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Cultural vs. economic legacies of empires: Evidence from the partition of Poland [☆]



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ABSTRACT

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Poland was divided among three empires—Russia, Austria—Hungary, and Prussia—for over a century until 1918. The partition brought about divergence in culture, institutions, and economic development. We use spatial regression discontinuity to examine, which empire effects are persistent. We find that differences in incomes, industrial production, education, corruption, and trust in government institutions disappeared with time as they were smoothed by economic forces and policy intervention. In contrast, differences in intensity of religious practices and in beliefs in democratic ideals, i.e., democratic capital, persist presumably via inter-generational within-family transmission. Differences in railroad infrastructure built by empires during industrialization persisted to this day. Cultural empire legacies have an effect on the political outcomes in contemporary Poland. *Journal of Comparative Economics* **43** (1) (2015) 55–75. Paris School of Economics, France; Paris School of Economics (EHESS), France.

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1. Introduction

A growing body of economic and political science literature documents important links between distant historical events and current economic and political outcomes, despite drastic changes in culture and economic development that occur over the course of history (see, e.g., the survey by Nunn, 2009). The channels of transmission include economic and technological shocks (e.g., Comin et al., 2010), which set different areas on different development paths; persistence of formal institutions, such as legal origins or constraints on executive power (La Porta et al., 1998; Acemoglu et al., 2001); and persistence of informal institutions, such as cultural norms, transmitted from generation to generation (e.g., Bisin and Verdier, 2000; Voigtländer and Voth, 2012; Grosfeld et al., 2013). It is, however, an open question: which economic and cultural characteristics are likely to persist and which, in contrast, change as a result of policy interventions and cultural or economic development.

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Cases that allow a clean evaluation of historical legacies are rare, as historical variation is often blurred by omitted factors and preselection. It is even harder to find cases that allow the comparison of persistence of different cultural, institutional, and economic characteristics at the same time and under the same environment. Poland is an exception. For over a century, Poland lost its sovereignty and was divided among three imperial powers: Russia, Prussia and Austria. In this paper we test the claim that empires left indelible marks on contemporary Poland. We establish a causal effect of former empires on contemporary Poland using spatial regression discontinuity analysis and show that a few cultural differences among empires, documented by historians, have persisted to this day: most notably, differences in religiosity and democratic capital turned out to be very persistent. Differences in economic development and in trust in formal institutions across empires, in contrast, withered away after the reunification of Poland.

There is a broad consensus among historians that the empires differed greatly in institutions, culture, and policies toward their Polish territories. Prussia, which was more developed economically, industrialized its Polish part more than both Russia and Austria (Wolf, 2007). The Austrian empire, in contrast to both Prussia and Russia, gave substantial administrative and cultural autonomy to its Polish territories. Austria was the only empire of the three to allow Poles to participate in local governance, and it was also the first to introduce local democratic institutions that enfranchised the Polish population (Schulze, 2000, 2007; Wolff, 2010). In contrast to Galicia, i.e., the Austrian part of Poland, in the Russian or Prussian lands, ethnic Poles were not allowed to work in state administration. Both Russian and Prussian regimes (unlike the Austrian one) used political and cultural oppression, ultimately aimed, respectively, at Russification and Germanization. For example, both empires, for a substantial (although different) period of time, forbade Polish schools and even teaching polish as a foreign language on their territories (Davies, 2005). Russia stood out in terms of interfering in religious life, and in particular, it severely oppressed lower clergy and corrupted higher clergy of the Catholic Church on its territory (Davies, 2005). Russia was also characterized by the least efficient administrative apparatus and the lowest education spending of the three empires. As these drastically differing economic and social policies were applied for over a century in areas that belonged initially to the same country, with a common ethnic mix, culture, and formal institutions, the partitions of Poland could be considered as a giant and multi-faceted historical experiment. Importantly, since the re-unification, the Polish population in all three parts of Poland was subjected to the most destructive and deadliest war in its history and the subsequent drastic institutional transformation under the communist regime. This makes Poland the ideal ground for testing which cultural, economic, and institutional differences do and which do not persist.

The partition borders were exogenously imposed on Polish lands. They did not coincide with any of the borders prior to partitions and were driven by the relative military strength of the three empires. The exact location of the borders was arbitrary and independent of the conditions on the ground at the time (as we discuss in the next section). Exogeneity of the partition borders presumes that factors unrelated to direct empire influence are supposed to change smoothly across space. We test this premise using a wide list of geographic characteristics and find no discontinuous jumps in any of them with the exception of a small in magnitude but statistically significant jump in elevation on the Russia–Austria border related to the fact that the border follows a river with a different elevation of the two banks (we discuss this below). Fig. 1 (map 1) shows the borders of the final—and the longest lasting—partition, established by the Congress of Vienna in 1815, and formally in force until 1918. Both before and after the "partition experiment," the areas around the borders of the empires belonged to the unified sovereign Polish states (the Polish-Lithuanian Commonwealth before, and the Second Polish Republic after). This relative stability and similarity of conditions on the two sides of the partition borders both before and after the "partition experiment" allow us to identify the effect of empire legacies on contemporary Polish outcomes. Our focus is on two out of three empire borders, (1) between Russia and Prussia, and (2) between Russia and Austria, both of which are long enough to estimate the discontinuous jumps in outcomes at the borders. The border between Prussia and Austria is too short to yield enough observations to gain statistical power.

We look at the territories close to empire borders and test whether there are discontinuous jumps in several contemporary characteristics, each of which could be considered as a potential legacy of empires, as they are directly related to the well documented differences among territories belonging to the three empires at the time of partition. The measures of economic development and infrastructure relate to differences in historical industrialization intensity (the highest in Prussia). Education relates to different education policies of the empires (the lowest in Russia). Measures of religiosity relate to the different credibility of the church in the three empires (the lowest in Russia). Attitudes toward democracy relate to the level of decentralization (the highest in Austria). Trust in government, police and courts, as well as the respect for the rule of law

¹ Formally, the names of the imperial powers were: the Russian empire, the Kingdom of Prussia (*Deutsches Reich*, after German unification), and the Austrian (or Habsburg) empire (later, the Austro–Hungarian empire).

² Partitions were just one episode in a series of turbulent historical events in Poland. (We use the word partition as it is commonly used elsewhere, to denote both the split itself and the territories into which Poland was split.) During the Second World War, 16% of the population of Poland (5.5 million people, 2.5 million of which were Jews) were killed. After the war, the country's boundaries were moved westward by about 200 km, triggering mass population exchanges with Ukraine, Belarus, and Lithuania and mass migration of Poles to the territories gained from Germany in 1945. Fig. 1 (map 2) illustrates the location of the newly acquired Western and Northern territories. In the aftermath of the Second World War, Poland, which once had a multi-ethnic population, became extremely homogenous in terms of ethnicity and religion. (Ethnic Poles comprise 94% of the population; 95.8% of the population consider themselves Roman Catholic, and 94.5% report that they use the Polish language at home (GUS, 2012; Alesina et al., 2003). Importantly, however, mass population movements concentrated in territories away from the partition borders and the Second World War affected territories close to these borders in the same way. As we restrict our analysis to territories in immediate proximity to the empire borders and we exclude Western and Northern territories, we do not need to worry about the effects of mass migration that took place after the Second World War.

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