

# Industrialization and the Spread of Nationalism in Prussia

Felix Kersting\*

Humboldt-Universität zu Berlin

June 30, 2017

## Abstract

This paper sheds light on the relationship between industrialization and the spread of nationalism, two of the most apparent developments in Germany before World War I. Therefore, I analyze the rise of the nationalist “Kriegervereine”, the biggest organization - in terms of membership - in Prussia between 1903 and 1913. Using a new data set on the county level, the results reveal that negative relation between industrialization and growth of the “Kriegervereine”. To address endogeneity issues, I use coal market potential as instrumental variable for the level of industry employment. The coal potential is based on geological data on the strata from the late carboniferous age. The results show strong evidence for a causal relationship between industrialization and the growth of the “Kriegervereine”. In addition, I find more specific evidence that the rise in nationalism can be seen in the light of the political economy of the 1<sup>st</sup> globalization and Max Weber’s call according to which a strong nationalist reaction was needed in those regions facing out-migration *and* minority issues.

---

\*I would like to thank Nikolaus Wolf, Ulas Karakoc, Fabian Hungerland, and Sibylle Lehmann-Hasemeyer for fruitful discussions and useful insights. The paper further benefited from participants’ comments at Berlin Colloquium for Economic History, 1<sup>st</sup> Workshop of CRC TRR 190 and 2<sup>nd</sup> German Economic History Conference. Iris Wohnsiedler provided excellent research support. Financial support by Deutsche Forschungsgemeinschaft through CRC TRR 190 is gratefully acknowledged.

# 1 Introduction

In the decades before World War I, industrialization and nationalism were two of the most apparent developments in Germany. Nationalism became more and more popular and radical, while at the same time Germany experienced its late and rapid industrialization. The literature in economic history has addressed only parts of this, e.g. protectionism (Lehmann 2010). Right at this point, I will start this paper by asking the following question: To what extent was the rise in nationalism a response to industrialization within Prussia? For answering this question, I rely on data on the “Kriegervereine”, the biggest civil organization which comprised more than three million members in Imperial Germany in 1913, as a proxy for nationalism. In comparison, all trade unions combined had 2.6 million members before WWI (Schneider 1989). After WWI, the “Kriegervereine” remained influential and, among other organizations, became a good predictor for membership in the NSDAP (Satyanath et al. 2017).

In the empirical analysis, my dataset is based on the reports published by the “Kriegervereine” which include the number of members at district level between 1903 and 1913. In this period, the average growth was 37%. To pinpoint the influence of industrialization, I use data on employment in industry sectors for every district. There might be, however issues of omitted variables, reverse causation or both. To address these concerns, I calculate a coal potential as an instrumental variable for every district based on the area from the late carboniferous age and contemporary knowledge on the availability of coal resources from 1913 similar to the approach by Fernihough & O’Rourke (2014).

My results show strong evidence for a causal relationship between industrialization and the spread of nationalism in the beginning of the 20<sup>th</sup> century. A declining share of industrial employment by one percentage point leads to higher growth of the “Kriegervereine” by 1.2 percentage points. In addition, I find no evidence that the results are driven by the big agricultural enterprises who were the big losers from the 1<sup>st</sup> globalization as shown by Lehmann (2010). The negative effect of industry employment, however, gives some evidence that the winners of the 1<sup>st</sup> globalization

showed a less strong nationalist reaction. Moreover, I find evidence for Max Weber’s call according to which a strong nationalist reaction was needed in those regions facing out-migration *and* minority issues.

With this paper, I can contribute to four strands of literature. One branch studies different determinants of political extremism, e.g. import competition (Dippel et al. 2017, Autor et al. 2016, Colantone & Stanig 2017), economic crises (Funke et al. 2016, de Bromhead et al. 2013), and migration (Becker & Fetzer 2016). With this analysis, I am able to add structural change as an important determinant that has been largely neglected in the literature. Second, I am able to add another indicator for nationalism. Instead of relying on voting patterns as done in many studies (Funke et al. 2016, Autor et al. 2016, Becker & Fetzer 2016), I use the “Kriegervereine” as an indicator for nationalism and political extremism grounded in everyday life. This gives a more solid indicator for a nationalist orientation than voting behaviors that might be driven by protest voting. In addition, in the field of economic history the most common indicator for nationalism is protectionism (Lehmann 2010). However, nationalism is not just about trade policy, instead it also implies militaristic and discriminatory behavior beyond trade. These elements are captured by analyzing the “Kriegervereine”. Third, I am able to contribute to economic studies on nationalism, e.g. the theoretical paper by Alesina & Reich (2015) on nation building and the empirical analysis by Cinnirella & Schueler (2016) on the role of spending in education on the spread of nationalism. In contrast to these studies that understand nationalism as a top-down process with the implicit assumption of manipulation, I take a bottom-up perspective and, thereby, follow the work from historians (Vogel 1997, Eley 1991) and a recent study in economics by Suesse & Wolf (2017). Fourth, I can contribute to the new literature on the dark side of social capital. So far, Satyanath et al. (2017) studied the effects of the dark side of social capital. Instead, I will ask for the reasons why the dark side of social capital becomes more attractive.

The remainder of this study is structured as follows: In the next section, I will describe the historical background of the “Kriegervereine”. In section III, I will describe the dataset. Section IV provides the OLS and IV results. Section V discusses

potential explanations. Chapter VI concludes.

## 2 The “Kriegervereine”

Nationalism in Imperial Germany became increasingly popular and radical after 1890 (Conrad 2010). Civil organizations were the most important medium for this spread of nationalism (Walkenhorst 2007, p.14). The prominent ones were the “Alldeutscher Verband” (Pan-German League), the “Ostmarkenverein” (German Eastern Marches Society), the “Flottenverein” (Navy League), the “Wehrverein” (Army League) and the “Kriegervereine” (Veterans Organizations). Except for the latter, these organizations were mainly based on nationalism from above. The underlying assumption for this kind of nationalism is that broad masses can be manipulated. In this way the elites aimed to divert attention from internal political tensions, e.g. the classic interpretation of the historians Kehr (1930) and Wehler (2006). In order to understand what drove the popularity of nationalism on a small-scale level I aim to take a closer look at nationalism from below. Unlike the “Alldeutscher Verband” and similar organizations and in spite of their enormous size, the “Kriegervereine” were often forgotten in the historical literature. Exceptions are the dissertation by Rohkrämer (1990) and some articles (Düding 1986, Saul 1969).

The “Kriegervereine” are a striking example for nationalism from below, as their foundations are rooted in the everyday life of the German population. Their members were men who chose to join the “Kriegervereine” after their compulsory military service.<sup>1</sup> The first “Kriegervereine” were founded in 1786 after Frederick the Great died (Elliot 1975), but they started to become popular just after the German unification in 1871 (Rohkrämer 1990) and became important multipliers of nationalism (Walkenhorst 2007, p.44). Most members belonged to the lower middle classes, while the upper middle classes mainly filled the leading positions (Rohkrämer 1990). More precisely, peasants, commercial workers, and artisans represented each roughly 25%, whereas civil servants and clerks made up a total of almost 20%. Overall the upper classes were underrepresented (Rohkrämer 1990). In 1899, the umbrella organization

---

<sup>1</sup>Only men were members. This is typical for the traditional gender roles that went hand in hand with nationalism in the 19<sup>th</sup> century (Frevert 1996).

“Kyffhäuser Bund” was founded with official support of the monarch.<sup>2</sup> They became the biggest organization in Imperial Germany with almost three million members in 1913. Thereby, the “Kriegervereine” surpassed even the size of the trade unions. Following the concept of social capital (Bourdieu 2011) and the empirical analysis by Satyanath et al. (2017) who use networks of associations as indicator for social capital, membership in the “Kriegervereine” could be seen as “dark side” of social capital. In every administrative district, several local groups were active and played an active and important role in daily life by participating in parades. Hence, good relations to the veterans’ organizations and especially the membership in them were social capital on a local level with official support of the monarch.<sup>3</sup> In the Weimar republic, the “Kriegervereine” remained influential and were in favor of a “War of Rectification” (Elliot 1975).<sup>4</sup> Satyanath et al. (2017) show that in cities with more people engaged in civil organizations including the “Kriegervereine” people overproportionally joined the NSDAP. In addition, there were more votes for right wing parties in those regions with more war veterans from WWI (Koenig 2015). Both studies show the political effects of the “Kriegervereine” in the Weimar republic. However, little is known about the reasons why the “Kriegervereine” became popular. Before analyzing the reasons, let me present three main reasons whereupon the “Kriegervereine” were instrumental for the spread of everyday nationalism, namely their favorable positions regarding the importance of the military, their strong link to the nation state and effective use of nationalist elements and traditions to foster popularity, described in more detail below.

