CAPITALISM AND FREEDOM:
MANUMISSIONS AND THE SLAVE MARKET IN LOUISIANA, 1725-1820

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Historians have suggested that the laws and customs of manumission may be viewed as a litmus test of how a society views its slaves. Contemporary narratives and historical sources have succeeded in providing a general view of manumission in the United States, as well as other slave societies throughout history. But little is known of the details, and almost nothing of the economics. Who was manumitted? By whom? Why? Did slaves pay "fair market prices," or did slave owners exploit their monopoly power? How effectively did formal institutions regulate manumission? Using a remarkable new data set, this paper will answer these questions within the context of slavery in Louisiana at the turn of the nineteenth century, providing the first real empirical evidence on the economics of manumission.

Manumission was an economic transaction between a slave and owner, and has served as a powerful incentive for slaves throughout history. It was common enough in ancient times that economic historians have gone as far as to describe the Roman labor system as a functioning labor market that included slaves. (Temin 2001; see Fenoaltea (1984) for a comprehensive discussion of manumission in a historical perspective.) While generally permitted by U.S. state legal codes until the middle of the nineteenth century (Matison 1948), manumission was much less common in the United States than ancient Rome or Greece. Fenoaltea attributes the relative infrequence of manumission to the nature of the work performed by U.S. slaves. He contends that pain ("the lash") can generate greater work effort, but not more care, while positive rewards are effective in eliciting care. Thus, manumission would not be an optimal incentive for difficult manual labor, such as plantation farming, the major occupation of slaves in the South.

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Even so, there were exceptions. A system of "term slavery" in Maryland at the turn of the nineteenth century allowed a slave holder to make a legally binding agreement with a slave to free her after a number of years, in return for greater and more reliable work effort (Whitman 1995). A special court was set up to adjudicate disputes between slaves and slave-holders who had made this agreement. Spanish-ruled territories had a system of *coartación* (described in section III), whereby a slave could sue for freedom if she had enough money to compensate her owner.

Court records in Louisiana have provided some quantitative information about the number of slaves manumitted. Hanger (1997) presents a summary of information drawn from Spanish New Orleans notarial records. She provides the annual average self-purchase price of a sample of 1,033 slaves over the period from 1771-1803, but does not compare them to market prices. Koltikoff and Rupert (1980) examine jury records of manumissions in New Orleans from 1827-1846, and find that free blacks were involved in a significant proportion of manumissions. Price data were not generally recorded in the jury records.

Regrettably for the cliometrician, examination of legal codes cannot tell us how widely used such incentives were, how many slaves managed to purchase their freedom, or whether they were charged "fair" prices. This last question has puzzled economic historians for over a century.[1]

The idea that manumission provided a powerful incentive was part of the early cliometric debate over the profitability of slavery. In response to the pioneering work of Conrad and Meyer (1958), Moes argued that the U.S. system of slavery was not efficient, because a system encouraging manumission was:

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[1] Wergeland (1902), in a survey article on slavery in medieval Europe, notes data on the price of manumission are nigh unavailable. He cites some prices listed in legal codes, which were well below "market value," but points out that these amounts were likely not actually used in practice. (p. 242). In an early cliometric exercise, Westerman (1955) examined over a thousand Delphic manumissions, from 201 to 53 B.C. The majority were outright grants, whereby a slave purchased her unconditional freedom. He reports that an examination of the manumissive price of over 500 slaves reveals that slaves paid higher prices for their freedom than the average market price. Westerman ascribes the higher prices to monopoly power of slave-holder. This evidence should probably not be taken as conclusive: while he does not describe how he made this estimation, he seems to be merely comparing mean prices of freed slaves to the price on the market.

> to the advantage of the owner because it gave the slave an incentive to work well and in general to make himself agreeable to his master…the idea that slavery is profitable (and therefore likely to be maintained) when slave prices are high does not stand up against this modern notion of opportunity cost but is the result of overlooking the most relevant alternative opportunity: that of allowing the slave to buy himself. (p. 183-184)

Moes adduces an anecdote about a philanthropist, who reported having agreed to pay the slaves on his plantation for work on Saturday, in return for their eventual freedom. The philanthropist claimed to have received enough in payments to replace the departed slaves with double their number.

While closer scrutiny by Fenoaltea revealed this story to be apocryphal (see footnote 40, p. 645), the principle could still hold, and Conrad and Meyer's response (1960) still seems appropriate: "…this is clearly an empirical question—an empirical question, moreover, about which neither we nor Moes now have sufficient information to say anything definitive." (p. 188).

A rich new dataset allows me to say something definitive about the above questions. Using a new dataset containing information from every surviving document on slavery and manumission in Louisiana, I paint a qualitative, quantitative, and economic portrait of manumission in Louisiana. A change in laws governing manumission allows me to determine whether manumitted slaves paid higher than market prices for their freedom

II. DATA

This study uses information from two recent databases: the "Louisiana Slave Database" and "Louisiana Free Database." (Hall 2000). Hall's team collected information from every document available relating to slavery in Louisiana from the arrival of the Europeans until 1820. Sources include every archive and courthouse in Louisiana, as well as archives in Mississippi, Alabama, Florida, Texas, France and Spain. The databases contain detailed descriptions of over

100,000 individual slave sales or other transactions, and 4,060 records relating to manumission.[2] Table 1 provides some key summary statistics about the coverage and scope of principal demographic variables of interest.

