

# *The Legacy of Empires on Political Outcomes in Romania*

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## Abstract

This paper investigates the discontinuity in political outcomes at the former Habsburg-Ottoman border in contemporary Romania. Historically Romania consisted of three provinces which were divided between the Habsburg and Ottoman Empires. The country united in the beginning of the 20-th century and was turned into a national unitary state with a highly centralized economy. We posit that the striking institutional differences between two parts of the country in the 18<sup>th</sup> and 19<sup>th</sup> centuries could persist and influence political attitudes of people nowadays despite the fact that there was convergence in economic development across its regions and it has homogeneous institutions today. We test this hypothesis by merging data on historical borders between Habsburg and Ottoman Empires with data on voting in elections in Romania at the municipality level in the 1990s and 2000s. We find that on average within Romania the former Habsburg affiliation is associated with an increase in the percentage of votes for the major “right” parties by 3.5% and a decrease in the percentage of votes for the major “left” party by 4.5%. This is a remarkable effect taking into account that we identify these differences in political attitudes around the former border in a country which united a century ago and where during the Communist period the authorities tried to eliminate any regional differences. We do not find evidence that these differences might be explained by past ethnic diversity or geographical isolation.

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## 1. Introduction

There is a consensus in literature that institutions do matter for economic development. Many hypotheses were proposed to explain institutional differences across the world – geography, history, culture, ignorance and others. One of the hypotheses is that today's institutions are determined by history and path dependence. Acemoglu and Robinson (2012) provide many striking examples how different past institutions resulted in long-run divergence in economic development. But is it possible to overcome historical institutional differences by imposing homogenous formal institutions and adopting a policy of smoothing of the regional differences?

In this paper we address this question by studying the persistent effects of institutional divergence within Romania, a county which used to be divided between different empires in the past and represents a unitary state with homogeneous political institutions today. Romania is an interesting setting for several reasons. The contemporary territory of the country consists of three historical parts – Transylvania, Wallachia and Moldova. The former used to be a part of the Habsburg Empire since 1690 till 1918, whereas the two latter territories were under the Ottoman rule till 1877. They united into one country only in 1918. After the Second World War Romania was a communist country till the end of the 1980s which led to the fact that today's Romania is a fairly homogenous country in terms of formal institutions. Moreover, during the late 1930-s and especially during the Communist rule, Romania was an extremely centralized economy where the central authorities sought to eliminate any regional differences and regulate almost every aspect of people's life. Using harsh political repressions and a centralized command economy, the authorities made an attempt to transform Romanian historically diverse society into a homogeneous national state. Since the former Habsburg and Ottoman parts of Romania had very different political and economic institutions in the past, a natural question arises, to what extent we observe convergence in economic development and society today?

We exploit the former Habsburg-Ottoman border as a quasi-natural experiment to identify the potential discontinuity in economic development and political attitudes of people. Using the regional statistical information, we confirm the hypothesis about the convergence in development outcomes in Romania during the 20-th century. We find no significant differences in urbanization and education across the former border nowadays. However, despite the fact that

Romania became more homogenous in terms of ethnicity and religion, these differences still persist.

Then we concentrate our analysis on differences in political attitudes proxied by the election results. We believe that this divergence in political attitudes can be stronger because they are harder to change and they could have persisted due to different political institutions during the Habsburg period in Transylvania and the Phanariot Rule in Wallachia and Moldavia. In particular, the historical institutional differences could form different political preferences which might have persisted through trust in society, trust in government and such an important institution as church, and could have been transmitted through generations within families and close communities. Though there are no any data on political preferences during the communist rule, we know that the most numerous strikes and unrests in its last days sparked in the former Habsburg regions.

We use municipality level data on parliamentary election in 1990s and 2000s and estimate the discontinuity in voting within the 60 km bandwidth from the former Habsburg-Ottoman border. We find that on average within Romania being located on the former Habsburg territory is associated with an increase in the percentage of votes for the major “right” party by 3.5% and a decrease the percentage of votes for the major “left” party by 4.5%. We do not find any significant effects for smaller and nationalist parties. The data do not support alternative hypotheses that persistent differences in political attitudes and values are driven by either past ethnic diversity or geography.

The regional differences in voting and electoral behavior between the historical regions of Transylvania and Wallachia and Moldavia were noted in the literature before at the regional level (Roper and Fesnic 2003, Dimitrova-Grajzl 2007, Haydukiewicz 2011). People in former Transylvania vote more for right-wing and liberal parties, whereas people in former Wallachia and Moldavia support more left-wing and post-communist parties. Usually these differences were attributed to the Hungarian minority living in the former Transylvania today and closer proximity to the Western European countries. To our knowledge, this is the first paper which goes beyond averages comparison and analyzes the differences in political outcomes at the level of municipalities (the lowest level at which data are available) and makes an attempt to explain these differences by the former Empires affiliation and their institutions.

There has also been a recent growing literature on the legacy of Habsburg and Ottoman Empires in the South-Eastern Europe. Using historical data on the border between the former Ottoman and Habsburg Empires and contemporary surveys or economic data, it has been shown that former Ottoman rule in the Balkan countries is associated with a lower financial development (Grosjean, 2011). Dimitrova-Grajzl (2007) shows that European countries which were a part of the Ottoman Empire have worse quality of institutions today. Becker et al. (2001) find that people living today in the former Habsburg territories have higher trust in courts and police in comparison with those who live in the former Ottoman territories. Also there seems to be evidence for higher demand for litigation in the regions of Romania which were a part of the Habsburg Empire as well (Mendelski and Libman, 2011). Zhuravskaya and Grosfeld (2014) show that the former partitions of Poland can have persistent effects on infrastructure and political outcomes. We contribute to this literature by studying the persistent effect of the former Habsburg and Ottoman Empires on people's political views and attitudes in contemporary Romania.

This paper also relates to a broader literature on institutional persistence. Acemoglu et al. (2001) show that early institutions in the former colonial countries proxied by the settlers' mortality rates have a significant effect on today's income per capita. Kuran (2011) analyzes how the lack of the modern organizational development and consequently financial development led to the relative underdevelopment of the Middle East. Nunn and Wantchekon (2009) show that intensity of slave trade in Africa led to the culture of mistrust which persists today. We extend this literature by studying the persistent effects of different institutions associated with the Habsburg and Ottoman Empires on political attitudes and values of people proxied by election outcomes in Romania today. We show that even a unitary national state which seeks to transform society and eliminate any regional differences fails to overcome the discontinuity in people's political attitudes.

The structure of the paper is as follows. Section 2 discusses historical background. Section 3 explains our main hypotheses. Section 4 and Section 5 describe data and an empirical strategy. Then Section 6 and 7 proceed with results and discussion and Section 8 concludes.

## **2. Historical Background and Institutions**

In this section we describe briefly the history of Romanian territories before and after the unification. In section 2.1 we briefly describe the history of Romanian territories before the unification and discuss the institutional differences in 1700 – 1918. Then in section 2.2 we discuss the history and development of united Romania.

### 2.1 Romania before Unification

#### 2.1.1 History before Unification

Contemporary Romania consists of three historical provinces: Transylvania, Wallachia and Moldavia. These provinces were divided between different empires, in particular, they had experienced strong influence from the Ottoman Empire on one side and from Hungary and Habsburg Empire on the other side. The history of Wallachia and Moldavia has very much in common, whereas Transylvania had quite a different history. So here and further in the paper we compare Transylvania on the one side with Wallachia and Moldavia on the other side.

All three provinces are mentioned in the historical literature since the 9<sup>th</sup> – 10<sup>th</sup> century and existed as feudal states with local boyars and voivodes as rulers (Castellan 1989). Transylvania faced frequent invasions from the Hungarian Kingdom and Wallachia and Moldavia had to resist to Ottoman raids. With the occupation by the Ottomans of the largest part of the South-Eastern European region in the 15<sup>th</sup> and 16<sup>th</sup> centuries, all three principalities became Ottoman Vassal states: Wallachia (1462-1711), Moldavia (1538-1714) and Transylvania (1541-1690). In figure 1 the borders of historical regions of Romania are shown around 1600.