First, they strongly supported the military and its immense importance in line with wide spread political claims of that time. In their beliefs, war was deemed natural and the military operated as the “school of the nation” (Düding 1986). There-

---

<sup>2</sup>Initial reason for the umbrella organization “Kyffhäuser Bund” was to build a monument for Emperor Wilhelm I in the Kyffhäuser Mountains (Düding 1986) based on an old myth according to which emperor Barbarossa and his followers would sleep and would awake at some time to build a new empire. This myth was often linked to the German unification of 1871. Thus, the name of the umbrella organization might be termed as an “invented tradition”.

<sup>3</sup>An illustrative example for the material profits of social capital is the protagonist Diederich Heßling in the novel “Der Untertan” (Man of Straw) by Heinrich Mann, who tries to get more votes for the nationalistic candidate in the election with the help of the “Kriegervereine” (Mann 1969, p.118f.).

<sup>4</sup>Their position towards the Nazis was at least ambivalent, see for further details Elliot (1975).

fore, the local “Kriegervereine” regularly met for shooting exercises on Sundays to strengthen their militaristic expertise. In addition, a younger generation wanted to step out of the shadows of the veterans (Rohkrämer 1990). Thus, this generation conflict further increased the militaristic orientation.

Second, the “Kriegervereine” had a strong link to the nation state manifesting itself in an oath on the emperor they had to give during their military service which applied for the rest of their life (Düding 1986). Furthermore, the “Kriegervereine” got the privilege to participate in the front rows of public events (Vogel 2000), e.g. to celebrate the German unification from 1871 on January 18 each year. Throughout the time between 1871 and 1914 they ensured that the unification of 1871 was of tremendous importance to the German population (Kocka 2001, p.81) and thereby supported the spread of nationalism in Germany. This support for the nation is one reason why Emperor Wilhelm I called them “die zweite Armee im Bürgerrock” (Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände 1907, p.67). Despite this strong link to the nation state, the politicization, e.g. concerning the politics on a national level in form of opposition against the social democrats, was less successful than expected and intended (Saul 1969). On the contrary, the nationalist support of the nation on a local level seemed to be of major importance. Vogel describes this as a folkloristic militarism with a “chiefly apolitical popular enthusiasm for the military” (Vogel 2000, p.488). Nevertheless, the “Kriegervereine” supported the nationalistic candidates during election campaigns (Düding 1986).

Third, the “Kriegervereine” made use of the typical nationalist elements to foster their everyday popularity. They organized many parades, were obsessed with flags and building monuments, e.g. the famous Kyffhäuser monument. Parades and monuments are part of what Hobsbawm (1993) describes as “invented traditions”. Furthermore, the “Kriegervereine” provided support for the funerals of their members. In addition, they used mass media effectively on a local level that fits to the nationalism in that time (Anderson 1991, p.161). For instance, the “Kyffhäuser-Korrespondenz”, which provided articles printed in small local newspapers, was successful. The central organization of the German industrialists gave financial support because of the anti-social democratic positions. The articles were read by

millions of people (Saul 1969).

Summarizing, there is strong evidence that the “Kriegervereine” are a good indicator for a form of nationalism that is rooted in the everyday life of millions of people in the decade before WWI in Germany

### 3 Data

In the following, I will describe the different sources used as well as the steps that were necessary to compile dataset. An overview of variables and sources is given in Table 1. My dataset is restricted to Prussian counties. This sample offers three main advantages: First, it picks up large variation in terms of economic development between the counties. Whereas especially the eastern parts were mainly dominated by agriculture, some areas such as Silesia and the Ruhr area established themselves as new industrial centers. Second, the data availability is better in comparison to Imperial Germany. Third, the focus on Prussia limits the effect of institutional variation as a confounding factor, as the institutional framework across all regions was nearly identical.

The annual reports of the “Kyffhäuser-Bund” were the main source of regional data on the “Kriegervereine”.<sup>5</sup> These reports are available for all years between 1900 and 1916 and I am not aware of any other publication that has used this data before. Information on the number of organizations and members on the level of administrative district were only given in every second year due to financial limits of the “Kyffhäuser-Bund”. I argue that in comparison to other indicators for nationalism, like voting results, information on membership numbers of the “Kriegervereine” is a stronger indicator of actual behavior and commitment to nationalist views.

For the analysis, I use the data for 1903 and 1913 because this allows me in combination with the control variables to build a data set covering the growth of the

---

<sup>5</sup>The “Kyffhäuser-Bund” published a chronicle for the years between 1871 and 1905 (Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände 1908). However, this chronicle only includes regional data and does not include disaggregated data at county level. The overall growth between 1871 and 1913 was immense. In 1875, the “Kriegervereine” had around 100.000 members. 40 years later, it were 3 million members. However, due to the high aggregation level especially for Prussia and many missing data points, I did not go into a further analysis of this data.

“Kriegervereine” in the decade before WWI.<sup>6</sup> Unfortunately, the census data is only available for 1900 and 1910. For this reason, I do not construct a panel data set. For a detailed analysis, it is necessary to match data on the “Kriegervereine” with official statistics. The data in the reports from the “Kyffhäuser-Bund” is mainly at the level of official administrative districts. Nevertheless, in some cases it is necessary to combine two or more districts, as the reports from the “Kyffhäuser-Bund” gave information only for two or more districts together. This is the reason why every district separated into one rural and one urban district had to be combined. A detailed list for each governmental district is provided in the appendix in Table 2. The analysis at this level is possible for 425 regional units. This number is comparable with other studies of this time (Lehmann-Hasemeyer & Streb 2016). Map 1 illustrates the growth rate of the share of members in the “Kriegervereine” for the decade before WWI. I calculate the growth rate by controlling for population growth.

$$\Delta KV_i = \frac{Pop_{1903}}{Pop_{1913}} \cdot \frac{KV_{1913} - KV_{1903}}{KV_{1903}} \quad (1)$$

The regions in the East reveal the highest growth rates with more than 100% between 1903 and 1913, especially in the provinces West and East Prussia. Especially regions in the center of Prussia show a much smaller increase of up to 25%. In some regions the share of members in the “Kriegervereine” even shrink.

[Figure 1 about here]

Concerning employment in industry, I rely on the employment census from Kaiserliches Statistisches Amt (1897). This census includes a detailed information for different sectors. For the purpose of this article, I summarize all industrial sectors, e.g. chemistry and mining, and divide by the population in the district. Thereby, I have a measurement for industrialization. Map 2 shows the industrial center in the Ruhr area, Silesia and Saxony. Especially the eastern part, many districts have only a small share in industry employment.

---

<sup>6</sup>I do not use the data for 1901 because it covers the regions in the East only at an aggregated level. Thereby, I would lose many observations.



[Figure 2 about here]

## 4 Empirical analysis

### OLS setting

To analyze the relationship between the growth in membership of the “Kriegervereine” and industrialization, I use the following baseline specification.

$$\Delta KV_i = \alpha + \beta \text{Share Ind}_i + \gamma X_i + \epsilon_i \quad (2)$$

I aim to explain the change in members in the “Kriegervereine” controlling for overall population,  $\Delta \text{Share KV}_i$ . The independent variable is employment industry 1895 relative to the population in 1895,  $\text{Share Ind}_i$ . As a robustness check, I run all regression with the employment statistics from 1907. This does not lead to a change in my results. In addition, I include several controls,  $X_i$ , explained in Table 1, to control for population, urban population, religion, language, military sites, and distance to border. Thereby, I can control for differences between rural and urban areas and the ongoing social conflicts concerning minorities and religion as well as for potential border effects. The summary statistics are provided in Table 3. For all following OLS and IV specifications, I use cluster robust standard errors at the level of “Regierungsbezirke”.

[Table 4 about here]

The results in Table 4 reveal strong support for a correlation between industry employment and the growth of the “Kriegervereine”. The first column shows that an increase of industry employment by one percentage point on average goes c.p. along with a slower growth of the “Kriegervereine” by almost one percentage point. Including several control variables does not lead to substantial changes in the coefficient of industry employment. The share of urban population, Protestants, German people and active military persons show no statistically significant effect. In terms of statistical significance, the effect of industrialization is the dominant one.