The documents were produced in the course of normal transactions, and consist primarily of sale contracts, probate records, manuscripts, and published censuses. They provide information about the age, sex, origin, health, character, and skills of slaves and manumisses. In addition, the investigators coded information on the relationship between freer and freed, whether a freed slave is (or possibly is) a child of a master, illnesses or disabilities of the slave or freed person, and location of the record. Text fields describe means of manumission and provide additional comments for many records, as well as information on how to retrieve any original document.

Over the time period covered by the databases, Louisiana was ruled by two regimes, with several currencies, and significant currency fluctuations. Fortunately, a large number of government and commercial historical documents list prices in several currencies, allowing Hall to convert all prices into nominal dollars using the appropriate exchange rate. Hall cautions, however, that the earlier price data are less reliable, and the present analysis is restricted to observations after 1770 (Hall 2001).

III. Legal Context and The Nature of Manumission in Louisiana

From 1770-1820, Louisiana was ruled by two regimes, the Spanish (1730-1803) and the United States (1803-1820).[3] Under the Spanish regime, a system called *coartación* gave slaves the right to purchase their freedom: if their master did not agree to manumit, the slave could sue. If there was a dispute about the fair price, each party, as well as the court, would be provided an assessor, and the slave would be freed following payment of the assessed value to the master

[2] Duplicate documents were deleted, though if a person appeared multiple times in different documents, the observations were retained.

[3] The history is somewhat more complicated. Spanish settlers were the first Europeans to arrive. By 1731, Louisiana was a French crown colony. In 1762, Louisiana was ceded to Spain. Spain returned Louisiana to France in 1800, but it remained under Spanish rule until the 1803 Louisiana Purchase.

(Hanger 1997). Hanger reports that approximately one in seven cases of *coartación* required court supervision to set a fair price.

Hanger describes the system as efficient:

> In most cases *coartación* offered advantages to slaveholders, slaves, and the Spanish government alike. All three groups acted according to their best interests… *Coartación* provided slave owners with incentives that encouraged slaves to work more productively, reduced their provisioning costs, and compensated at the slaves' estimated fair values. Legal manumission also acted as an effective form of social control by holding out liberty to obedient bondspersons and denying it to rebellious ones. (p.)

When American administrators took over the colony from the Spanish following the 1803 Louisiana Purchase, they worked with local slave-holders to bring Louisiana laws in line with other southern states, including eliminating the right to sue for freedom (Ingersoll 1991, p. 174).[4] In 1807, the first legislature of the Territory of Orleans passed a law limiting manumission to individuals over thirty years of age, unless they had saved the life of their slave-holder. Hanger argues that, removed from the moderating influence of the Spanish government, Louisianans were "fearful of slave unrest, and increasingly disposed towards Anglo racial attitudes." (p. 165) From 1807-1813, all seeking to manumit a slave were required to appear before the parish court. This became too burdensome, and in 1813 any officer of the peace could serve in the judge's stead. (Taylor 1963).

Yet these laws restricting manumission were only partially effective. Many contained exceptions and exemptions (Koltikoff and Rupert, for example, report that an 1830 law requiring manumitted slaves to leave the state allowed for an exception if three-fourths of a police jury voted for it; of the 1,770 slaves manumitted in their sample, not one was obliged to leave the state). Moreover, the spirit of such laws was legally evaded by the development of "benevolent slaveholding," whereby a free black (or white) would possess the title to a slave, but allow her to live as a free person. (Matison 1948). Finally, the laws were often simply ignored.

[4] Even as late as 1860, Louisiana's manumission rate was twice that of other southern states. (Findlay 1975). The legacy of the Spanish may be one reason. American settlers did not succeed in completely eliminating manumission. Indeed, Louisiana, in 1825, was one of three states to explicitly allow slaves to contract for their own freedom. (Matison 1948)

IV. Who Was Manumitted? How?

Slaves earned money for manumission in a variety of ways. Among the more unusual cases reported by anti-slavery advocates were those of Demark Vesey, who won the money for his manumission in a lottery, Burwell Mann, who circulated subscription papers among members of his white church, and George Horton, who earned money to purchase his freedom by selling customized love poems to students at the University of North Carolina for twenty-five cents each. Most common, of course, was labor as a means of earning the price of manumission. In Louisiana, an 1806 law required slave-holders to pay slaves for work on Sunday, though one can only speculate on the degree to which the law was obeyed. (Matison, p. 154-8).