*Figure 1:* Map of three Principalities around 1600



Source: [http://commons.wikimedia.org/wiki/File:Mihai\\_1600.png](http://commons.wikimedia.org/wiki/File:Mihai_1600.png)

After several Habsburg-Ottoman wars in the late 17-th century Transylvania passed under control of the Habsburg Empire and it remained a part of the Habsburg Empire (1690-1867) and later Austria-Hungary (1867-1918) till the First World War. During the Habsburg period the ruler of Transylvania was called a governor and was appointed by the emperor from Vienna from Hungarian and German nobles. However, the most reforms in such spheres as education, economy and church was carried out by the Habsburg emperors during that period and their power and influence in the principality was enormous.

Unlike Transylvania, Wallachia and Moldavia experienced much less Hungarian and later Austrian influence, however the role of the Ottoman Empire was much greater here. Just around the time when Transylvania became a part of the Habsburg Empire, the so-called "Phanariot" period started in these two principalities which lasted in Wallachia in 1711-1834 and in Moldavia 1715-1834 respectively. Phanariots were rich Greeks from Istanbul who were appointed by the sultan as rulers of the two principalities. This period was characterized by an increased role of the Ottomans, a decreased role of the local nobility, economic decline and high turnover of the rulers in Wallachia and Moldavia. The principalities were not a part of the Ottoman Empire, but they were Ottoman dependent states and the Ottoman influence on their development was enormous. Since 1821 the national movement and attempts of rebellions became much more intensive. From 1834 to 1877 there was a dual Russian and Ottoman protectorate in both Wallachia and Moldavia. Finally in 1877 Wallachia and Moldavia united to

create the Kingdom of Romania without Transylvania. The map of Romania in 1900 is presented in figure 2.

*Figure 2:* Map of Romania without Transylvania in 1900



Source: [http://transylvaniathings.blogspot.com/2011\\_12\\_01\\_archive.html](http://transylvaniathings.blogspot.com/2011_12_01_archive.html)

### 2.1.2 Institutional Differences 1700-1918

Before analyzing institutional differences between Transylvania on one side and Wallachia and Moldavia on the other, we should also mention that these territories differed in other dimensions as well. Historically Transylvania was more ethnically diverse than Wallachia and Moldavia. According to 1784 data (Georgescu 1990) around 63.5% of the total population in Transylvania were Romanians, 24.1% - Hungarians and 12.4% - Germans. Social divisions were based largely on ethnicity: about 95% of Romanians were peasants, whereas most nobles were represented by Hungarians and Germans. At the same time, in Wallachia and Moldavia about 92% of the total population were Romanians, with minorities - Gypsies, Germans and Jews (especially in towns since the end of the 19-th century in Moldavia). In Wallachia and Moldavia 95% of the total population were peasants with half of them being serfs.

The institutional differences between Romanian territories in the 18-th and 19-th centuries could be put in a broader context of the institutional differences between the West and East during that. By the end of the 17-th century Romanian territories were characterized by the

feudal structure of society and agrarian economy, whereas in Western Europe the feudal structure came to its end. All land was divided in estates, where the peasants (serfs) were required to provide certain labor services for the landlord and pay taxes. The boyars and voivodes<sup>2</sup> were responsible for collecting taxes from landlords and peasants. The feudal society was an obstacle for the later progress and economic development, especially after the industrial revolution. When Transylvania fell under Habsburg control and the Ottomans introduced the Phanariot rule in Wallachia and Moldavia, it was the start of the period of huge economic development in Western Europe and the beginning of decline in the Ottoman Empire. The reasons of the divergence have been analyzed in economic literature (for example, Kuran 2011). This divergence found its reflection within Romania as well – because of the development of production and trade Habsburg Empire had more incentives in carrying out reforms in Transylvania, while the Ottoman Empire intensified the fiscal oppression of its territories (Otetea 1970). We describe the exact institutional differences between Transylvania and Wallachia and Moldavia further.

Also geographically Transylvania was closer to the Western European countries and was separated by the Carpathian Mountains from two other Romanian principalities. We believe that our empirical approach described in further sections allows us to identify the persistent effect of institutional differences within contemporary Romania and further we provide extensions where we test for alternative hypothesis about the effect of past ethnic diversity and geography.

### *Political Institutions*

In terms of formal political institutions the most distinctive differences between the territories of contemporary Romania refer to the 18-th century and the first half of the 19-th century when Transylvania was a part of Habsburg Empire, whereas Wallachia and Moldavia were the Ottoman quasi-dependent states with so-called Phanariot Rule.

The full list of rulers in three territories during Phanariot and Habsburg rule is provided in table 1 in Appendix.

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<sup>2</sup> Voivodes and boyars were the supreme administrative leaders in a certain territory who initially emerged as land proprietors with privileges, however, later they could be appointed or get the title from the prince.



The reasons for introduction of the Phanariot regime in Wallachia and Moldavia were the growing demand for the supplies from the Ottoman Empire and fears of losing these territories due to the growing interests to them from the other Empires. If before the Phanariot Rule the princes of Wallachia and Moldavia were chosen by the local boyars among themselves with the formal approval of the sultan, now the prince was appointed by the sultan from wealthy Greeks of the Phanar district in Constantinople for gifts and bribes. For example, there is evidence that in 1818 about two annual budgets were paid as a bribe for the prince's post in Wallachia (Hitchins 1996). The tenures of the princes were always uncertain.

The power of the prince was nearly absolute. The princes of two principalities appointed prefects from boyars, who had executive, fiscal and judicial power in their districts with main function to collect taxes to fulfill the Ottoman obligations. Unlike Transylvania, there were no representative institutions in Wallachia and Moldavia because the previously existing General Assembly was dismissed in 1749. Also there was no unique law in these two principalities – all disputes were solved according to customs and their interpretations by the local prefects and the prince. As a result, it led to very arbitrary and different practices in districts which changed all the time. The first Law Code was introduced only in 1818 in Wallachia. At the same time sale of offices was enormous. The only function of the state was fiscal one. Since officials did not get regular salaries, they considered a bribe for an office as an investment and wanted to collect as much money they only could to repay their debts quickly. It found a reflection even in the language: a Greek word "chiverneo" ("govern") Greek evolved in "chiverniseala" ("getting rich") in Romanian. As Georgescu (1990) notes, such a political system in two principalities led to a specific political mentality with a very high turnover of all officials and an atmosphere of fear and uncertainty. For example, in 1730-1821 the average reign of the prince lasted 2.5 years in Wallachia compared to 8.5 years in Transylvania (see table 2). As Seton-Watson (1963) notes, the Phanariot princes can be compared with "a farmer a farmer holding insecurely by a short lease. Who tries to extract as much as possible from the land, regardless the laws of cropping and rotation." It could lead to a very short-horizon among local population in Wallachia and Moldavia and could create major obstacles for economic development. If there were any attempts of reforms, they could not be successful because the rules and laws could be arbitrary changed by a successor. For example, when Constantine Mavrocordat during the fiscal reform in Moldavia introduced the four yearly tax levies in 1749, it was changed to twenty under the next

prince. The princes of Wallachia and Moldavia usually competed with each other and also the dismissed prince of one principality could be appointed for an office in the other. As one of the observers wrote, “What is remarkable about these despots, is that all their riches, money and jewels are always in trunks and travelling bags, as if they had to leave at any moment” (Cara 1777, p. 184)

*Table 2: Average Tenure of Rulers and Military Occupations in Romanian Territories*

	Transylvania	Wallachia	Moldavia
Period	1708-1834	1715-1834	1711-1834
Number of Rulers	15	47	54
Average Tenure (years)	8.40	2.53	2.28
Military Occupation (years)	0	16	22

