

ABSTRACT:

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Enemies of People

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The Soviet regime forcedly resettled millions of enemies of the people, i.e. the educated elite considered a threat to the regime, to Gulag camps across the USSR. In this paper we use archive data to document this episode of terror, one of the cruelest in modern history. We then exploit this large-scale natural experiment to provide evidence on the long-run persistence of education across generations and its effect on economic development. We combine archive data from the Gulag with the 2018 Russian firm census to show that areas around camps with a larger share of enemies among camp prisoners are more prosperous today, as captured by firms' wages and profits, and night lights per capita. We also confirm using survey data that the descendants of enemies are more likely to be college educated.