In urban settings, skilled slaves hired their own time, earning wages from employers or customers, paying their masters a fixed rate, and keeping the difference. This helped reduce losses due to the principle-agent problem, and allowed slaves to earn "sizable sums" of money (Goldin 1976, p. 39). In rural settings, slave-holders sometimes allowed slaves to work outside "normal work hours" for monetary compensation, though of course these agreements were not enforceable. (Matison 1948). Instead of feeding and clothing rural slaves, masters sometimes provided plots of land which slaves could cultivate in their spare time; sale of this produce provided some resources for manumission. (Hall 2001).

Hanger provides an overview of Spanish manumissions, using notarial records of 1,921 manumissions. The majority were "gratuitous," though approximately 23% involved self-purchase. Women outnumbered men about two to one, and slaves of mixed African and European descent were overrepresented among manumisses. Finally young and old slaves were more likely to be manumitted than prime-aged slaves. (p. 28-30)

Beyond these descriptions, little is known of the details of manumission in New Orleans, particularly in the early American period. Because of their comprehensiveness, these data represent perhaps the most credible way of verifying historians' views of manumission.

The data confirm that institutions and attitudes governing manumission mattered. Figure 1 plots the number of manumissions and slave sales that took place from 1770-1820. A simple test, regressing the proportion of manumissions to slave sales on a constant and a dummy for US rule confirms that there were significantly fewer manumissions per slave sale under the U.S. regime: the number of manumissions per slave record fell by approximately two-thirds.[5] The real price of slaves also fluctuated throughout this time period: in section V, I show the change in government also resulted in a change in manumission prices.

This figure also provides assurance that bias from non-surviving documents may be minimal. From 1807-1813, the law required all manumissions be registered in parish court offices. Since the number of manumissions prior to and after this period is similar, we can be fairly confident the surviving manumission records in other periods are representative. (Note, too, that manumitted slaves would have every incentive to ensure their manumissions were well documented.)

Table 2 indicates how each of the 4,064 slaves achieved freedom between 1725 and 1820, in both New Orleans and rural Louisiana. Indeed, the prevalence of self-purchase or purchase by others is striking. While paid manumissions were important under the *coartación* system, they remained so in the U.S. regime: 40% of rural U.S. manumissions, and 30% of urban manumissions occurred either through self-purchase or purchase by other. (Ninety percent of the time, purchase by other means purchase by a relative.) While Koltikoff and Rupert report that 40% of the New Orleans manumissions involved free blacks, they ascribe this to the history of free African Americans in New Orleans. These new data indicate that self-purchase and purchase-by-others were important for manumission in rural areas as well, under both Spanish and U.S. rule. The commonly received view that paid manumission were rare in the American period is

[5] This regression gives a constant .099 (.0066), meaning about 1% of slave documents pre-US rule relate to manumission, while the dummy (-.071 (.012)) indicates only 0.3% of documents per year were manumissions. I use manumissions per slave sale rather than per capita because there are no annual census records.

correct: there were only 0.73 manumissions per 100 slave sales. The surprising fact is that paid urban manumissions were even more rare, with only 0.48 manumissions per 100 slave sales.

In both the Spanish and U.S. regime, the most common path to freedom was an outright grant by a living master or mistress. Why did masters free slaves? It is hard to imagine, in any other economic setting, forfeiture of so much wealth as the gratuitous manumission of slaves in the new world. While we cannot hope to understand all the complexities in the relationship between the owner and slave, the data can tell us what the owners thought was most important. To manumit a slave, the owner was typically prompted or required to give just cause. Table 3 lists the most common reasons given.

The prevalence of "good service" suggests that an incentive dynamic may have been important in as many as half of all manumissions in which there was no monetary payment. These proportions are nearly identical in urban and rural Louisiana. Appeals to (or denunciations of) the immorality of slavery were surprisingly rare: perhaps those uncomfortable owning slaves merely sold the slaves, rather than freeing them. Outright grants of manumission were least common during the summer months of July, August, and September (over the entire time period, approximately 88 manumissions occurred per summer month, while 113 per month occurred during the rest of the year.) The seasonal trend is similar to that reported for slave sales by Koltikoff (1979), who reported a lull in sales between July and September, as well as lower slave prices in the summer compared to the winter.

While freers typically did not admit to a blood relationship with the slaves they freed, family bonds were often a reason for manumission. Of the 2300 manumissions which were grants of freedom (by living masters, in wills, or at baptism), only 177 stated outright that the freed slave was a child of the master. However, the investigators were able to deduce from evidence in the documents and elsewhere that 582 freed slaves were likely children of masters. This represents approximately 41% of the cases in which a reason could be determined. A typical case is perhaps that of Genevieve, who in 1779 was freed along with her brother Nicolas, in Point Coupee, upon

the death of their master, Simon Macour. He recognized the children as his in his will: his widowed wife and their white son protested, but the slaves were freed nonetheless.

The importance of blood relations between freer and slave probably also accounts for the skewed age and sex distribution of manumitted slaves. Figure 2 graphs the age distribution of manumissions by gratuitous and purchased (left panel), as well as men and women. Infants were significantly over represented among gratuitous manumissions: many were children of the slave-owner. Similarly, prime-aged women were much more likely to be manumitted than men, probably both because their productive value was lower, and they were more likely to have been in intimate relationships with their owners.