## IV setting

However, there might be issues of omitted variables, reverse causation or both. For instance, there might be less industry employment due to strong nationalist activities. To rule out these possibilities, I use coal potential as an instrumental variable for industrial employment similar to the approach by Fernihough & O'Rourke (2014) who use distance to the next carbon area as an instrumental variable for industrialization in Europe. Coal is often found in strata from the late carboniferous age. Thus, coal potential can be understood as an exogenous indicator for the coal availability.<sup>7</sup> By using information on the carbon area Fernihough & O'Rourke (2014) show that the availability of coal drove the geographical spread of the early industrialization in Europe. Therefore, it seems plausible to use this information as an instrumental variable for industrialization. In difference to Fernihough & O'Rourke (2014), coal potential captures the amount of carbon area shown in Map 3. Similar to the concept of market potential (Redding & Venables 2004, Kopsidis & Wolf 2012), I construct coal potential based on distance and geological data alone. To measure the coal potential of a district, I calculate for every unit of observation the area linked to the late carboniferous geological strata based on the 1:5 Million International Geological Map of Europe and Adjacent Areas (IGME 5000) (Asch 2005) shown in Map 3.

[Figure 3 about here]

There are five regions with strata from this geological age: Ruhr, Saar, Aachen, Saxony, Silesia. For my calculation, I include the carboniferous strata in all parts at county level of Imperial Germany. Furthermore, I weight the carbon area by contemporary knowledge on the availability of coal deposits. The main reason for this is that the information on the carbon area from the IGME 5000 does not reveal any information on the quality of the coal. Therefore, I weight the carbon area with the estimates from Bärtling (1926). These estimates on the coal deposits cover more

---

<sup>7</sup>A close examination of the IGME 5000 map and a contemporary geological map from 1870 (von Dechen 1869) shows many similarities. However, the contemporary map does not allow to compute the areas attached to different geological strata, but only to construct a dummy variable for each district. Nevertheless, the map by von Dechen (1869) map shows that the knowledge about coal based on geological information was spread in the late 19th century.

than 90% of the carbon area from Asch (2005). These considerations result in the following calculation:

$$CP_i = \sum_{j=1}^n \frac{\text{carbon area}_j \cdot \text{coal deposit}_j}{\text{distance}_{ij}} \quad (3)$$

Where  $i$  is the district of interest and  $j$  all districts,  $j = 1, \dots, n$  including  $i$ . Map 4 shows a high coal potential for the regions around Breslau and the Ruhr area. The coal potential is lowest in the northeastern parts of Prussia. A visual comparison with Figure 2 on industry employment confirms the expected positive correlation between coal potential and industry employment. However, the regions around Berlin, Kiel and other urban regions without access to coal also show high industry employment and, therefore, limit the power of the instrument.

[Figure 4 about here]

For my empirical analysis, I use the presented instrument as part of the following two-stage estimation which aims to explain the effect of industry employment on the growth of the “Kriegervereine” between 1903 and 1913.

$$\text{Share Ind}_i = \alpha + \beta CP_i + \gamma X_i + \epsilon_i \quad (4)$$

$$\Delta \text{Share KV}_i = \alpha + \beta \hat{\text{Ind}}_i + \gamma X_i + \epsilon_i \quad (5)$$

The results are shown in Table 5. In the first stage, we find a positive and statistically significant effect of coal potential on industry employment. Moreover, the F-Statistic of weak instruments allows rejecting the null hypothesis that the maximum relative bias due to weak instruments exceeds 5%. The second stage gives evidence for a strong causal relationship between net migration and the growth of the “Kriegervereine”. The coefficient is similar to the one in the OLS specification. An increase in industry employment by one standard deviation leads to an decrease of the growth of the “Kriegervereine” by 18%.

[Table 5 about here]

As one further robustness check for the instrumental variable estimation, I use only the area of the late carboniferous age and leave out the contemporary estimates on

coal resources. The results are shown in the appendix in Table 6. This specification also supports my argument. More precisely, the coefficient for the instrumented industry employment gets larger and stays statistically significant.

Given these results, it is important to discuss whether the requirements of the IV approach are fulfilled (Angrist & Pischke 2015). The robust coefficient in the first stage gives evidence that the instrument has a significant effect on the industry employment. The exclusion restriction would be met, if the effect of coal potential only went through the channel of industry employment. Are there any other reasons for which coal potential might matter for growth of the “Kriegervereine”, except through industrialization? It is unlikely because coal potential especially matters for industrialization and besides that has little other use.<sup>8</sup> The independence assumption requires that the instrument is randomly assigned and not correlated with omitted variables. As coal potential is purely based on geological information, it is unlikely that this is driven by an omitted variable.

## 5 Explanations

So far, the results give strong evidence for a causal relationship between industry employment and the growth of the “Kriegervereine” in the decade before WWI. In this section, I aim to explore explanations for reasons to join the „Kriegervereine“ in less industrialized regions and not to choose the „Kriegervereine“ in industrialized regions. As potential explanations, I will discuss the political economy of the first globalization, Weber’s call for a nationalist reaction in those regions with a declining share of Germans and a negative net migration and a divide between urban and rural regions.

### Political Economy of the 1st Globalization

The well-known Heckscher-Ohlin narrative could be seen as one potential explanation for the growth of the “Kriegervereine” and thereby provide an economic ratio-

---

<sup>8</sup>Moreover, the similar coefficients of the OLS and IV regression indicate that there is no over-identification.

nale for the spread of nationalism. There is no doubt that the industrial sector was one of the winner's during the first globalization. The openness and competitiveness of this sector grew. Lehmann (2010) showed that those regions with a high share of workers employed in industries with a negative trade balance voted more likely in favor of protectionist parties in the 1870s. This was particularly the case for regions with a high share of big agricultural enterprises. To control for this reasoning, I include the share of the area covered by big agricultural enterprises. Thereby, I am able to include those regions that lost especially in the first wave of globalization. Table 7 in the appendix shows the results: The coefficient for this variable is positive, but not statistically significant. Thus, I cannot find direct evidence for the explanation Lehmann (2010) offered for the 1870s. However, the robust coefficient for industry employment in Table 5 can be understood as evidence that regions that won due to the first globalization show a less nationalist reaction similar to the empirical evidence for recent periods (Autor et al. 2016, Dippel et al. 2017). Given this quantitative evidence, the positions from the "Kriegervereine" on economic issues further support these results. The "Kriegervereine" aimed to protect the people against the ongoing industrialization (Rohkrämer 1990, p.225). Instead, they favored a traditional life style and supported protectionist trade policies. Thus, it seems plausible that the "Kriegervereine" were more popular in regions that did not benefit from the globalization similar to findings for the present (Dippel et al. 2017, Autor et al. 2016, Colantone & Stanig 2017).

## **Weber's Call**

As a second explanation, I propose to test a mechanism suggested by Max Weber. In his inaugural lecture in Freiburg 1895, Max Weber (1993a) called for a nationalist reaction in those regions with ongoing out-migration *and* minority issues. The migration patterns in the eastern part of Germany were of particular interest to nationalists in Germany. Due to a lack of success of a "German India in Africa" or establishing a big colonial empire in overseas territories, nationalists focused on a German colony in the East (Conrad 2010, Ther 2004). Thus, an outflow of German people in that area was perceived as danger for this imperial idea. In several speeches

in the 1890s, Max Weber was a proponent of this thinking, describing Polish people as animals (Weber 1993*b*, p.340) and the Eastern region as a German colony (Weber 1993*c*, p.123). In his inaugural lecture, Max Weber (1993*a*) judged this development as danger for the German nation. For him, the ongoing modernization in rural areas led to bigger agricultural businesses that employ more Polish seasonal workers. However, Weber links this development with racial differences between German and Polish people in terms of adaptability. According to Weber, the Polish people were able to adapt better to bad circumstances and thereby were responsible for the outflow for German people.<sup>9</sup> The solution according to this racist “displacement theory” (Bade 1980) was to foster social mobility of the German part of society within these regions by supporting them to acquire agricultural property and fostering the social and patriotic ties within these regions.<sup>10</sup> In addition, Max Weber was also in favor of more rigorous border controls. Similarly, the “Kriegervereine” strongly opposed these migration patterns and saw the Polish minority as a public enemy (Deutscher Kriegerbund 1903). In their newspaper “Parole”, the Deutscher Kriegerbund (1904) described internal migration as a “lethal disease” for the German nation. Instead of moving to the cities with the danger of moral decline, they were in favor of living in the countryside, if possible with own private property (Deutscher Kriegerbund 1901). Regarding migration and the Polish minority, there seem to be striking similarities between the “Kriegervereine” and Max Weber.