Historians of Romania characterize the political system in Transylvania during Habsburg period as an enlightened absolutism (Hitchins 1969, 1990). Transylvania existed as the Union of Three Nations: Magyar, Szekler and Saxon, where the former two referred to Hungarians and the last to the descendants of German colonizers. Though Romanians constituted the ethnic majority in Transylvania, they were excluded from political life. The governor was appointed directly from Vienna, and unlike the other two principalities, there was a representative Diet with some legislative power (though limited at times) in Transylvania. Also Hungarians and Germans had some level of autonomy with their own representative institutions. Most officials were either Germans or Hungarians and got fixed salaries. In comparison with Wallachia and Moldavia, here besides the fiscal functions the state had some social obligations as well, especially after the reforms of Joseph II who tried to eliminate regional differences and promote schools and education (Georgescu 1990). There is evidence of a stronger rule of law with its consolidation started with Diploma Leopoldium (1691). In general, the political system in Transylvania during 18-th century and the first half of the 19-th century can be characterized as a very centralized bureaucracy with much higher stability and predictability compared to Wallachia and Moldavia. The tenure of the governor was longer (8.5 years on average) and the emperor often interfered in the political agenda. The Habsburg Empire was also interested in Transylvania as source of additional revenues. However, unlike other Romanian territories, here the taxes were collected by Imperial Treasure with the strict rules and consistent policies. For example, when the Habsburg Empire occupied Wallachia for a short period in 1716, the Habsburg officials were surprised to find out the fraud, abuse and disorganization of the fiscal system in the principality,

when there were no receipts for collected tax and collecting twice the same tax was a normal practice (Seton-Watson 1963). Moreover, unlike Wallachia and Moldavia, in Transylvania some of the collected taxes were invested in setting up the first mining companies and opening the first miners' schools. In the 1760s the Empire carried out several administrative and judicial reforms in Transylvania. For example, so-called "continuous tables" were organized which represented local courts and where peasants could appeal against their landlords. In general, the political system in Transylvania during the Habsburg period can be characterized as more stable, with a longer future horizon and with some inclusive institutions from the central government.

### *Economic Institutions*

Wallachia and Moldavia faced higher economic oppression burdens during the Phanariot Rule. Besides the corruption burden due to the specific political system, there were obligations to pay high annual contributions to the Ottoman Treasury, deliver provisions for the Ottoman army, supply certain goods at fixed low prices (basically, Ottomans imposed a trade monopoly on two principalities) and provide various labor services. For example, in 1822 45% of all expenditures in Moldavia went to the Ottomans (Georgescu 1990). Wallachia and Moldavia could not have direct diplomatic and economic relations with foreign countries and, thus were in some form of economic isolation from the Western world. Most of the import of the principalities went to the Ottoman Empire, and all import to Europe was under its discretion as well. Moreover, Wallachia and Moldavia suffered much more than Transylvania from Ottoman-Habsburg and Ottoman-Russian wars (there were seven wars on their territories in 1711-1829). In Transylvania there were wars only in some far districts and they did not bring massive destruction on the most of its territory. At the same time Transylvania had direct and broader relations with Western countries and, as a result, commerce started developing earlier in the 18-th century mostly by Austrians and Germans. The Phanariot rule as a reason for the economic decline in the principalities in the 18-th century was speculated a lot in the historical literature (Constantinescu 1994).

In Transylvania the modern forms of organization emerged earlier than in Wallachia and Moldavia (Constantinescu 1994). For example, if in Transylvania already in 1872 there were 34 joint-stock companies, in United Romania only three such companies operated in 1903. First modern banks came to Wallachia and Moldavia 30 years later than in Transylvania (1864 and

1835 correspondingly). Thus, already in the 19-th century the Habsburg part of Romania was more economically developed than the rest of Romania.

### *Religious Institutions*

Church is another important institution which had major differences between Wallachia and Moldavia, on one side, and Transylvania on the other. Historically, most Romanians were Orthodox. However, with incorporation of Transylvania into Habsburg Empire there was an attempt to convert most of Transylvanian Romanians into Catholicism and a special Uniate Church (Greek-Catholic) emerged which kept some of the Orthodox traditions but recognized the Pope of Rome. As a result, Romanians in Transylvania were divided between Orthodox and Uniate (Greek-Catholic) Churches. Most Hungarians were Catholics, whereas Germans and some Hungarians were Protestants (Lutheran, Calvinist, Unitarian). Due to this confessional diversity, the Orthodox and Uniate Churches played a more critical role in political life in Transylvania (Hitchins 1969), the churches were independent of the state and was a key factor in the formation of the Romanian National Movement and Romanian intellectual elites. Unlike Transylvania, in Wallachia and Moldavia 93% of population were Orthodox and the Church was not separated from the state. Here the metropolitans were appointed by the prince with the formal approval of the Patriarch in Constantinople and the church was incorporated into the Orthodox cultural world with Greek and Slavic influence.

## 2.2 United Romania

For several centuries Romanian territories were parts of different empires and only in 1918, after the World War I, the Kingdom of Romania (former Wallachia and Moldavia) united Transylvania into “Greater Romania”. The history of united Romania could be divided into the following periods: Constitutional Monarchy (1918- 1938), Royal Dictatorship (1938-1947), Communist period (1947-1989) and post-Communist Transitional period (starting in 1989). We describe briefly the history and development of Romania during these periods.

### 2.2.1 History of United Romania

Just after the unification in 1918, Romania represented a constitutional monarchy. There were parliamentary elections with universal suffrage, however, most of the executive power belonged to the king and he had discretion to appoint a prime minister and its party usually won the elections. In the 1920s the majority of seats in the parliament belonged to liberal parties and this period is often characterized as liberal in the literature (Georgescu 1990, Hitchins 1994). Soon after the unification the process of Romanization of bureaucracy started. In fact, the political elites in Bucharest were afraid of competition from the political elites in former Transylvania who were represented mostly by Hungarians and Germans (Fischer-Galati 1991). So there was a policy of expansion of the laws and practices of the former Romania on the newly adjoined Transylvania. Thus, in 1923 a new Constitution was adopted which basically extended the Constitution of 1866 for the new regions.

The country became a unitary state and all authority was centralized in Bucharest. For example, the central authority could appoint and dismiss the mayors of communes, dismiss regional councils and appoint the prefects of the regions. At the same time, the government tried to eliminate regional differences between the territories of the country. In 1920 the authorities expropriated all rural property belonged to foreigners and carried out a land reform with a more generous redistribution among peasants in Transylvania. To cope with a lower level of education in former Wallachia and Moldavia, in 1924 the new Education Law was passed which introduced compulsory seven years school education and established new universities. In general, the education policy was aimed at the reduction in illiteracy, especially in former Wallachia and Moldavia, where the authorities introduced adult literacy courses.

The period from 1934 to 1947 was characterized by a growing authoritarianism with an introduction of censorship and administration by decrees from the central government. Since 1934 the role of the so-called Iron Guard increased significantly in Romanian politics and it finally formed the government in 1940. This was a far-right, nationalist and anti-Semitic movement. All democratic institutions were abolished. During this period the country became more homogeneous. It was characterized by an emigration of ethnic minorities after 1938 (especially, Germans and Jews) and a drop in the share of foreign capital from 40% to 20% in 1938. During the Second World War Romania was occupied by the German and Russian troops and it fell under the Soviet sphere of influence after 1945.

In 1947 Romania was turned into Romanian People's Republic and the Communist period started. First, the communist regime wanted to transform the Romanian society to eliminate any slightest opportunity for opposition. It was carried out by total terror and repressions. The leaders of all other political parties were arrested and put in camps for political prisons. Already in 1948 a nationalization (90% of national production) and land expropriation were carried out. There were created special industrial commissions which set production plans and prices and allocated resources in the economy. The private property existed in a very limited form. The agricultural collectivization started in 1949, but progressed slowly and was finished only in 1962 when 96% of farms were collective farming units. This process was associated with a high resistance of peasants, however, any attempts of the revolts were suppressed by the special secret police Securitate and all opponents of collectivization were arrested. The Church was another object of harsh repressions. The Greek-Catholic Church was forced to unite with Orthodox Church and the number of Catholic bishops was restricted by the authorities. Many clergy and bishops became the political prisoners. It is noticed in the literature (Georgescu 1984) that the repressions and terror was much harsher in Romania compared to other Eastern European countries. It might explain why there could be no major uprisings in Romania like those in Hungary and Poland.