We can also confirm that Southern manumission was largely an urban phenomenon, most prevalent among skilled workers (Matison 1948, among others). Seventy-six percent of manumission records originate from New Orleans (the only urban parish in Louisiana during before 1820), while only 57% of the slave records originate in New Orleans.[6] Restricting attention to manumission by self-purchase, this percentage climbs to 81%.

Historical accounts suggest that manumission was most prevalent among skilled workers, though too few manumission records contain information on skills to make detailed claims about skilled distributions. Table 1 indicates the percentage of documents which identified skills of slaves or freed men and women. Approximately 8.7% of the slave documents indicate some type of skill, while only 1.75% of the manumission documents do. The vast majority of listed skills are basic skills, such as domestic servant, or simply "laborer." Fifteen percent of the manumissive records, and 23% of the slave records, indicate the person had "medium" skills such as coach driver or cotton press operator, while 24% of the manumissive records and 17% of the slave documents listed artisan skills, such as carpenter or tailor. These skill distributions are similar to

[6] While the data are quite comprehensive, it is of course impossible to know the exact number of slaves present (or sold) in a given year. Since the methodology of collection of data for both the slave and free databases was identical, where it makes sense, I will use the number of records in the Slave database as a benchmark for examining the Free database. (One record represents the sale of a slave in the slave database, or a manumission in the free database).

those reported in Koltikoff and Rupert on a sample of 3,024 slave auction sales in New Orleans from 1804 to 1862.

Finally, freers often granted slaves conditional manumission, as detailed in table 4. Most common was the requirement that death of the master does the parting, but freers sometimes provided conditions such as further payment, or additional years of service.

VI The Price of Freedom

Did slaves who purchased their own freedom, or whose freedom was purchased by others (such as relatives), pay above their replacement cost? Economic theory suggests they may have: even if a slave were willing (and able) to pay her owner her replacement cost, the owner may be able to extract monopoly rents, as only the owner could supply a slave with freedom. Put another way, the act of granting a slave the ability to purchase freedom at her replacement price could have been a reward of low cost to the owner, but high value to a slave.

To shed light on the economics of manumission, I use data from 400 manumissions and 5,512 slave sales from the period 1770 to 1820. To ensure as accurate data as possible, I limit attention to slaves who were sold individually, and to slaves aged 30 and above. (For much of the time period, there were restrictions on manumitting slaves younger than 30 years old[7]. This also reduces the likelihood that the manumisses were related to the slave-holder).

The richness of the data allow for a relatively detailed pricing model, which is presented in Table 5. The estimated equation is,

$$price_{ipt} = \alpha_0 + \alpha_1 X + \beta * Manum + \theta_p + \gamma_t + \varepsilon_{ipt}$$

with log price on the left hand size, a set of controls X including a five-degree age polynomial, dummies for male, light color male, light color female, skilled (aged 30-40), skilled (aged 40+),

[7] This law is somewhat at odds with the facts: both Koltikoff (1980) and the Free Database describe the manumission of a large number of children. They were presumably purchased by or manumitted with their parents, thus satisfying the stated intent of the Louisiana restriction, which was to prevent slaves who would be unable to support themselves from being freed. The results presented do not change if all slaves are included, not just those over 30.

and eleven month dummies (September is omitted). I also include fixed effects for parish, θ_p, and year, γ_t. The coefficient of interest is β, the dummy for whether the sale was a manumission sale, rather than a regular slave sale. Column 1 presents the results of including the entire sample, 1770-1820. Manumission prices appear to have been statistically indistinguishable from normal prices; the value of the coefficient on manumission is .035.

However, the coefficient of .035 actually hides a significant structural break. The change in bargaining power, resulting form the end of the *coartación* system in 1803, may well have allowed slave holders to extract prices above market values. To test whether the manumission premium was affected by the loss of bargaining power, I include an interaction term for manumission after the U.S. assumption of power. The coefficient on the interaction term in column 2 suggests that slaves in the U.S. regime did indeed pay a premium over their market price, of approximately 17%. This result is statistically significant at the 1% level.

Columns 4 and 5 present the regressions run individually for the Spanish and U.S. regimes. To test for a structural break in the pricing model, I run a chow test:

$$price_{ipt} = \alpha_0 + \alpha_1 X + \alpha_2 * US * X + \beta * Manum + \beta_{US} * US * Manum + \theta_p + \gamma_t + \varepsilon_{ipt}$$

where US is a dummy for sales occurring under the U.S. regime. Since I have already established a break in the manumission premium, I compute the F-statistic for a Wald test of inequality of the coefficients on the other control variables, namely those in α_2. The p-value is less than .01, suggesting the structure of slave prices did change over time. In particular, the premium for male slaves increased, as did age-price profiles. (Individually, only the coefficient on gender and manumission are statistically significantly different from each other, but an F test of the age coefficients suggests the coefficients are significantly different at the 5% level.)