To test Weber’s call, I include a Weber dummy for those regions that face a negative net migration, a declining share of German speaking people and have at least 10% non-Germans in 1900. Map 5 shows that this - as expected - especially applies to some regions in the East. The econometric results are given in Table 8. By including this Weber dummy as well as the separate variables for net migration, change in German speaking people and non-Germans, I find evidence for Weber’s call. More

---

<sup>9</sup>In addition, he argued against the Prussian “Junker” because they employed the seasonal workers.

<sup>10</sup>On the level of the nation state, the “Reichsansiedlungsgesetz” from 1886 was implemented to improve the share of German people in the eastern regions - mainly in Posen and Westpreußen - by buying land from Polish people. Also the “Kriegervereine” had a very small and unsuccessful program for settler by buying old manors and land (Rohkrämer 1990, p.223-228). Overall, the success of the program was rather limited. After 1900, the Prussian settlement commission bought mainly land from German people (Eddie 2009). In addition, the extent of the program was too small to change the majority in favor of the German speaking population.

precisely, we find a stronger growth of 17 percentage points in “Kriegervereine” membership in the regions Weber was talking about amounting for more than one third of the standard deviation of the growth of the “Kriegervereine”. However, the direct effect of German speaking people, net-migration and change in German speaking people is insignificant. Thus, the effect seems to be driven by the interaction.<sup>11</sup>

[Table 8 about here]

As a further robustness check, I include a dummy variable for those regions, mainly Westpreußen und Posen that belonged to Poland before the Polish partitions in 1772. It seems plausible that the underlying effect of Weber’s call is driven by the history of the partitions. Interestingly, Ostpreußen was not part of the Polish Empire in the 18<sup>th</sup> century, therefore I have some variation within the regions Weber was concerned about. The results in Table 9 indicate that there is no additional effect due this variable. Thus, the effect of Weber’s call is not driven by past borders, instead it’s about the socio-economic developments in the the early 20<sup>th</sup> century.

[Table 9 about here]

## **Lack of other social identities**

Furthermore, one could argue that the result is driven by a divide between urban and rural areas in terms of social identities. Shayo (2009) theoretically showed that a spread of nationalism depends on the “perceived distance” to other social identities, e.g. trade unions. If this distance is high, the model predicts a faster spread of nationalist identities. Applying this to Prussia, one has to bear in mind that people in rural areas had no rights to form trade unions or to go on strike. This was changed only after WWI (Bade 1980). Thus, the “distance” to other social identities is higher in rural areas. Considering this, it seems worthwhile to control for membership in trade unions as shown in Map 6. In Table 10, we do find evidence in the OLS specification that membership in trade unions has a negative impact on the growth of the “Kriegervereine”. However, this effect cannot be found in the IV

---

<sup>11</sup>In the appendix in Table 11, I excluded the Weber dummy. In this specification, the effect of the single parameters remains insignificant.

specification. Thus, there seems only weak evidence for an additional effect due to a lack of other social identities in rural areas.

[Table 10 about here]

## 6 Conclusion

Summarizing let me stress five main results. First, the “Kriegervereine” are a new and valid form for measuring nationalism. Using data on the “Kriegervereine” I am able to capture everyday nationalism before WWI. Second, an IV regression framework is employed to show strong evidence for a causal relationship between the share of industrial employment and the growth of the “Kriegervereine” in the decade before WWI. Third, there is support for the significance of Weber’s hypothesis. Regions with a declining share of German speaking people, a substantial share of minorities and a negative net migration show a substantially higher growth rate of the “Kriegervereine”. Fourth, there is evidence that the political economy of the 1<sup>st</sup> globalization is at work as well, namely that losing regions tend to show a stronger nationalist response. Fifth, I can find weak evidence for a divide between urban and rural regions.



## 7 Bibliography

- Alesina, A. & Reich, B. (2015), Nation Building, NBER Working Paper No. 18839.
- Anderson, B. (1991), *Imagined Communities. Reflections on the Origin and Spread of Nationalism*, Verso, London.
- Angrist, J. D. & Pischke, J.-S. (2015), *Mastering 'Metrics: the Path from Cause to Effect*, Princeton University Press, Princeton [NJ].
- Asch, K. (2005), *The 1:5 Million International Geological Map of Europe and Adjacent Areas*, German Federal Institute for Geosciences and Natural Resources (BGR), Hannover.
- Autor, D. H., Dorn, D., Hanson, G. H. & Majlesi, K. (2016), Importing Political Polarization? The Electoral Consequences of Rising Trade Exposure, CEPR Discussion Paper No. 11511.
- Bade, K. (1980), 'Massenwanderung und Arbeitsmarkt im deutschen Nordosten von 1880 bis zum Ersten Weltkrieg. Überseeische Auswanderung, interne Abwanderung und kontinentale Zuwanderung', *Archiv für Sozialgeschichte* **20**(1), 265.
- Becker, S. & Fetzer, T. (2016), Does Migration Cause Extreme Voting?, CAGE Working Paper No. 306.
- Bourdieu, P. (2011), The Forms of Capital, in I. Szeman & T. Kaposy, eds, 'Cultural Theory. An Anthology', Wiley-Blackwell, Hoboken [NY], pp. 81–93.
- Broesike, M. (1907), 'Die Binnenwanderung im preussischen Staate. Mit drei Tafeln graphischer Darstellungen', *Zeitschrift des Königlich-Preussischen Statistischen Landesamts* **46**(1), 1–62.
- Bärtling, R. (1926), Der deutsche Kohlenbergbau, in K. Borchardt, ed., 'Handbuch der Kohlenwirtschaft. Ein Nachschlagwerk für Kohlenerzeuger, Kohlenhändler und Kohlenverbraucher', Die Kohlenwirtschaft Verlagsgesellschaft, Berlin, pp. 29–48.
- Cinnirella, F. & Schueler, R. (2016), Nation Building: The Role of Central Spending in Education, CESifo Working Paper No. 6103.
- Colantone, I. & Stanig, P. (2017), The Trade Origins of Economic Nationalism: Import Competition and Voting Behavior in Western Europe, BAFFI CAREFIN Centre Research Paper No. 2017-49.
- Conrad, S. (2010), *Globalisation and the Nation in Imperial Germany*, Cambridge University Press, Cambridge.
- de Bromhead, A., Eichengreen, B. & O'Rourke, K. H. (2013), 'Political Extremism in the 1920s and 1930s: Do German Lessons Generalize?', *The Journal of Economic History* **73**(2), 371–406.