In general, Communist Romania was a very centralized state-controlled economy directed from Bucharest. There is evidence that in terms of regulation of labor issues Romania went further than any other Eastern European country. For example, all wages were determined by State Planning Committee and varied primarily by industry, not by region (Andren et al. 2005). There was also a strict control over migration which prevented people from moving from towns to cities and between the regions. One of the particular features of Romanian communism was an extraordinary emphasis on heavy industrialization which was carried out throughout the whole country. As Chirot (1978) notes, the authorities deliberately tried to prevent the development only in few previously major industrial centers. If in 1938 the industry and agriculture made up 30.8% and 38.1% of the national income respectively, in 1974 the figure were already 56.6% and 15.9%. Such an industrialization policy led to many disagreements with the Soviet Union since the 1960s and is one of the reasons why Romania sought to have an independent foreign policy.

There was a short period of liberalization in the late 1950s, but repressions and government control over economy got even harsher when Ceausescu came to power. During this period all planning and centralization tendencies intensified and were amplified with a cult of personality.

Ceausescu completely rewrote the Romanian history stressing the Romanian national identity. The ethnic minorities, primarily Hungarians, were not persecuted openly, but there was a policy aimed at their assimilation. There were no any attempts of liberal reforms even in the 1980s, when these reforms had already been carried out in most Communist countries, including the Soviet Union. The heavy industrialization was carried out at the expense of agriculture and was carried out despite the lack of natural resources and raw materials in Romania and relied on the expensive import. All these policies together led to extremely poor living conditions in the 1980s.

There are no reliable data on the number of dissidents and protests during the Communist rule. One of the major strikes was the protest of 35,000 miners in the Jiu valley who demanded the creation of a free trade union. Another large demonstration occurred in Bucharest in 1979 and was also related to the trade union movement. There was a dissident movement in the church in the 1970s – 1980s, mainly among Orthodox and Protestants, however the exact numbers are unknown. In 1987 a large strike in Brasov led to social unrests. All these protests were harshly suppressed by the police. The Romanian revolution of 1989 started in Timisoara, when the Protestant clergyman refused to move to another parish. The sparked demonstrations were bloody repressed and in few days the Communist regime fell.

After 1989 the gradual process of economic and political transition started with the integration into the European Union. Romania is one of the poorest countries of the EU (in 2012 its GDP per capita in PPS was 49% of the EU average). Today Romania is a unitary state with homogeneous political and economic institutions. It should also be noted that the historical borders between Transylvania, Wallachia and Moldavia lack policy relevance nowadays. However, Romania is administratively divided in 42 counties and the former border corresponds mostly to the administrative borders between contemporary counties (see Figure 3 in Appendix). A brief timeline of Romanian history is shown in Figure 4 in Appendix.

### 2.2.2 Convergence in Romania in the 20-th century

Being divided between different empires and having quite different history, Romanian territories exist as one unitary state for around 100 years. There were attempts to eliminate regional differences even in the first decades of unification in the 1920s. However, especially during the Communist rule the authorities there were policies of homogenization of the country.

Using Romania's annual statistics books, we extracted regional level data for urbanization, ethnicity, religion, education and industrial production and aggregated them for the former Habsburg and former Ottoman parts to be able to estimate whether there was any convergence between two historical regions.

In table 3 we present the share of people who lived in urban areas. If in 1930 and 1948 the former Habsburg part was less urbanized than the former Ottoman part (17.4% against 24.2% in 1930), then already in 1965 the urbanization rate in the former Habsburg part was almost 7% higher. By 1990 the gap in urbanization decreased and the urbanization rate was 57% in the former Habsburg and 54.3% in the Old Kingdom of Romania.

The convergence in ethnic composition of population was possible primarily due to emigration of German and Hungarian ethnic minorities since the late 1930s. Also because of the anti-Semitic policies and Holocaust during the Second World War, there could be significant changes in the number of Jewish population. In table 4 we show the share of main ethnic group in total population for 1930, 1956 and 2011. If the share of Romanians remained stable in the former Ottoman territories at the level of around 90%, their share of Romanians in the former Habsburg increased from 57.8% in 1930 to 72% in 1972. At the same time, the share of Hungarians and Germans fell from 24.4% and 9.8% to 16.7% and 0.5% respectively. Thus, even though the population is still more ethnically diverse in the former Habsburg part, there was at least some convergence in the ethnic composition of population.

Since the religion was suppressed during the Communist period, we do not have data on the religious composition of the population for this period. However, if we compare data for 1930 and 2011 (see table 5), we notice the share of Orthodox was stable in the former Ottoman regions at the level around 90%, whereas the share of the Orthodox increased from 34.8% to 66.9%. There is a decrease in the Greek-Catholics (probably due to their forced conversion into Orthodox) and Roman-Catholics in the whole country, though it is the decrease is higher in the former Habsburg part, where for example, the share of Greek-Catholics decreased from 24.9% in 1930 to 1.9% in 2011.

In table 6 we compare people by educational level in 1930 and in 2011. The first educational reforms started in Romania in the 1920s. We see that there were a little bit more people with postsecondary and higher education in the former Habsburg part compared to the former Ottoman part in 1930, whereas these differences in 2011 are almost invisible. However, if we



compare the share of illiterate people between the territories, we observe that illiteracy rate was almost 12% lower in the former Habsburg in 1930, whereas in 2011 the difference was less than 0.5%. From table 7 we see that there were more universities in the former Ottoman territories (might be due to the fact that the capital, Bucharest, was located there) in 1930, and by 2011 the differences in the number of universities (three universities) and university students per 1000 people (around 1 student) got smaller. Thus, there is a homogenization in the educational level and literacies among the historical Romanian territories.

In table 8 we compare the industrial production between former Habsburg and Ottoman territories. Initially Transylvania was more developed – for example, in 1938 its per-capita industrial production was 25% higher than in the Old Kingdom of Romania. By 1950 this difference became even higher (50%). However, by 1980 the per-capita industrial production in the former Habsburg territories was only 12% higher than one in the former Ottoman territories. In 1950-1980 the total industrial production increased 30 times in the former Habsburg territories against 48 in the former Ottoman territories. This statistics confirms the fact the communist authorities made an attempt to industrialize the country uniformly. Thus, initially less developed the Ottoman part grew faster.

Thus, we can conclude that we observe convergence in urbanization, education and industrial production in Romania during the 20-th century and especially the Communist period. The country has also become more homogenous in terms of ethnicity and religion, however the former Habsburg territories are still more ethnically and religiously diverse.

### **3. Hypotheses**

Historically Romania was divided between the Habsburg and Ottoman Empires which had quite different institutions. The country united into a unitary state in 1918 and had homogenous intuitions after the unification. The statistical data confirm that there was some convergence in urbanization, education, and industrial production, in particular, during the Communist period when the economy was very centralized and there was a special policy aimed at the elimination of regional differences within Romania. Thus, a natural question arises, is there any legacy of the former empires? In other words, are there any discontinuity in economic development outcomes and political attitudes at the former Habsburg-Ottoman border today?

We believe that there should be more smoothness in development outcomes. This is because we observe some convergence in urbanization, education and industrial development during the Communist rule. However, we expect more discontinuity in people's political attitudes and values because they can be related to the historical institutional differences between the Habsburg and Ottoman Empires and they are usually more difficult to transform. Even if look at the strikes and protests in the 1970s and 1980s, we would notice that most of them occurred in the former Habsburg territory - Jiu valley in 1977, Brasov in 1987 and Timisoara in 1989 which actually started the revolution of 1989. Though we do not have data to confirm empirically, it seems that people were more eager to protest in the Transylvania in the last days of the Communist regime.

This leads us to a hypotheses that the political attitudes of people could persist despite all efforts of the authorities to transform the society into a national unitary state. Thus, we posit that historical institutional differences between the Habsburg part of Romania, Transylvania, and the former Ottoman part of Romania, Wallachia and Moldavia, could translate into different patterns of voting behavior which might represent the legacy of empires.

