.168***	0.168***	0.169***	0.159***	0.070***		
	(0.023)	(0.026)	(0.028)	(0.029)	(0.033)	(0.020)		
Local Gov FE	√	√	√	√	√	√		
Geo & Hist Controls	√	√	√	√	√	√		
N	79731	72474	65382	52803	41838	23744		
R ²	0.233	0.167	0.151	0.113	0.063	0.032		

- Geographical and historical controls included in all columns.
- Local Government FE included in all columns

Contiguous pair analysis: Model

Cross sectional regression:

$$Nightlight_{i(j)} = \alpha_{i(j)} + \beta \, TradeRoutes_{i(j)} + Z'_{i(j)}\rho + \epsilon_{i(j)} \tag{3}$$

where

- *Nightlight* = Binary dummy for night light in grid cell *i* that has a trade route, and is also adjacent to cell *j*, which does not have a trade route.
- $\alpha_{i(j)} =$ Pairs-fixed effect.
- $\beta = \text{Aboriginal trade routes.}$
- Z' = Vector of climatic, topographic, geographic and historical variables.
- $\epsilon = \text{error term.}$

(Robust standard errors are clustered at local government level)



Contiguous pair analysis: Results

Table: Neighbouring analysis

	Dependent Variable: Binary variable for night light
	(1)
Trade Routes	0.014***
	(0.002)
N	115024
R^2	0.465

- Geographical and historical controls added gradually from column (2) to (4).
- Local Government FE included in all columns

		Dependent Variable: Binary dummy for early European explorations								
-	(1)	(2)	(3)	(4)	(5)	(6)	(7)			
Agriculture Suitability	-0.012*** (0.004)									
Elevation		-0.000** (0.000)								
Ruggedness			-0.000* (0.000)							
Precipitation				0.000 (0.000)						
Temperature					0.000 ^{**} (0.000)					
Distance to the Sea						-0.000 (0.000)				
Water Percentage							-0.082** (0.027)			
Local Gov FE	×	√	×	×	×	<u>√</u>	×			
N R ²	79731 0.000	79731 0.003	79731 0.000	79731 0.000	79731 0.002	79731 0.000	79731 0.000			

Table: Analysis of balance: Environment and early European exploration

		Dependent Varia	ble: Binary dumn	ny for pre-colo	nial Aborigina	l trade routes	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Agriculture Suitability	0.020 (0.015)						
Elevation		-0.000**** (0.000)					
Ruggedness			-0.001*** (0.000)				
Precipitation				-0.000 (0.000)			
Temperature					0.000 (0.000)		
Distance to the Sea						0.001 (0.001)	
Water Percentage							0.260*** (0.099)
Local Gov FE	 Image: A second s	 ✓ 	v	~	 Image: A second s	 Image: A second s	√
N R ²	79731 0.002	79731 0.035	79731 0.003	79731 0.000	79731 0.000	79731 0.003	79731 0.005

Table: Analysis of balance: Environment and Aboriginal trade routes

Data: Aboriginal trading sites

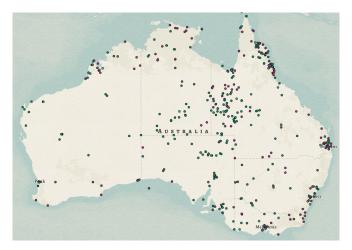


Figure: This map shows the origins and destinations that Aborigines used to exchange goods prior colonisation, based on the work of McCarthy (1939).

Aboriginal trade routes in Australia: McCarthy's maps

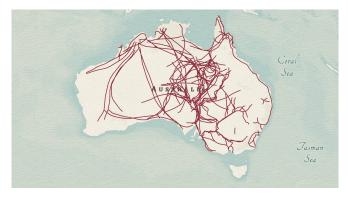


Figure: Aboriginal trade routes in Australia: McCarthy's maps

Results

McCarthy's maps

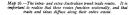


Map 7.—Trade between western Queensland and the Lake Eyre tribes along the Mura Mura route.





Map 8.—Trade in central and north Australia. The rosts of the Central Trunk Route and the links with neighbouring regions are shown.



(b)

(c)

Figure

McCarthy's maps illustrating location for some Aboriginal trade routes in Australia.

Cities and Towns in Australia, 1788-2000

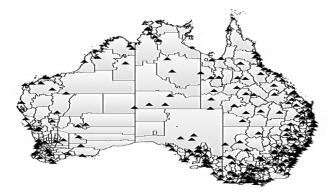


Figure: Black triangles illustrate the location of Australian cities (n=249). Source: Kampanelis (2019)