- Deutscher Kriegerbund (1901), ‘Der Zug in die Stadt’, *Parole* **25**(16), 1.
- Deutscher Kriegerbund (1903), ‘Ansprache des Prof. Dr. Westphals, 1. stellvertretender Vorsitzender des Deutschen Kriegerbundes’, *Parole* **27**(58), 4.
- Deutscher Kriegerbund (1904), ‘Die überseeische Auswanderung’, *Parole* **28**(3), 1–2.
- Dippel, C., Gold, R., Heblich, S. & Pinto, R. (2017), Instrumental Variables and Causal Mechanisms: Unpacking the Effect of Trade on Workers and Voters, UCLA Mimeo.
- Düding, D. (1986), Die Kriegervereine im Wilhelminischen Reich und ihr Beitrag zur Militarisierung der deutschen Gesellschaft, in J. Dülffer & K. Holl, eds, ‘Bereit zum Krieg. Kriegsmentalität im Wilhelminischen Deutschland 1890-1914’, Vandenhoeck & Ruprecht, Göttingen, pp. 99–121.
- Eddie, S. M. (2009), The Prussian settlement commission and its activities in the land market, 1886-1918, in R. L. Nelson, ed., ‘Germans, Poland, and Colonial Expansion to the East. 1850 through the Present’, Palgrave Macmillan, New York [NY], pp. 39–63.
- Eley, G. (1991), *Reshaping the German Right. Radical Nationalism and Political Change after Bismarck*, The University of Michigan Press, Ann Arbor (MN).
- Elliot, C. (1975), ‘The Kriegervereine and the Weimar Republic’, *Journal of Contemporary History* **10**(1), 109–129.
- Fernihough, A. & O’Rourke, K. H. (2014), Coal and the European Industrial Revolution, NBER Working Paper No. 19802.
- Frevert, U. (1996), Nation, Krieg und Geschlecht im 19. Jahrhundert, in M. Hettling & P. Nolte, eds, ‘Nation und Gesellschaft in Deutschland’, C.H. Beck, München, pp. 151–170.
- Funke, M., Schularick, M. & Trebesch, C. (2016), ‘Going to extremes: Politics after Financial Crises, 1870–2014’, *European Economic Review* **88**, 227–260.
- Galloway, P. R. (2007), Galloway Prussia Database 1861 to 1914, Technical report. **URL:** [www.patrickgalloway.com](http://www.patrickgalloway.com)
- Hirschfeld, P. (1908), *Die Freien Gewerkschaften in Deutschland. Ihre Verbreitung und Entwicklung 1896-1906*, Verlag von Gustav Fischer, Jena.
- Hobsbawm, E. (1993), Mass Producing Traditions: Europe, 1870-1914, in E. Hobsbawm & T. Ranger, eds, ‘The Invention of Tradition’, Cambridge University Press, Cambridge, pp. 263–307.
- Kaiserliches Statistisches Amt, ed. (1897), *Statistik des deutschen Reichs. Band 109*, Puttkammer & Mühlbrecht, Berlin.
- Kaiserliches Statistisches Amt, ed. (1903), *Statistik des deutschen Reichs. Band 150*, Puttkammer & Mühlbrecht, Berlin.

- Kaiserliches Statistisches Amt, ed. (1909), *Statistik des Deutschen Reichs. Band 223*, Puttkammer & Mühlbrecht, Berlin.
- Kaiserliches Statistisches Amt, ed. (1910a), *Statistik des Deutschen Reichs. Band 227*, Puttkammer & Mühlbrecht, Berlin.
- Kaiserliches Statistisches Amt, ed. (1910b), *Statistik des deutschen Reichs. Band 240*, Puttkammer & Mühlbrecht, Berlin.
- Kaiserliches Statistisches Amt, ed. (1915), *Statistik des Deutschen Reichs. Band 256*, Puttkammer & Mühlbrecht, Berlin.
- Kehr, E. (1930), *Schlachtflottenbau und Parteipolitik 1894 - 1901: Versuch eines Querschnitts durch die innenpolitischen, sozialen und ideologischen Voraussetzungen des deutschen Imperialismus*, Ebering, Berlin.
- Kocka, J. (2001), *Das lange 19. Jahrhundert: Arbeit, Nation und bürgerliche Gesellschaft*, Handbuch der deutschen Geschichte Band 13, Klett-Cotta, Stuttgart.
- Koenig, C. (2015), Loose Cannons - War Veterans and the Erosion of Democracy in Weimar Germany, Warwick Economics Research Paper Series No. 1079.
- Kopsidis, M. & Wolf, N. (2012), 'Agricultural Productivity Across Prussia During the Industrial Revolution: A Thünen Perspective', *The Journal of Economic History* **72**(3), 634–670.
- Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände (1903), *Vierter Geschäftsbericht*, Selbstverlag des Kyffhäuserbundes, Berlin.
- Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände (1907), *Achter Geschäftsbericht*, Selbstverlag des Kyffhäuserbundes, Berlin.
- Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände (1908), *Chronik des deutschen Kriegervereinswesens von 1872 bis Ende 1905*, Selbstverlag des Kyffhäuserbundes, Berlin.
- Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände (1913), *Vierzehnter Geschäftsbericht*, Selbstverlag des Kyffhäuserbundes, Berlin.
- Lehmann-Hasemeyer, S. & Streb, J. (2016), Does Social Security Crowd Out Private Savings?, Working Papers of the Priority Programme 1859 – Experience and Expectation. Historical Foundations of Economic Behaviour No. 01.
- Lehmann, S. (2010), 'The German Elections in the 1870s: Why Germany Turned from Liberalism to Protectionism', *The Journal of Economic History* **70**(1), 146–178.
- Mann, H. (1969), *Der Untertan*, Aufbau-Verlag, Berlin.
- Redding, S. & Venables, A. J. (2004), 'Economic geography and international inequality', *Journal of International Economics* **62**(1), 53–82.

- Rohkrämer, T. (1990), *Der Militarismus der "kleinen Leute" : die Kriegervereine im Deutschen Kaiserreich ; 1871 - 1914*, Oldenbourg, München.
- Satyanath, S., Voigtländer, N. & Voth, H.-J. (2017), 'Bowling for Fascism: Social Capital and the Rise of the Nazi Party', *Journal of Political Economy* **125**(2), 478–526.
- Saul, K. (1969), 'Der "Deutsche Kriegerbund"', *Militär-geschichte Mitteilungen* **6**(2), 95–159.
- Schneider, M. (1989), *Kleine Geschichte der Gewerkschaften: ihre Entwicklung in Deutschland von den Anfängen bis heute*, Dietz, Bonn.
- Shayo, M. (2009), 'A Model of Social Identity with an Application to Political Economy: Nation, Class, and Redistribution', *American Political Science Review* **103**(2), 147–174.
- Suesse, M. & Wolf, N. (2017), Market Integration, Financial Institutions and Ethnic Segregation, Humboldt-Universität zu Berlin Mimeo.
- Ther, P. (2004), Deutsche Geschichte als imperiale Geschichte. Polen, slawophone Minderheiten und das Kaiserreich als kontinentales Empire, in S. Conrad & J. Osterhammel, eds, 'Das Kaiserreich transnational. Deutschland in der Welt 1871-1914', Vandenhoeck & Ruprecht, Göttingen, pp. 129–148.
- Vogel, J. (1997), *Nationen im Gleichschritt: der Kult der "Nation in Waffen" in Deutschland und Frankreich, 1871 - 1914*, Vandenhoeck & Ruprecht, Göttingen.
- Vogel, J. (2000), 'Military, Folklore, Eigensinn: Folkloric Militarism in Germany and France, 1871-1914', *Central European History* **33**(4), 487–504.
- von Dechen, H. (1869), *Geologische Karte von Deutschland*, Verlag von J.H. Neumann, Berlin.
- Walkenhorst, P. (2007), *Nation - Volk - Rasse : radikaler Nationalismus im Deutschen Kaiserreich ; 1890 - 1914*, Vandenhoeck & Ruprecht, Göttingen.
- Weber, M. (1993a), Der Nationalstaat und die Volkswirtschaftspolitik. Akademische Antrittsrede, in W. Mommsen, ed., 'Max Weber Gesamtausgabe. Band 4. Landarbeiterfrage, Nationalstaat und Volkswirtschaftspolitik. Schriften und Reden 1892-1899.', J.C.B. Mohr (Paul Siebeck), Tübingen, pp. 543–574.
- Weber, M. (1993b), Die deutschen Landarbeiter, in W. J. Mommsen, ed., 'Max Weber Gesamtausgabe. Band 4. Landarbeiterfrage, Nationalstaat und Volkswirtschaftspolitik. Schriften und Reden 1892-1899.', J.C.B. Mohr (Paul Siebeck), Tübingen, pp. 313–345.
- Weber, M. (1993c), Die Erhebung des Vereins für Sozialpolitik über die Lage der Landarbeiter, in W. J. Mommsen, ed., 'Max Weber Gesamtausgabe. Band 4. Landarbeiterfrage, Nationalstaat und Volkswirtschaftspolitik. Schriften und Reden 1892-1899.', J.C.B. Mohr (Paul Siebeck), Tübingen, pp. 123–153.

Wehler, H.-U. (2006), *Deutsche Gesellschaftsgeschichte. Dritter Band 1849-1914*, C.H. Beck, München.