First, a higher turnout of princes and all officials, arbitrary taxes and inconsistent rule of law could have led to the climate of fear and uncertainty in Wallachia and Moldavia. This in turn could lead to a lower level of trust in authorities and in other people compared to Transylvania. Moreover, since Transylvania was more involved in trade with the European countries and was characterized by an earlier development of trade, it could also contribute to the higher level of trust there because trust is usually considered as a function of exchange. If lower level of trust persists, then we should observe higher demand for regulation and government intervention (Aghion et al. 2010). This might translate into a higher level of voting for left parties who support government regulation and redistribution policies in former Wallachia and Moldavia, and relatively higher support for right parties in Transylvania, which is consistent with anecdotal evidence of differences in voting across regions.

Second, there were crucial differences in churches. Besides Orthodox, there lived many Catholics and Protestants in former Transylvania which are described as more horizontal religions with more horizontal ties and higher trust in the society and organizations (La Porta et al. 1997). The destruction of these horizontal links can have enormous consequences for the

economic development in general. For example, the economic underdevelopment of Southern Italy compared to the Northern Italy was attributed to the support of vertical ties of dependence and exploitation by the ruling elites in the former (Putnam 1993). Moreover, since the Churches were more independent from the state in Transylvania – they can be viewed as the first voluntary and civic organizations which were absent in former Wallachia and Moldavia. Both more adherents to horizontal religions and richer civic society could form the social capital which allows the society to operate more independently from the government. As Fukuyama (1995) notes, “The centralization of political authority in France undermined the autonomy of voluntary associations and made the French more dependent on centralized authority in later generations”. Thus, if these differences in social capital survive, they can translate into a richer civic society today and, as a result, into less sympathy with parties whose agenda implies more government intervention and state control (left-wing parties).

Third, there can be a channel of influence through economy itself. The comparison of institutions between Habsburg Transylvania and Ottoman-dependent Wallachia and Moldavia shows that in the former institutions were more inclusive, whereas in the latter they were more extractive. In Transylvania there were more opportunities for trade, capital accumulation, earlier industrial revolution and emergence of contemporary forms of organization. However, in Wallachia and Moldavia were characterized by oppressive fiscal burden, lack of capital and insufficiently developed domestic market and permanent wars. Moreover, higher integration of Transylvania into the Western World also contributed to its earlier economic development. Since more people were included into benefits of developed market economy there, it might have formed more liberal preferences and support for market economy which may transform into a higher support of right parties today.

Thus, our main hypothesis is that historically different institutions could lead to divergence in preferences of society for self-governance, government intervention and society regulation, integration with Western Europe and market economy. And this divergence might have persisted despite the convergence in economic development. The channel of influence could be trust in people and trust in government, civic society and economic development. If these different preferences persist (perhaps, through inter-generational transmission within families or close communities), they should translate into a higher support for liberal and right-

wing parties in the former Habsburg Empire (former Transylvania) and into a higher support for left and post-communist parties in former Ottoman Empire (Wallachia and Moldavia) within contemporary Romania. If our guess about the possible channels of transmission of different political attitudes and values is true, then other factors (such as geography and roads or ethnic diversity) should be irrelevant for today's political outcomes. So we can formulate to basic hypotheses:

*H1: We expect a higher convergence in education than in ethnic and religious composition across the former border.*

*H2: We expect more divergence in political attitudes of people measured by election results.*

*H3: If we find divergence in political outcomes across the former border, we expect that people vote more for right parties and less for left parties in the former Habsburg territories (Transylvania) than in the former Ottoman territories.*

*H4: Different voting patterns in the former Habsburg and Ottoman parts of Moldavia should not be driven by geography or past ethnic diversity.*

## **4. Data**

We merged data on elections with historical borders of Empires and controls from Census. We also use quite limited historical data on past ethnic diversity in Transylvania. Further we describe data in detail.

### *4.1 Election Data*

These data come from Romanian Elections committee (Permanent Electoral Authority) and correspond to municipality level. Focusing on the elections to the Lower Chamber of Romanian Parliament (Chamber of Deputies), then we use data on elections to the Upper Chamber (Senate) and presidential elections for robustness checks. All results were actually the same. The Chamber of Deputies is elected using a proportional party system (before 2008 election reform), whereas for the upper Chamber mixed member proportional representation is used. The parliament and the president are elected for four-year term until 2004; after 2004 the term rose to five years. So we consider four parliamentary elections - in 1996, 2000, 2004 and 2008 (in

robustness checks, 2009 presidents elections are used). There were minor administrative changes in the municipalities after 2000 which explain different number of observations for different election years.

#### 4.2 *Census Data*

The source of Census data is the National Institute of Statistics in Romania. We use 2011 Census to extract municipality-level data on population, sex and age structure of the population, education, religion, language and ethnic diversity. A municipality may represent either a town, or village or several tiny villages. Overall there are 3186 municipalities in Romania. In table 9 we show descriptive statistics for available control variables for the former Habsburg and Ottoman parts within 60 km bandwidth from the former border. There are no significant differences in the average size of population and gender composition between Transylvania and Wallachia and Moldavia. However, Transylvanian municipalities are characterized by a significantly higher altitude above the sea level, a younger population, a higher share of educated people and a higher share of non-Romanians in the total population. Since all these factors can affect election outcomes, we take them into account in our empirical strategy.

#### 4.3 *Historical Borders and Data*

The data on historical borders come from *Euratlas Historical Data*. We created digital maps with historical Empires and current municipalities and identified the location of municipalities relative to the former Habsburg and Ottoman Empires. As a baseline, we use the Habsburg-Ottoman border in 1800, since it corresponds to the maximal expansion of the Habsburg Empire and was essentially stable during the 19<sup>th</sup> century.

### **5. Empirical Strategy**

#### 5.1 Estimation

We use the regression discontinuity which arises because the former Habsburg-Ottoman border crosses through the territory of contemporary Romania. We take this border as exogenous, because it was the object of many wars between the former Empires and to our knowledge there are no pre-existing factors that could have determined this border. However, it

should be noted that this border corresponds more or less to the Carpathian Mountains Chain (see figure 5). This can be an alternative explanation for the differences between the territories and we try to test it in section 7.

To estimate the discontinuity at the former Habsburg-Ottoman border, we use parametric local linear regression. In case of political outcomes, there are many confounding factors that affect election results and which do not change smoothly at the border, so we need to take them into account to estimate the precise effect of Empires on election outcomes. We include only the municipalities lying within a certain bandwidth of the former border. As a baseline, we use 60 km bandwidth (shown in figure 10 in Appendix). A 30 km bandwidth is used for robustness checks. The estimated equation is the following:

$$percentage\_of\_votes_{ij} = \alpha + \beta Habsburg_{ij} + \sum \theta_j \phi_j + X' \lambda + \varepsilon_{ij} \quad (1)$$

This is a cross-section OLS regression which is estimated for each party and each election year (we do not pool elections and parties). The dependent variable is the percentage of votes for a certain party in the municipality  $i$  in the county  $j$ . The main parameter of interest is the coefficient on dummy for Habsburg Empire (Habsburg dummy is equal to 1 if the municipality lies on the former Habsburg territory in 1800 and is 0 otherwise) which is supposed to be positive for right parties and negative for left parties according to our hypothesis.  $X$  represents the vector of municipality-level controls which include altitude of the municipality, natural logarithm of the total population in the municipality, the percentage of people in certain age ranges (control group – young voters in ages 18-24), the percentage of people with certain level of education (control group – people with primary education only), the percentage of males in the municipality, the percentage of religious minorities (the majority is Orthodox), and the percentage of people speaking minority native language (compared to Romanian).  $\phi_j$  represents county fixed effects to take into account unobservable factors (such as income), for which we do not have municipality-level data. We cluster robust standard error terms by county due to possible correlations between the errors within a county. We do not include ethnic diversity controls in the baseline specification since they are highly correlated with native language diversity. The latter seems to be a more reliable control because very often ethnic minorities

assimilate with the major ethnic group and also some of the ethnic minorities are reluctant to reveal their ethnicity.