Evidence suggests the price of manumission increased, and slave owners were able to extract above market prices during U.S. rule. To confirm that this result is not a statistical artifact, I apply two additional techniques, randomization inference and matching on observables.

Randomized inference is a type of bootstrapping which allows for correct inference in the presence of serially correlated data. This is a useful test, because recent work by Bertrand et al. (2002) has demonstrated that difference-in-difference estimates such as the one presented here may give severely downwards biased standard errors due to serial correlation in both error terms and policy structure. The test involves a falsification exercise in which one randomly designates one third of the years as "treatment years," and estimates the manumission premium for the "treatment" years vs. the control years. (One-third is chosen because the U.S. period comprises one third of the time period studied). In 1000 simulations, there were 73 instances in which the manumission premium was higher than the OLS point estimate of .17. Thus, if there really were no difference in manumission prices between the two regimes, one would obtain a premium in the U.S. of .17 or greater approximately seven percent of the time. (See Bertrand et. al. for a detailed discussion of randomization inference).

Finally, I carry out an entirely different test of the null hypothesis, by estimating the manumission non-parameterically, using the technique of matching on observables. (Ruben 1979, Angrist 1998). This approach, particularly useful when one has a large number of observations, and a rich set of covariates, compares "treatment" individuals (manumisses) to control individuals (slave sales) who are observationally very similar. I partition the observations for both manumissions and slave sales into different cells, by (i) manumission or slave sale, (ii) sex, (iii) age (30-35, 35-45, 45-55, 55-65, 65+), (iv) origin (born in the "Old World," born in the New World and light skin, and born in the New World not light skin), (v) skilled or un-skilled, and (vi) time period (U.S. or Spanish Rule). I use the normalized price described in section II. I then compare the difference in sale price between slave sales and manumissions for the various

groups, and aggregate the difference. For example, unskilled male slaves aged 30-34, without "light skin," born in the New World, during the Spanish regime, are compared to a similar group

$$\hat{\alpha} = \sum_k \delta_k N_{mk} [\bar{y}_{mk} - \bar{y}_{sk}] / \sum_k \delta_k N_{mk}$$

of manumisses. Formally, where α_k is the estimated premium, δ_k is an indicator variable taking the value 1 if the cell contains both manumission and slave sales, N_{mk} is the number of manumissions in cell k, $\bar{y}_{mk}$ is the average manumission price for cell k, and $\bar{y}_{sk}$ is the average slave sale price for cell k.

This estimate is consistent under weak conditions: in particular, the true model need not be linear (Angrist, 2001). The results are presented in table 6. The results are quite similar to the results obtained by linear regression: there is no premium in the Spanish regime, while manumisses pay 20% above their observationally equivalent counterparts once the U.S. took over.

The results are robust to a variety of estimations techniques. Yet even the estimate of 15-20% may be an underestimate: after all, a significant number of manumission records indicate that manumission was granted at least in part as compensation for "good service." Recall also that approximately 10% of the manumissive records place some condition on manumission, such as additional service. Though these records were not included in the above analysis, it is certainly possible that some of the manumissions included in the analysis had additional, unrecorded, service requirements.

It seems unlikely that the manumission premium is driven by omitted factors (e.g., unobserved ability). Any explanation of systematic differences of manumitted slaves would have to explain why those differences appeared only after 1803. An additional check is to conduct the analysis including only the 98 slaves whose freedom was purchased by a relative (rather than self-purchase). The point estimates from that regression (not reported) is 9% during the Spanish

era, and 18% during the U.S. regime; while the standard errors are much larger, the U.S. premium is still significantly larger at the 6% level.

VII. Discussion

The evidence shows that hundreds of slaves, including rural slaves, were able to purchase their own freedom, often at prices above their replacement price. Why then, was manumission, so common in other slave systems,[8] so rare in the U.S.? An explanation advanced by Fenoaltea is that the threat of pain was such a powerful incentive to work in effort-intensive enterprises, that free labor could never be as productive as slave labor. Thus, a freed slave would never be able to compensate her master for the net present value of her labor.

However, this does not explain why manumission was so rare even for skilled slaves, or among slaves involved in care-intensive, non-skilled tasks (animal husbandry, domestic service, etc.) Race, or rather racism, seems to be a plausible explanation. On the demand side, manumission meant entering as a second-class citizen into a very racist society, in which earnings opportunities were significantly depressed. LeBlanc (1993) notes that many southern states appealed to model of Roman slavery, and did allow manumission. However, unlike in ancient Romae, which sought to integrate the freed slave, Southern society regarded freed salves as socially undesirable. Moreover, freed slaves were sometimes illegally returned to bondage. On the supply side, simple racism may have prevented owners from engaging in financially rewarding contracts. (Matison 1948)

But perhaps most important are the general equilibrium effects of manumission. Current literature is largely silent on this matter, particularly in the American South. If manumission were really an unsuitable incentive scheme, there would have been no need for U.S. states to have

[8] Indeed, Temin (2001) argues that manumission in ancient Rome was so prevalent that slaves were more or less integrated into a well functioning labor market, facing similar incentive structures to those of free laborers.