# Appendix

## Tables

Table 1: Data Sources

Variable	Description	Source
Kriegervereine	Members in one district	Kyffhäuser-Bund der Deutschen Landes-Kriegerverbände (1913, 1903)
Net Migration	Net Migration as the difference between the actual population and the population based on the differences between births and deaths	Broesike (1907), Kaiserliches Statistisches Amt (1903, 1909, 1910 <i>a,b</i> , 1915)
Population	Total population in one district	Kaiserliches Statistisches Amt (1903, 1910 <i>b</i> )
Urban Population	Population in cities with more than 2000 inhabitants	Kaiserliches Statistisches Amt (1903, 1910 <i>b</i> )
Mother Tongue German	Population with German as mother tongue	Kaiserliches Statistisches Amt (1903, 1910 <i>b</i> ), Galloway (2007)
Protestants	Protestants	Galloway (2007)
Active Military Persons	Active military persons	Galloway (2007)
Trade Unions	Membership in the “Freie Gewerkschaften”	Hirschfeld (1908)
Industry Employment	Employment in industrial sectors	Kaiserliches Statistisches Amt (1897)

Table 2: Data Set

”Regierungsbezirk”	Observations
Königsberg	14
Gumbinnen	12
Allenstein	9
Danzig	8
Marienwerder	13
Berlin	1
Potsdam	14
Frankfurt	17
Stettin	12
Köslin	12
Stralsund	4
Posen	26
Bromberg	12
Breslau	21
Liegnitz	16
Oppeln	19
Magdeburg	14
Merseburg	13
Erfurt	9
Schleswig-Holstein	13
Hannover	8
Hildesheim	10
Lüneburg	2
Stade	10
Osnabrück	3
Aurich	1
Münster	10
Minden	10
Arnsberg	17
Kassel	22
Wiesbaden	16
Koblenz	12
Düsseldorf	15
Köln	10
Trier	12
Aachen	10
Hohenzollern	1

Table 3: Summary statistics

Variable	Mean sd in parantheses
$\Delta$ Share KV in %	52.14 (45.34)
Industrialization in %	32.37 (15.87)
Urban population in %	35.06 (23.26)
Mother tongue German in %	87.19 (24.81)
Protestants in %	61.77 (36.79)
Active Military Persons in %	0.76 (1.313)
Share Unions in %	0.94 (1.382)
Population in 10.000	8.05 (13.15)
Distance to border in km	104.39 (72.17)
$N$	425



Table 4: OLS

	(1)	(2)
	$\Delta$ Share KV	
Industry Employment	-0.972*** (0.201)	-1.110*** (0.276)
Population		0.028 (0.091)
Urban Population		0.218 (0.138)
Mother Tongue German		-0.197 (0.200)
Protestants		-0.021 (0.108)
Active Military Persons		0.997 (1.713)
Distance to border		-0.018 (0.060)
R <sup>2</sup>	0.114	0.127
N	425	425

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ Cluster robust standard errors on the level of  
"Regierungsbezirke"

Table 5: IV

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential	9.796** (3.618)		-11.648* (6.329)	
Industrialization		-1.189*** (0.446)		-1.110*** (0.276)
Population	0.073 (0.071)	0.032 (0.095)	-0.054 (0.072)	0.028 (0.091)
Urban Population	0.448*** (0.052)	0.257 (0.247)	-0.276** (0.111)	0.218 (0.138)
Mother Tongue German	0.157*** (0.039)	-0.183 (0.209)	-0.370** (0.179)	-0.197 (0.200)
Protestants	-0.021 (0.024)	-0.024 (0.114)	0.001 (0.117)	-0.021 (0.108)
Active Military Persons	-2.230*** (0.491)	0.786 (2.116)	3.438* (1.847)	0.997 (1.713)
Distance to border	-0.027** (0.013)	-0.021 (0.055)	0.011 (0.066)	-0.018 (0.060)
R <sup>2</sup>	0.642		0.077	0.129
n	425	425	425	425
F-Statistic of excluded instruments	7.81			
F-Statistic of weak instruments	43.112			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"

Table 6: IV robustness check

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential w/o Deposits	0.095*** (0.032)		-0.151** (0.057)	
Industrialization		-1.581*** (0.433)		-1.110*** (0.276)
Population	0.068 (0.066)	0.056 (0.115)	-0.052 (0.069)	0.028 (0.091)
Urban Population	0.445*** (0.049)	0.450* (0.236)	-0.253** (0.105)	0.218 (0.138)
Mother Tongue German	0.143*** (0.039)	-0.113 (0.213)	-0.339* (0.179)	-0.197 (0.200)
Protestants	-0.015 (0.024)	-0.039 (0.112)	-0.015 (0.116)	-0.021 (0.108)
Active Military Persons	-2.133*** (0.512)	-0.265 (1.931)	3.106* (1.777)	0.997 (1.713)
Distance to border	-0.022 (0.013)	-0.034 (0.054)	0.001 (0.065)	-0.018 (0.060)
R <sup>2</sup>	0.660		0.086	0.129
n	425	425	425	425
F-Statistic of excluded instruments	10.89			
F-Statistic of weak instruments	67.66			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"

Table 7: Heckscher-Ohlin and Agriculture

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential	8.613** (3.444)		-9.959* (5.618)	
Industrialization		-1.156** (0.472)		-1.092*** (0.247)
Big Agriculture	-0.150*** (0.046)	0.041 (0.269)	0.214 (0.278)	0.052 (0.249)
Population	0.065 (0.072)	0.032 (0.094)	-0.043 (0.068)	0.029 (0.089)
Urban Population	0.448*** (0.051)	0.243 (0.256)	-0.275** (0.113)	0.211 (0.125)
Mother Tongue German	0.106** (0.044)	-0.174 (0.225)	-0.297 (0.220)	-0.182 (0.229)
Protestants	-0.007 (0.025)	-0.027 (0.115)	-0.019 (0.124)	-0.026 (0.115)
Active Military Persons	-2.011*** (0.485)	0.799 (2.111)	3.124 (1.986)	0.951 (1.805)
Distance to borders	-0.021 (0.013)	-0.022 (0.055)	0.003 (0.066)	-0.020 (0.059)
R <sup>2</sup>	0.660		0.079	0.127
n	425	425	425	425
F-Statistic of excluded instruments	7.81			
F-Statistic of weak instruments	43.112			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"

Table 8: Weber's Call

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential	9.308*** (3.194)		-11.230* (5.850)	
Industrialization		-1.206*** (0.467)		-1.116*** (0.255)
Weber Dummy	0.101 (2.066)	17.836** (7.773)	17.714** (8.728)	17.819** (8.031)
Change German speaking people	0.484 (0.314)	1.330 (1.637)	0.746 (1.867)	1.281 (1.709)
Net-migration	0.275*** (0.101)	0.161 (0.293)	-0.170 (0.346)	0.134 (0.301)
Mother Tongue German	0.137*** (0.034)	-0.084 (0.198)	-0.249 (0.169)	-0.098 (0.191)
Population	0.039 (0.054)	0.018 (0.086)	-0.029 (0.071)	0.016 (0.084)
Urban Population	0.404*** (0.053)	0.255 (0.261)	-0.233* (0.121)	0.215 (0.155)
Protestants	-0.014 (0.024)	-0.019 (0.113)	-0.003 (0.118)	-0.017 (0.110)
Active Military Persons	-2.254*** (0.498)	0.536 (2.145)	3.256* (1.853)	0.778 (1.691)
Distance to border	-0.025* (0.012)	-0.022 (0.054)	0.008 (0.065)	-0.019 (0.059)
R <sup>2</sup>	0.666		0.078	0.128
n	425	425	425	425
F-Statistic of excluded instruments	8.49			
F-Statistic of weak instruments	36.31			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"

Table 9: Robustness Weber's Call

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential w/o Deposits	9.011*** (3.094)		-11.852* (6.099)	
Industrialization		-1.315*** (0.498)		-1.176*** (0.267)
Polish Territory before 1772	-4.794** (1.787)	-16.324 (15.170)	-10.019 (16.369)	-15.549 (15.941)
Weber Dummy	1.100 (2.181)	21.251** (9.111)	19.803* (10.600)	21.064** (9.566)
Change German speaking people	0.495 (0.320)	1.418 (1.625)	0.768 (1.859)	1.342 (1.684)
Net-migration	0.247** (0.096)	0.097 (0.303)	-0.228 (0.367)	0.060 (0.313)
Mother Tongue German	0.101*** (0.033)	-0.192 (0.206)	-0.324 (0.200)	-0.208 (0.198)
Population	0.039 (0.055)	0.022 (0.091)	-0.029 (0.072)	0.019 (0.088)
Urban Population	0.406*** (0.053)	0.306 (0.265)	-0.229* (0.119)	0.244 (0.156)
Protestants	-0.021 (0.025)	-0.044 (0.102)	-0.017 (0.105)	-0.039 (0.097)
Active Military Persons	-2.162*** (0.490)	0.607 (2.110)	3.450* (1.919)	0.964 (1.689)
Distance to border	-0.022* (0.013)	-0.013 (0.050)	0.015 (0.061)	-0.010 (0.054)
R <sup>2</sup>	0.671	0.132	0.079	0.133
n	425	425	425	425
F-Statistic of excluded instruments	8.48			
F-Statistic of weak instruments	34.35			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"