## 5.2 Main Political Parties and Elections in Romania

In our baseline estimation we use data on the parliamentary elections in 1996-2008, and for robustness checks we also use data on the second rounds of presidential elections. In the description of Romanian parliamentary elections and the main political parties we follow Rose and Munro (2003), and Marian (2013). Though there were elections during the Communist period, their results hardly reflected the real political preferences of the population. The reported turnout was around 100% and almost 100% of voters supported the ruling Communist party. After the revolution of 1989 the National Salvation Front (FSN) came to power and was later transformed into the political party. It was founded by the former members of the Communist party who opposed Ceausescu. In particular, Ion Iliescu from FSN became the first freely elected Romanian president and the leader of Social-Democratic party of Romania. In 1992 parliamentary elections FSN got around 67% of votes in the Chamber of Deputies and was the leading political force till 1993 when it split into two parties – social-democratic and democratic party.

The collapse of the Communist regime started the process of political parties' formation from the scratch. In the absence of civil society and public preference falsification (Kuran 1995), there was a high uncertainty about real political preferences and attitudes of voters. As a result, many small parties appeared, disappeared, split into several parties and merged into alliances. For example, 82 parties and coalitions were on the ballot in 1992 parliamentary elections. Gradually the number of parties decreased and there appeared two major parties, one left and the other center-right. However, surprisingly the results of the parliamentary elections were quite stable. In 1992 seven parties got seats in the Lower Chamber of the Parliament, in 1996 – six parties, in 2000 and 2004 five parties and only four parties in 2008.

The main Electoral laws were passed in 1990 and 1992 with some amendments in 1996. The Romanian Parliament consists of two Chambers – the Chamber of Deputies and Senate, which are elected at the same time and using the same rules (they differ only in the number of

representatives). Because the results of voting do not differ qualitatively, we concentrate our analysis on the results of elections of the Lower Chamber, the Chamber of Deputies. The election system is a proportional representation with 42 multi-member districts (from four representatives in the smallest district to 29 representatives in Bucharest). Before 2008 the national closed-list ballot was used, which means that voters in different districts voted for the same national list of candidates representing one party or another and each party determined who represented it by ranking. After 2008 election reform, multi-member districts were replaced by single-member electoral districts and the individual candidates were allowed to run. For all seats that cannot be distributed proportionally, there is a district pool of seats which is distributed using the Haare largest remainder method, and the national pool of seats which is distributed according d'Hondt highest-average method. Additionally, there are 19 seats in the Chamber of Deputies (out of 347 in total) which are reserved for 19 officially recognized ethnic minorities' parties which could not overcome the required threshold (5% threshold for parties, 8% for blocks).

In terms of ideology all major Romanian parties can be classified as right, left and nationalist. On the left wing, the major players were PSDR which was established in 1990 as a successor of social-democratic parties that existed in the prewar period and PDSR which split from the FSN in 1993. These two parties usually run for elections together. In the 1990s these parties were perceived as post-communist because especially PDSR consisted of many former member of the Communist party (so-called "apparatchiks"). Since 2000 PSDR and PDSR formed the alliance with PUR (Romanian Humanist Party, later transformed into Conservative Party). The alliance with PUR added more traditional conservative ideology to its program. As a result these parties formed the main left force in Romania and were transformed into PSD (Social-Democratic Party). From the early 1990s, PSD was against privatization and objected to austerity policies. For these reasons in all elections 1996-2008 we classify PSD (or the alliance formed by three left parties) as the main "left" party, and for elections in 1996 and 2000 it can be also characterized as a post-communist party.

On the right wing, in the 1990s one of the major players was CDR (Romanian Democratic Convention). CDR emerged as an anti-communist party. The party actively supported privatization and integration into the European Union. In 2000 elections CDR lost all its seats in



the lower Chamber (with 5% of votes overall) and gradually became inactive. Its failure can be partly explained by the unexpected success of the nationalist PRM party and the rise of Democratic Party (PD) which will become very popular during 2004 and 2008 elections.

The second major player on the right wing was the Democratic Party. It was the second major party which split from FSN in 1993. In 1996 they run for elections independently under the brand USD (Social Democratic Union) and came the third with 13.29% of votes. In 1996 they joined the ruling right coalition with CDR. In 2000 the party was renamed to PD (Democratic Party) and did not win enough votes to get seats in the Parliament. In 2004 PD formed with another liberal party PNL “Justice and Truth an alliance with PNL and the alliance got around 24% of votes. The party supported liberal reforms, free market, integration into the European Union and decentralization. After 2005 the party’s ideology shifted even more to the right and became more liberal. In 2007 the Democratic Party merged with Liberal Democratic Party and formed PDL (Democratic Liberal Party) for 2008 elections which won 30% of votes.

Among other right parties, we should also mention PNL (National Liberal Party) which was in alliance with Democratic party in 2004 and ran independently for elections in 2008 (with almost 20% of votes). PNL initially appeared as pro-European and monarchist parties in the 1990s. Later it shifted more economic and social liberalism. In particular, it brought to life very liberal 16% flat tax on personal income. Another center-right party is PNTCD which emerged in the 1990s based on the pre-war National Peasants’ Party which was very active in the former Transylvania in the 1920s and the 1930-s. The party was referred as a Christian-Democratic party and positioned itself as anti-communist, however did not have significant success in elections.

Thus, we refer to CDR in the 1990s and democratic party (PD, later PDL) as the main right political parties since they were always the second in terms of votes (except 2000 elections) and represented one of the major political forces in the country.

On the nationalist wing, the major parties are UDMR, PRM and PUNR. UDMR, the Hungarian Democratic Union of Romania, supports the local autonomy of Hungarians, the use of Hungarian language in schools, decentralization, integration into the European Union and market economy. This is the only party of an ethnic minority which won enough votes for the seats in

the Parliament without the reserved seats for ethnic minorities. The general ideology of UDMR can be described as right.

PRM (Greater Romania Party) is a nationalist party. The party praises Ceausescu's national policy and seeks to recover Romanian pre-war territories. The party strongly objects to the possible secession of Transylvania from Romania. PRM achieved its major success in 2000 elections when it got 19% of votes and its representative competed in the second round of presidential elections. Another active nationalist pro-Romanian Party in the 1990s was PUNR (Romanian National unity Party) which also supported national integrity and keeping unity of the country. The party was dissolved in 2006.

Summing up the description of the major political parties in Romania, we can conclude that though there were many fragmented parties in the beginning, however the results were quite consistent (except unexpected success of PRM in 2000), when the two major forces, one right and one left, always got the highest support. In tables 10-13 we show the electoral descriptive statistics for each election for municipalities lying within 60 km from the former Habsburg-Ottoman border. The turnout has been gradually declining from around 77% in 1996 to 45% in 2008. For all election the main left party got more votes than any other party, including the main liberal and nationalistic contenders. In 1996 the right CDR won 30.7% against 23.1% of the left PSD. In 2000 CDR almost lost its support with only 5% of votes, whereas, the left alliance got around 41% of votes. In 2004 election the right PDL and left PSD won around 24% and 41% of votes correspondingly. In 2008 the figures were 30.4% and 32.7% respectively. The descriptive statistics for the results of the main parties in 1996-2008 elections is shown in tables 9-12.

By using the results of parliamentary elections as a proxy for political attitudes of people, we make an assumption that these results reflect these preferences and people vote meaningfully. According to 2004 Comparative study of Electoral Systems survey in Romania around 90% people could provide the reasons why they voted for one party or another (Marian 2013) and about 70% of people could place parties on the right-left scale correctly.

For robustness checks we also use the results of the second rounds of presidential elections in 1996 – 2009. The president was elected for four years before 2004 when the term was increased to five years. To win in the first round a candidate has to get the absolute majority. In other case, there is second round. In all elections in 1996 – 2009 there was the second round

where the representatives of the main right and left parties competed for office (except 2000 elections where the left candidate competed with the nationalist candidate).

In figure 11-14 we show the nonparametric local average estimation for the share of votes for major political parties in parliamentary elections in 1996-2008 within the 60 km bandwidth. We observe “jumps” in the share of votes for major “left” party and pro-Hungarian UDMR party in each election. Thus, without controlling for other factors, we see that people in the former Habsburg territories vote less for the major left party and more for the pro-Hungarian UDMR, whereas there do not seem to be any jumps in the share of votes for other parties at the former Habsburg-Ottoman border. In the next section we present the results of parametric local linear regression estimation when we take into account important determinants of voting behavior.