passed laws forbidding manumission, as six states did, or limiting its scope, as did many other states. (Matison 1948)

In fact, contemporary slaveholders, especially Americans, argued that manumission was a public "bad." A Louisiana court, ruling on manumission, argued that freeing of slaves threatened Louisiana's system of production, in 1856:

> Emancipation is considered to be a matter which concerns the state, inasmuch as its tendency is to substitute a free colored population for the system of compulsory labor, which involves to such a vast extent the fortunes of our citizens and production of our agricultural staples. (Henriette v. Barnes, La. An. 453, 454, cited in Wahl, 1997)

Manumission also carried important political implications. In a Union strongly divided over the morality of slavery, the presence of freed blacks in the South undermined the claim that "slavery was justifiable and necessary because Negroes were inferior beings and hence incapable of maintaining themselves as freemen." (Matison 1948). Simple racism may have also prevented masters from considering manumitting their slaves (Moes 1960); others thought the presence of some free blacks would give slaves unreasonable expectations of freedom, rendering them less productive workers. (Holland 1822, quoted by Matison 1948). Finally, many southerners feared slave revolts. Ulrich Phillips (1940) wrote:

> Many men of the South thought of themselves and their neighbors as living above a loaded mine, in which the negro slaves were the powder, the abolitionists the spark, and the free negros the fuse.

These fears, as well as commonly advanced claims about the "savage" and "inherently lazy" nature of slaves surely significantly influenced both the opportunities of free blacks, and slaveholders' preconceptions about the value of a manumissive contract.

VII. Conclusion

This study confirms the consensus view that manumission as an incentive would probably not have brought an end to the American system of slavery. It does, however, suggest that it is incorrect to simply dismiss manumission as a very rare, infeasible, or exclusively urban phenomenon. In Spanish Louisiana, a system of *coartación* provided a system of incentives to

slaves to work diligently, which made both the slaves and the masters better off. Indeed, I find that owners manumitting their slaves were compensated the fair market value of the slaves, which would have allowed the former owner to purchase a replacement. When the United States took over, the right of *coartación* was repealed, and the Spanish paternalist organization was replaced by one less sympathetic to the motives, character, and aspiration of slaves. This resulted in a precipitous drop in the number of manumissions. Still, hundreds of slaves were manumitted gratuitously as a reward for "good service." Owners willing to sell slaves into freedom appeared to exploit their monopoly position, and charged prices about 20% higher than market prices.

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Table 1: Summary Statistics in the Slave and Free Database

	Documents in ManumissionDatabase (N=4,060)		Documents in Slave Database (N=100,666)	
Age is coded	99%		96%	
Mean		20.0		17.8
Sex is coded	99%		90%	
%Women	63%		44%	
Race is coded	94%		90%	
% Black		57%		93%
% "Mulatto"		39%		6%
% other		5%		1%
Sale Price	36%		59%	
Document Type			100%	
Estate Inventory				27.5%
Estate Sale				3.7%
Non-Probate Sale				49.8%
Other				19.0%
Skill Indicated	1.7%		8.7%	
"Basic Skill"		66.2%		75.4%
"Medium Skill"		15.5%		23.1%
"Artisan"		23.9%		17.1%
Number of Documents:				
1770-1804		2606		29823
1804-1820		1296		58610

Table 2: Means of Manumission

Means of Manumission	New Orleans **1725-1804** (N=2272) (Slave sales=26909)	**1804-1820** (N=493) (Slave sales=32035)	Rural Louisiana **1725-1804** (N=707) (Slave sales=15147)	**1804-1820** (N=589) (Slave sales= 26575)
Living Master/Mistress	33.7	47.6	51.6	43.8
Self-purchase	19.5	14.9	10.3	8.3
Purchase by Other	22.2	16.5	11.2	25.0
Under will	15.1	9.7	13.3	11.5
Other	8.5	9.5	13.3	8.8
Missing / Unclear	1.1	1.8	0.3	2.6

Table 2: Means by which each of the slaves in the Free database were manumitted. Means were manually coded into ex-post categories. N gives number of manumissions; for comparison purposes, the number of slave sales in each region-period is also given

Table 3: Reasons for Manumission

	Manumission by living master (N=1624)	Manumission by Testament (N=554)	Example of Comments
No Reason Given	1031	401	
Service	511	85	Gratuitous for services given.
Affection	98	0	good services and love and affection
Moral	16	10	"For various motives moving my soul"
Related (declared)	44	6	his natural children baptised as free
Related (investigator)	393	6	Carlos Noel is probably the father.

Table 3 gives the reason slave holders gave when gratuitously manumitting slaves. Many jurisdictions required slave-owners to give "just cause" for freeing a slave.