Table 10: Other social identities

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential	9.670*** (3.470)		-11.338* (5.969)	
Industrialization		-1.173*** (0.444)		-1.008*** (0.254)
Membership Trade Unions	2.715*** (0.649)	-3.496 (2.438)	-6.679*** (2.450)	-3.950* (2.200)
Population	-0.007 (0.054)	0.134 (0.115)	0.141 (0.089)	0.137 (0.111)
Urban Population	0.370*** (0.062)	0.350 (0.232)	-0.084 (0.111)	0.282* (0.155)
Mother Tongue German	0.147*** (0.041)	-0.172 (0.202)	-0.344** (0.168)	-0.199 (0.191)
Protestants	-0.043** (0.020)	0.005 (0.124)	0.055 (0.121)	0.014 (0.115)
Active Military Persons	-2.319*** (0.462)	0.936 (2.100)	3.655** (1.747)	1.392 (1.676)
Distance to border	-0.026** (0.011)	-0.021 (0.053)	0.010 (0.062)	-0.016 (0.058)
R <sup>2</sup>	0.677		0.093	0.132
n	425	425	425	425
F-Statistic of excluded instruments	7.77			
F-Statistic of weak instruments	40.64			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"

Table 11: Weber's Call

	(1)	(2)	(3)	(4)
	1 <sup>st</sup> stage	2 <sup>nd</sup> stage	reduced form	OLS
	Share Industry		$\Delta$ Share KV	
Coal Potential w/o Deposits	9.309*** (3.191)		-11.145* (5.756)	
Industrialization		-1.197*** (0.452)		-1.115*** (0.264)
Change German speaking people	0.476** (0.182)	-0.130 (1.158)	-0.700 (1.246)	-0.173 (1.184)
Net-migration	0.274*** (0.097)	0.079 (0.263)	-0.250 (0.322)	0.054 (0.271)
Mother Tongue German	0.136*** (0.037)	-0.189 (0.211)	-0.352* (0.185)	-0.201 (0.203)
Population	0.039 (0.054)	0.024 (0.087)	-0.022 (0.070)	0.022 (0.085)
Urban Population	0.404*** (0.053)	0.249 (0.254)	-0.235* (0.122)	0.212 (0.156)
Protestants	-0.014 (0.024)	-0.023 (0.114)	-0.006 (0.119)	-0.020 (0.110)
Active Military Persons	-2.253*** (0.491)	0.761 (2.106)	3.459* (1.845)	0.983 (1.669)
Distance to border	-0.025* (0.012)	-0.021 (0.055)	0.009 (0.066)	-0.018 (0.060)
R <sup>2</sup>	0.667	0.123	0.073	0.123
n	425	425	425	425
F-Statistic of excluded instruments	7.77			
F-Statistic of weak instruments	40.64			

*Notes*\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ 

Cluster robust standard errors on the level of "Regierungsbezirke"