## **6. Results**

### **6.1 The Effect of Empires on Multiple Outcomes**

We provided evidence that there was some convergence in economic development between the former Habsburg and Ottoman parts of Romania, especially during the Communist period. In this section we make an attempt to identify discontinuity in other contemporary outcomes, besides the election results, across the former Habsburg-Ottoman border.

We do not have detailed data for income across the border to make the precise estimate of the income differences across the former border. In table 1 below we compare the Regional GDP in counties of the former Habsburg and Ottoman Empires in 2006 and 2009. We do see that on average the regional GDP per capita was higher by 11% in 2006 and by 9% in 2009 in the former Habsburg counties compared to the rest of the country. It seems that the former Habsburg counties are wealthier though given the small number of observations and potential compounding factors it is hard to interpret these data.

In tables 15 and 16 we estimate the local linear regression for the share of people of certain ethnic group and the religious denomination. We include the municipalities lying within the 60 km bandwidth from the former Habsburg-Ottoman border and control for altitude, the population size in logarithms and county fixed effects. The coefficient on Habsburg dummy is significant

only for Germans and is not significant for Hungarians. This might be due to the fact that most Hungarians live in three counties in the former Habsburg territory and their effect is captured by these counties dummies. The significant Habsburg dummy for Germans implies that indeed there are more Germans in the former Habsburg territory and they live more uniformly there across counties. In terms of religious denominations, the share of Orthodox is significantly lower in the former Habsburg municipalities, whereas the shares of Protestants and non-Orthodox are significantly lower there. However, we do not observe any significant differences in the share of Catholics across the former border. Overall it seems that though there was some forced convergence in religion during the Communist period, the religious differences still persist.

In table 17 we estimate the local linear regression for the share of people with certain level of education. We include the municipalities lying within the 60 km bandwidth from the former Habsburg-Ottoman border and control for altitude, the population size in logarithms, age structure, ethnic composition and county fixed effects. The effect of the Habsburg Empire is significant only for higher education, but the magnitude of this effect seems to be small – the share of people with higher education is 0.7% higher in the former Habsburg part.

Thus, we conclude that the highest differences across the former Habsburg-Ottoman border remain in the religious and ethnic composition of population, whereas differences in education level of population are almost absent.

## 6.2 The Effect of Empires on Voting for Parties

In tables 18-21 we show the main results of the parametric local linear regression estimation for 1996, 2000, 2004 and 2008 parliamentary elections in the Chamber of Deputies. In each table the columns correspond to the first six parties which won the most votes. In each case the first column corresponds to the leading “right” party (CDR in 1996 and 2000, PNL-PD and PD-L in 2004 and 2008), and the second column corresponds to the “left” party (PSD in 1996 and later PSD in coalition with other left parties). For each party we present the estimation result of specification (1) with 60 km bandwidth from the former border. In all specifications the coefficient on Habsburg dummy is the main parameter of interest and is interpreted as the effect of the former affiliation with Habsburg Empire on voting for the party in parliamentary elections.

The coefficient on the Habsburg dummy is always significant only for two major parties which we classified as “right” and “left”. The only exception is a Christian-Democratic party PNTCD in 2000. In all specifications we observe a positive coefficient on Habsburg dummy for the “right” party and a negative coefficient for the “left” party. This result holds for all four parliamentary elections in 1996-2008. The magnitude of the coefficients is higher for the 2000-s elections. For example, being located on the former Habsburg territory is associated with an increase in the percentage of votes for the “right” party (PDL) by 9.5% and a decrease in the percentage of votes for the “left” party by 10.9% controlling for other observable factors and county fixed effects. So we see that people on the former Habsburg territory support consistently more the major “right” party and support less the major “left” party.

This is a remarkable result, especially taking into account that these territories have existed as a unified country since 1918 and we observe the effect of the Empires after such a long time which included Communist period with a very centralized government. Moreover, we identify this effect just around the former border, so this result is not driven by general West-East voting pattern or proximity of Western regions to the Western European countries.

However, we do not find any significant effects for small right parties and for nationalist parties. It might be explained that voting for pro-Hungarian UDMR party in the former Transylvania and for pro-Romanian PRM party in the former Wallachia and Moldavia are primarily explained by the ethnic composition in these municipalities, rather than the former Habsburg-Ottoman border.

### 6.3 The Effect of Empires on Voting for Presidents

Since the results of voting for political parties are interdependent, in this section we provide the results of estimation of specification (1) for the second rounds of presidential elections in 1996-2008, where voter could choose only between two alternatives. In 1996, 2004 and 2008 there was fight between the candidates representing the major right and left forces. In 2000 there were a left and a nationalist candidate in the second round. We again estimate the parametric linear local regressions for the municipalities lying within the 60 km bandwidth from the former Habsburg-Ottoman border. The dependent variable is the percentage of votes for the left

candidate. We show the results in table 22. The coefficient on Habsburg dummy is always significant and implies that the left candidate got 5% less votes in 1996, around 8% less in 2000 and 2004, and almost 9% less votes in presidential election in the former Habsburg part. Thus, we can conclude that being located on the former Habsburg territory is associated with a significant less support of the left political forces.

#### 6.4 The effect of Empires on Turnout

In this section we consider the effect of empires on turnout in parliamentary elections in 1996-2008 and presidential elections in 2009. We did not formulate any hypotheses here about how voter turnout can differ across the former Habsburg-Ottoman border. Ideally we would like to measure the level of civicness or civic society just across the border. Because survey data can provide us enough observations to estimate the effect of empires, we use voter turnout in elections as a proxy for civil society here. This approach has many limitations. Theoretically a higher turnout may reflect a higher interest and involvement of population into political life which can be explained by a developed civic society, higher social and human capital. Thus, for example higher education leads to higher voter turnout. On the other hand, in a stable democracy ignorance can be a rational choice since voting is costly for an individual. The latter might be used as an explanation of declining voter turnouts in most developed countries since 1980s.

We estimate specification (1) with the same controls and county fixed effects within 60 km from the former Habsburg-Ottoman border. The results are shown in table 23. The Habsburg dummy is always negative and significant for all election except for 2008 elections. This implies that in the former Habsburg territory, turnout is 2.5%-4% lower than on the other side of the border. The interpretation of this result needs to be explained further since this result might mix many channels.

### **7. Extensions and Alternative Hypotheses**

In this section we test some alternative hypothesis about the consistent differences voting behavior across the former Habsburg-Ottoman border. In particular we test that discontinuity in

political outcomes might be explained by past ethnic diversity and geographical isolation rather than former empires affiliation. We also provide a number of robustness checks. Because the results do not differ qualitatively, we report all robustness checks for our baseline specification, i.e. the parliamentary elections in 1996.

### 7.1 Alternative Explanation – Past Ethnic Diversity within Transylvania

According to this hypothesis, the difference in political outcomes can be explained by a much higher share of Hungarians and Germans in the former Habsburg territory rather than by the affiliation with the former empire. Thus, through their religion, language, customs and values could be transmitted within families or close communities into the later generations and persist today. Unfortunately, data from historical Censuses in Wallachia and Moldavia are not available. However, historical data from Censuses in Habsburg Empire are available for most of locations in the former Transylvania: for 16 (out of 17 counties) and for 1041 localities (out of 1107). For each locality we extracted the data on ethnic diversity from the earliest available Census: from Census in 1850 for 645 localities, from Census in 1880 for 387 localities, and from Census in 1910 for nine localities. Correlation coefficients between the shares of ethnic group in total population today and in the 19-th century in Transylvania are 0.93 for Hungarians and 0.45 for Germans. It confirms the anecdotal evidence about the mass migration of Germans during the Second World War period.

Since we do not have the historical data for the former Ottoman dependent states (Wallachia and Moldavia), we cannot just include the share of Hungarians and Germans in the total population of the municipality as additional controls and apply parametric local linear regression. Instead, using data only on one side from the border (the former Habsburg Empire), we try to investigate to what extent the historical ethnic diversity determines voting differences in today's Romania (within former Transylvania).