Related (declared) indicates that the manumitter admitted to a blood relationship with the slave, while (investigator) indicates the investigator coding the document determined that it was likely that the manumiss was related to the slaveholder

TABLE 4: CONDITIONS ON MANUMISSION

Reason	Frequency	Examples
No condition, or condition not listed	3591	
After Death of Slave-Holder	201	"After death & burial of master" "After death of both masters"
After N Years More Service	69	"Freed at the end of 3 years" "Must serve 2.5 years more"
Upon Payment or More Money Required	62	"must pay 100 per year" "Pay p200 to estate"
Until Legal Age for Manumission	32	"Until 30 years of age" "treated as free till legal emancipation"
Other	100	"If master does not return" "kid must remain with mother"

Notes: Data are manually coded by author into ex-post categories, based on conditions recorded in Hall (2000)

Table 5: The Price of Freedeom

	Whole Sample		Spanish	US	Structural Break
	(1)	(2)	(3)	(4)	(5)
	1770-1820	1770-1820	1770-1803	1804-1820	
Male	0.18	0.18	0.13	0.21	***
	(0.01)	(0.01)	(0.03)	(0.02)	
Light Color Female	0.28	0.28	0.30	0.25	
	(0.05)	(0.05)	(0.10)	(0.05)	
Ligh Color Male	0.06	0.06	0.05	0.07	
	(0.04)	(0.04)	(0.08)	(0.05)	
African Origan	-0.11	-0.12	-0.11	-0.10	
	(0.02)	(0.02)	(0.03)	(0.03)	
Disease	-0.46	-0.46	-0.36	-0.51	
	(0.03)	(0.03)	(0.07)	(0.04)	
Artisan, aged 30-39	0.35	0.35	0.44	0.31	
	(0.05)	(0.05)	(0.09)	(0.05)	
Artisan, aged 40 and above	0.41	0.41	0.38	0.41	
	(0.06)	(0.06)	(0.12)	(0.07)	
Manumission	0.06	0.01	-0.04	0.19	***
	(0.03)	(0.03)	(0.04)	(0.06)	
US Period * Manumission		0.17			
		(0.07)			
age	6.03	5.88	14.17	-2.54	
	(10.27)	(10.27)	(17.32)	(12.81)	
age^2	-0.31	-0.30	-0.79	0.19	
	(0.57)	(0.57)	(0.95)	(0.71)	
age^3	8.26E-03	8.01E-03	2.32E-02	-7.06E-03	
	(1.65E-02)	(1.65E-02)	(2.76E-02)	(2.07E-02)	
age^4	-1.23E-04	-1.18E-04	-3.80E-04	1.37E-04	
	(2.66E-04)	(2.66E-04)	(4.42E-04)	(3.34E-04)	
age^5	9.50E-07	9.14E-07	3.26E-06	-1.36E-06	
	(2.24E-06)	(2.24E-06)	(3.72E-06)	(2.82E-06)	
age^6	-3.01E-09	-2.88E-09	-1.15E-08	5.38E-09	
	(7.76E-09)	(7.76E-09)	(1.28E-08)	(9.80E-09)	
Year Fixed Effects	Y	Y	Y	Y	
Month Dummies	Y	Y	Y	Y	
Praish Fixed Effects	Y	Y	Y	Y	
		Chow:	All Age Coefficients		***
			All Coefficients		***

The estimated model in column 1 is $price_{ipt} = \alpha_0 + \alpha_1 X + \beta * Manum + \theta_p + \gamma_t + \varepsilon_{ipt}$.
where X includes the controls: male, light color male, light color female, African origin, disease,artisan aged 30-39, artisan aged 40 and above, a five-year age polynomial, and month fixed effects. θ_p are parish fixed effects, and γ_t are year fixed effects. The dependent varaible is log price.
Column 2 includes an interaction term US * Manumission.
Columns 3 and 4 estimate the same regression on data from only the Spanish, and only the US periods, respectively. Three stars in column five to the right of the male and manumission coefficients indicate that the estimates from the Spanish period are significantly different than those from the U.S. at the 1% level. The Chow tests at the bottom of the table indicate the coefficients on the age polynomial are different across the two regressions, and that the null that the coefficient of all of control coefficients in a (that is, all controls except manumission, parish fixed effects, and year fixed effects) can be rejected at the 1% level.