## Figures

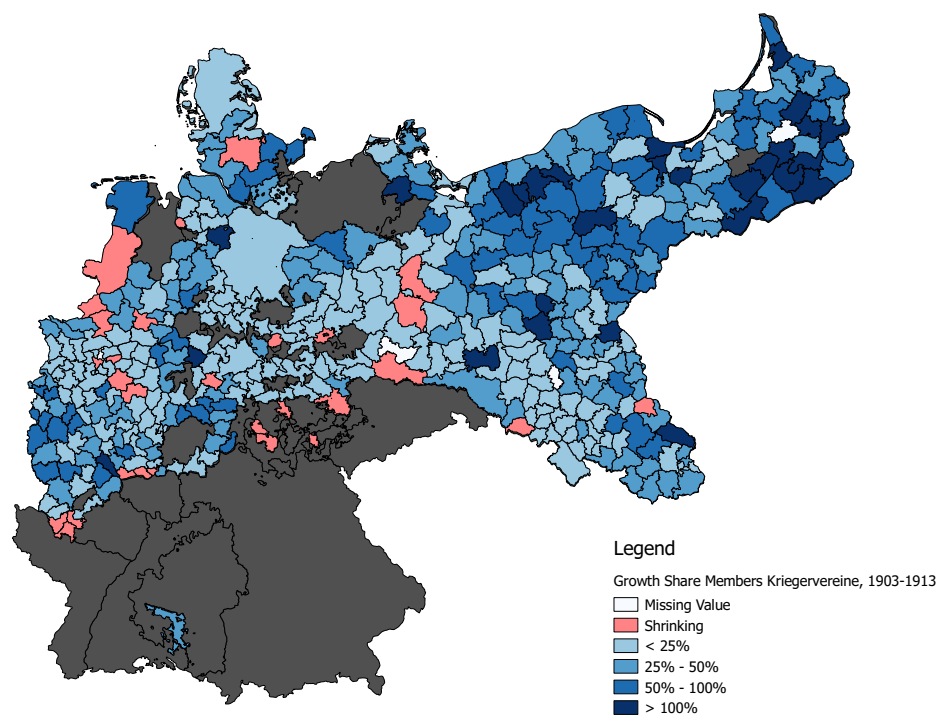


Figure 1: Growth of share of members in the Kriegervereine, 1903-1913

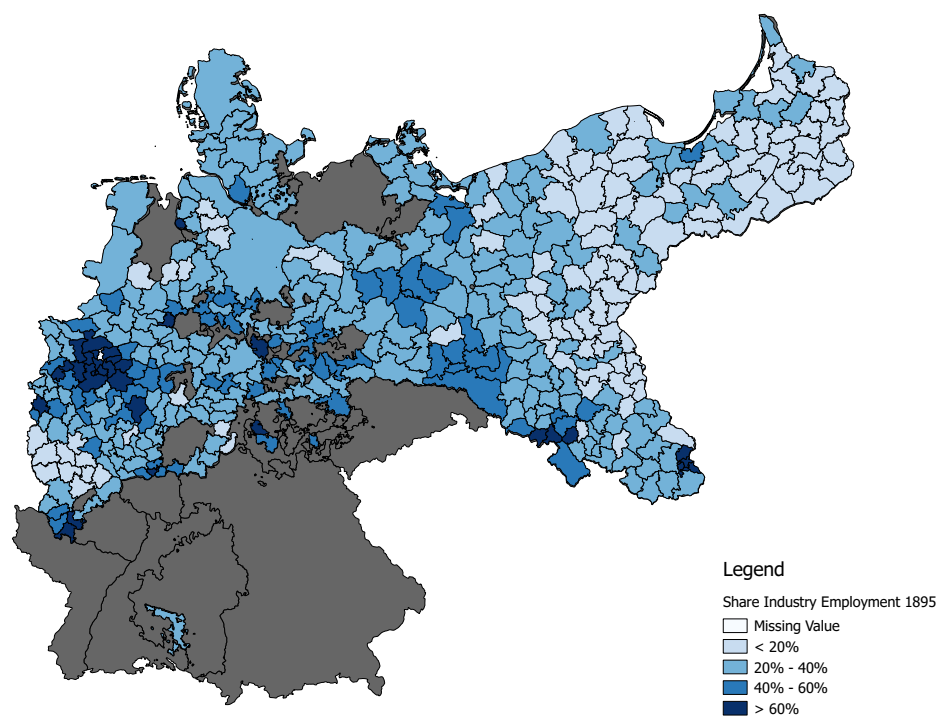


Figure 2: Industry employment, 1895

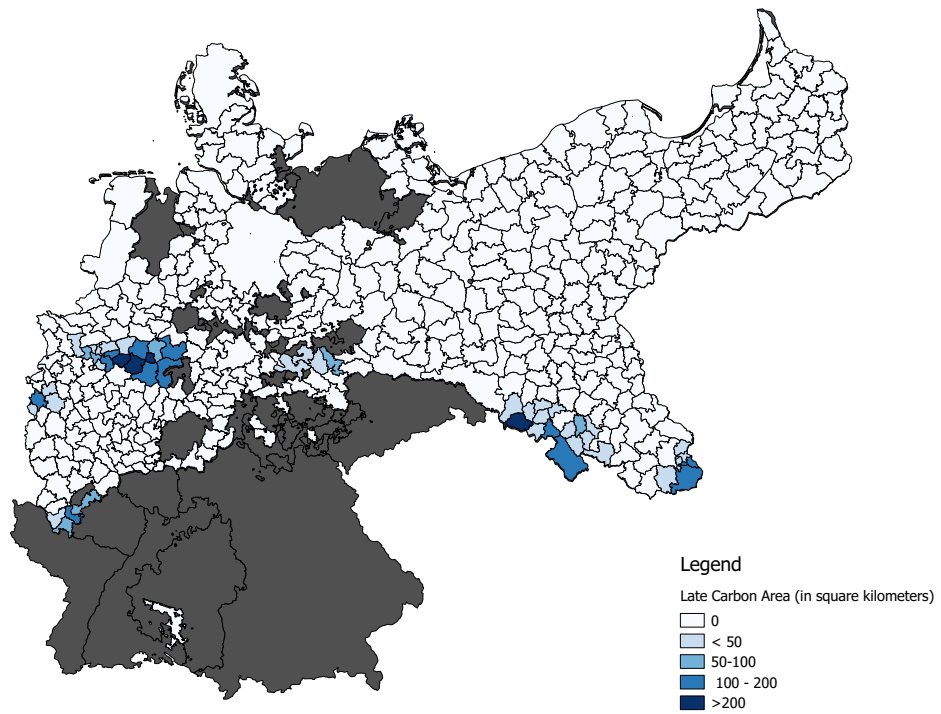


Figure 3: Late carboniferous area

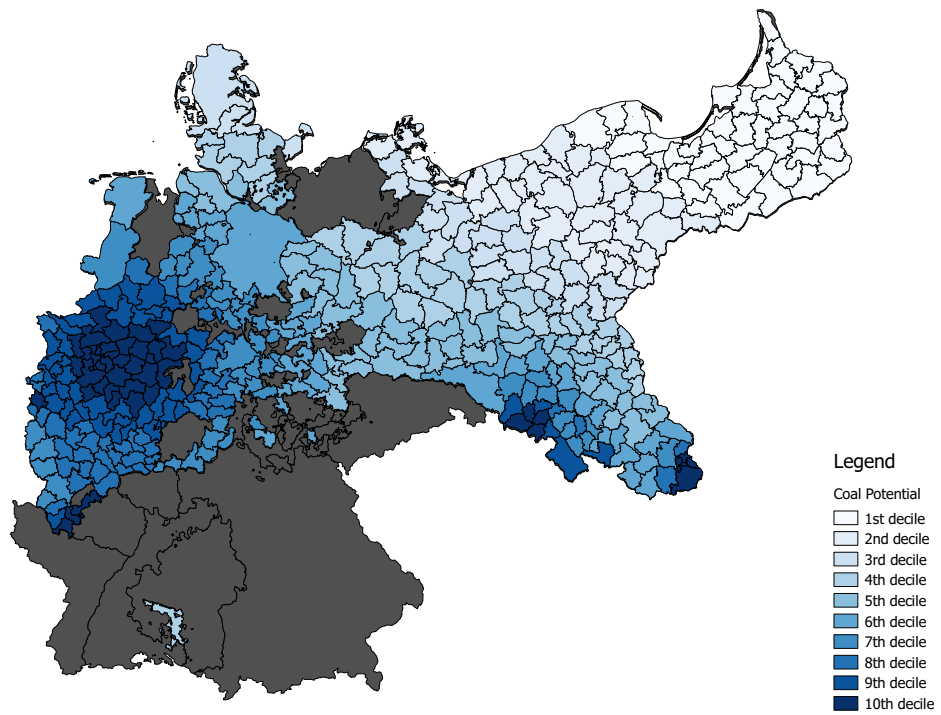


Figure 4: Coal Potential

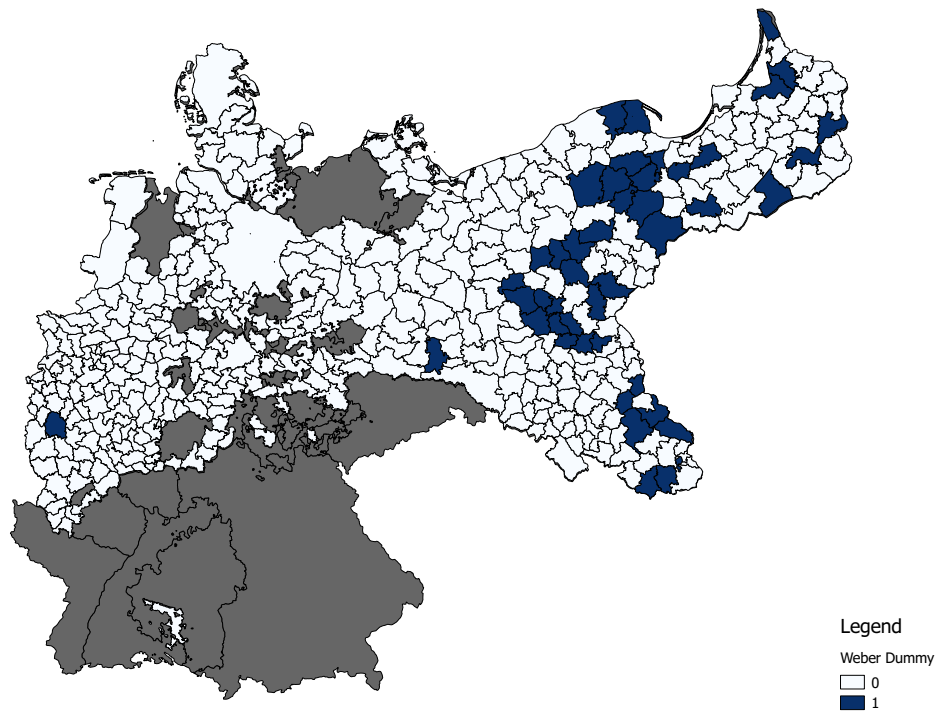


Figure 5: Weber Dummy

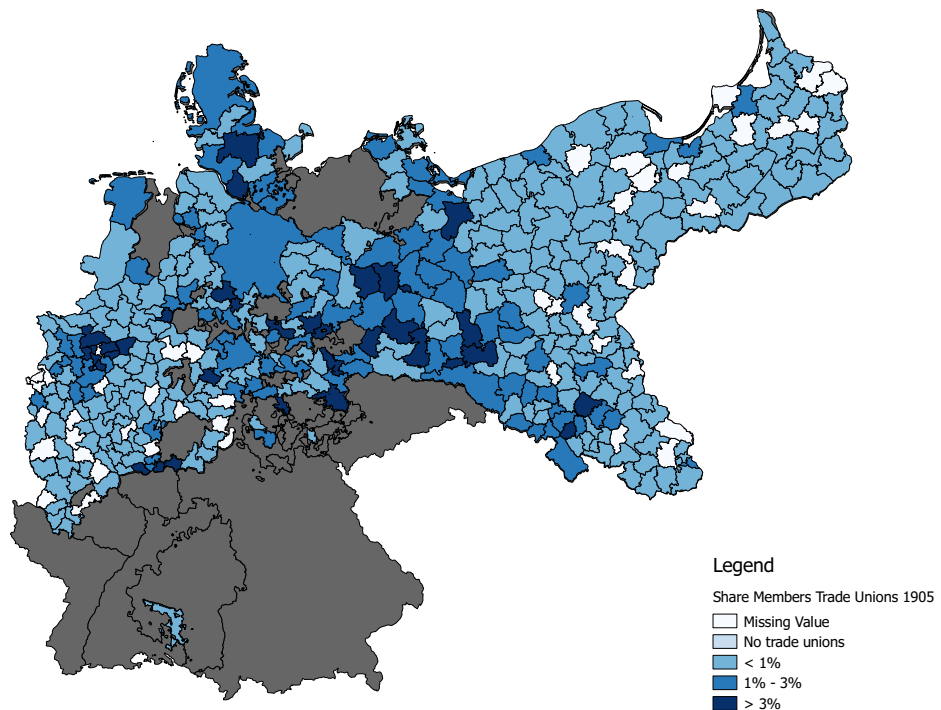


Figure 6: Labor unions, 1906