Table 6: Matching

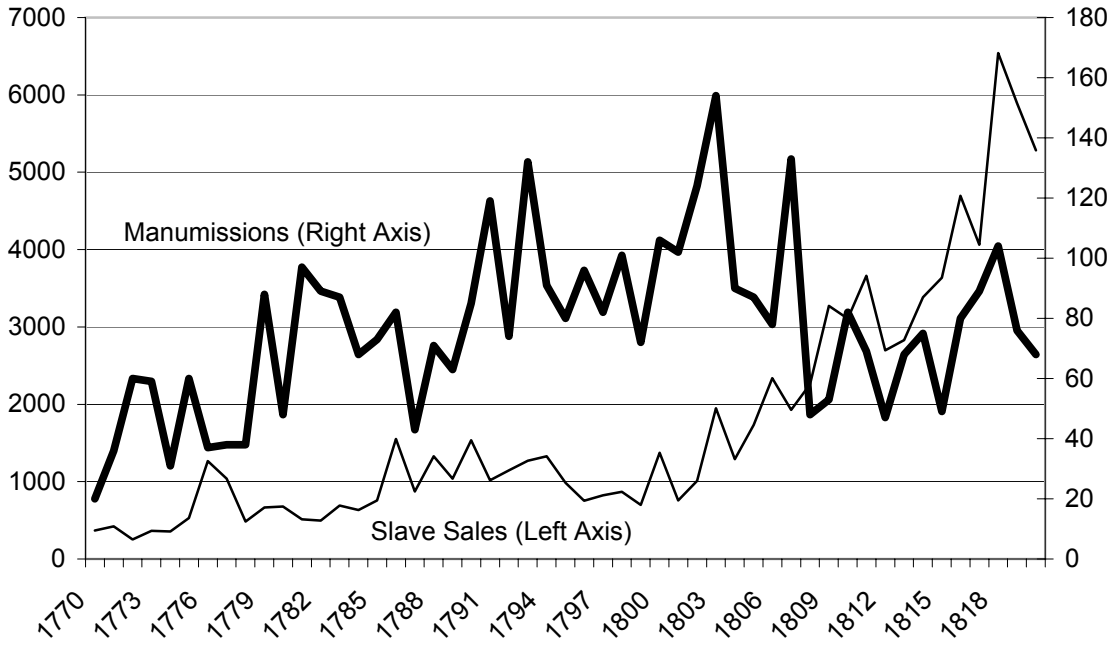
	Manumission Premium	N, Slaves	N, Manumissions
Entire Sample	0.018	4189	284
	(0.04)		
Spanish Regime	-0.035	1542	226
	(0.05)		
US Regime	0.223	2647	58
	(0.08)		

Table 6 gives the results from the matching estimator of Angrist (1998). In particular, the observations for both slave and manumission sales into different cells, by (i) manumission or slave sale, (ii) sex, (iii) age (30-35, 35-45, 45-55, 55-65, 65+), (iv) origin (born in the "Old World," born in the New World and light skin, and born in the New World not light skin), (v) skilled or un-skilled, and (vi) time period (US or Spanish Rule). The estimated manumission permium is then the average price difference between manumission sales and slave sales in each of the 60 resulting cells. Formally, the estimate is

$$\hat{\alpha} = \sum_k \delta_k N_{mk} [\bar{y}_{mk} - \bar{y}_{sk}] / \sum_k \delta_k N_{mk}$$

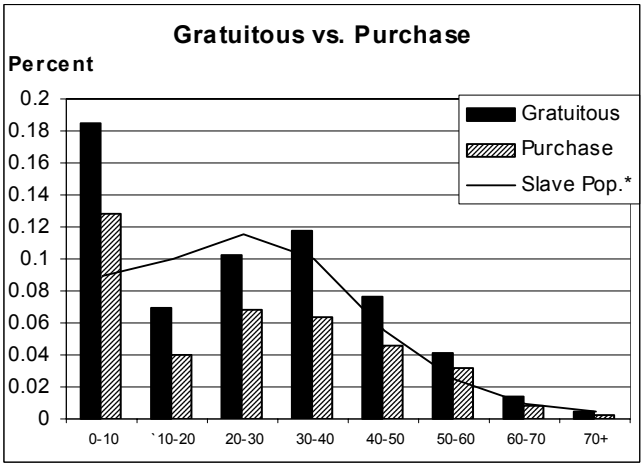
where α_k is the estimated premium is, δ_k is an indicator variable taking the value 1 if the cell contains both manumission and slave sales, N_{mk} is the number of manumissions in cell k, $\bar{y}_{mk}$ is the average manumission price for cell k, and $\bar{y}_{sk}$ is the average slave sale price for cell k.

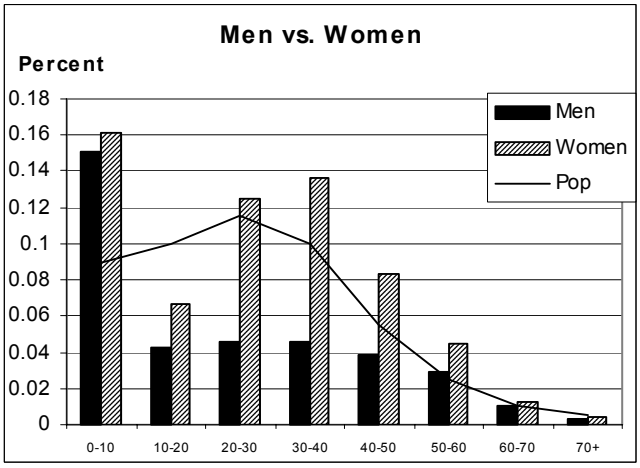
Figure 1: Slave Sales and Manumissions



Notes: Measure of records of manumission (right axis) and slave sales (left axis) preseng in the Hall (2000) database.

Figure 2: Distribution of Manumitted Slaves, by Sex and Means of Manumission





Source: Authors calculations from Hall (2000) database