We estimate the same specification as (1) for parliamentary elections in 1996 (for other years the results were similar), with the percentage of votes for a certain party as the dependent variable and the same controls (altitude, population size, education, age structure of population), but without Habsburg dummy (because now it is equal to one for all observations). The results are presented in table 24. In specification (1), (2) and (5), (6) we use historical shares of Germans

and Hungarians in the total population in the 19-th century. In specifications (3) and (7) we substitute the historic share of Hungarians in the total population for their share today, and for comparison in specifications (4) and (8) instead we use the shares of these ethnic groups in population today. First, we see that the coefficients on the share of ethnic minorities (both today's and historical) are always negative, which might reflect the fact that these ethnic groups vote more for minority parties and support less two leading parties. Second, the historical share of Germans gets insignificant when we controls for the share of Hungarians today and the coefficients on the share of Hungarians today and in the 19-th century are close in magnitude. Thus, we can conclude that within the former Habsburg part today the persistent effect of Hungarians in the 19-th century on voting today is likely to work through the Hungarians living there today. As for Germans, it seems that there is no persistent effect of Germans in the 19-th century on political outcomes within former Transylvania today.

If we try to extrapolate these results on our main findings, we tend to reject the alternative hypothesis that the discontinuity in election results might be explained by past ethnic diversity. This is because we do not observe the effect of Germans in the past on voting within the former Habsburg part and in our main findings we control for ethnic diversity today.

## 7.2 Geographical Isolation Hypothesis and Roads Today

One of the alternative hypotheses might be that the observed different voting patterns across the former border are explained not by the former empires affiliation, but rather by the geography, namely the isolation of one part of Romania from the others due to Carpathian Mountains. In this section we test this alternative hypothesis empirically. We identify three kinds of “passes” through the mountains – “road passes”, “railroad passes” and “river passes”. We identify a pass as an intersection of the former Habsburg-Ottoman border with a road, railroad or a river today. As it can be seen on figures 15-17, we identified 18 road passes, three railroad passes and 11 river passes.

Thus, each of these passes corresponds either to a contemporary road, railroad or river through the former border and through the mountains. If this alternative hypothesis is true, then we should not observe differences in political outcomes across the border for the municipalities



which lie close to these passes. In other words, if mountains determine the identified differences in voting behavior, then we should not observe these differences for the municipalities which, though they lie on different sides of the former border, were historically connected by a road, railroad or river. In table 25 we present the estimation results of the specification (1) for 1996 elections for the “right” party in the first two columns and for the “left” party in the last two columns. Columns (1) and (3) correspond to the specification when we do not add controls and include the municipalities lying within 15 km from the identified passes. Columns (2) and (4) we control for the same observables as for our main results and include the municipalities lying within 25 km from the identified passes (the corresponding localities are shown in figures 18-20). Habsburg dummy is again significant and positive for the “right” party and “negative” for the “left” party. Thus, even for the localities which are connected by roads, railroads and rivers, i.e. for the municipalities where mountains do not seem to represent any obstacles for interaction and exchange, we still observe the association between the former Empires and contemporary political outcomes. The magnitude of this effect is smaller for the right party and approximately the same for the “left” party. We interpret this result as a corroboration of our main hypotheses H1-H3.

### 7.3 Geographical Isolation Hypothesis and Historical Roads

In the previous Section we use data on contemporary roads to test for alternative hypothesis about the effect of geographical isolation on contemporary political outcomes in Romania. Here for robustness check we use data on historical roads in the first quarter of the 19-th century (Constantinescu 1994). The historical map is presented in figure 21 in Appendix. We created a digital map to identify the historical roads and identified their intersections with the former Habsburg-Ottoman border. These intersections correspond to historical “passes” through the mountains. If our main hypotheses about institutional persistence is correct, then if we compare the elections results on different sides of the former Habsburg-Ottoman border close to the historical borders or passes, we should get the same qualitative results, i.e. higher support for right parties in the former Habsburg territory and higher support for left parties in the former Ottoman dependent territories. Alternatively, if the our hypothesis is incorrect and geographical isolation hypothesis is true, we should not observe any significant effect of the former Empires’

affiliation on the contemporary elections results near the historical borders, because the localities near these roads were connected geographically and past institutional differences could not play such a significant role here. In figure 22 we show the identified historical roads and 10 intersections with the former Habsburg-Ottoman border in 1800.

In tables 26 - 29 we show the results of local parametric estimation of specification (1) with same controls as in Section 6 for four parliamentary elections in 1996-2008. In each table the first two columns correspond to the right party and last two columns correspond to the left party. We include localities which lie within 60 km bandwidth from the former Habsburg-Ottoman border and within 10 km from the historical roads (columns 1 and 3) or 10 km from the historical road passes through the mountains (columns 2 and 4). Except for the right party in 2000 elections, the Habsburg dummy is always significant and positive for the right party and negative for the left party. Thus, even when we consider the localities which were historically connected by roads, we still observe the significant effect of the former Empires on contemporary political outcomes in Romania according to our main hypotheses. Based on results in sections 7.2 and 7.3 we reject the geographical isolation hypothesis and accept our main hypothesis H2.

#### 7.4 Placebo Historical Borders

We run placebo regressions with specification (1) for fake former Habsburg-Ottoman borders. We shifted the former border between the empires in a parallel way to the North-West and to the South-East by 30 km. Then, we constructed dummies for being located to the West from these fake borders and interpret them as “fake” Habsburg dummies. If our main results are indeed explained by the historical Habsburg-Ottoman border and are not driven by different West-East voting patterns, then these fake borders and fake Habsburg dummies should have no effect on voting for the major right and left parties. The results for each election year are shown in tables 30-33. The fake Habsburg dummy is never significant. This confirms that our main results are not driven by North-West and South-East different voting patterns and the legacy of empires is significant only around the real former Ottoman-Habsburg border.

## 8. Conclusion

Despite the fact that Romania exists as a united unitary state for around 100 years and was a communist country for 50 years with a highly centralized economy, we still observe persistent differences in voting patterns between its territories which were parts of different empires in the 18-th and 19-th century. We also document discontinuity in religious and ethnic compositions, however we do not find discontinuity in education at the former Habsburg-Ottoman border. We believe that the past institutional differences between empires could lead to the formation of different political values and attitudes across the former border which persist today.

We find that the former Habsburg rule is associated with a lower support for the major left party and a higher support for the major right party during the parliamentary elections in Romania in the 1990s and 2000s. Thus, on average the former Habsburg affiliation is associated with an increase in the percentage of votes for the “right” party by 3.5% and a decrease in the percentage of votes for the “left” party by 4.5%. This result seems to be robust to different bandwidths around the border, different sets of controls and using both parliamentary elections and presidential elections. People who live in the former Habsburg part close to the former Habsburg-Ottoman border prefer more liberal economic reforms, higher integration into the European Union and less government intervention and regulation.

This is a remarkable result given that Romania experienced a highly centralized economy in the 20-th century. The regional statistic over the Communist period implies that indeed there was convergence in economic development, in particular in urbanization, education and industrial production. At the same time the differences in ethnic composition and religion still remain, though the country became more homogenous. Our findings suggest that though a unitary national state succeeded in eliminating the regional differences, it failed to transform the society fully since the differences in political attitudes across the former Habsburg-Ottoman border still persist today. The election results differ significantly at the border even when we take into account the ethnic and religious composition of the municipalities and county fixed effects. Thus, these persistent differences can hardly be explained only by higher ethnic and religious diversity in the former Habsburg territories, but they can be a part of the potential mechanisms of this persistence.

We think that possible channels of this institutional persistence could be differences in trust, social capital and economic development caused by institutional differences between the

Romanian territories in the 18-th and 19-th centuries. We test a number of alternative hypotheses. In particular, using historical data from Habsburg Censuses we do not find any evidence that these persistent effects can be explained by the past higher ethnic diversity in former Transylvania. Using data on contemporary roads, railroads, rivers and historical roads in the 19-th century we do not find any support for geographical isolation hypothesis. In other words, we observe persistent differences across the former Habsburg-Ottoman border even for localities which were geographically connected by roads and rivers. Also we show that these differences are not driven by different West-East patterns in voting either.

Though different voting patterns within Romania were documented before and the legacy of Empires in the Southern-Eastern European countries was studied in the literature, to our knowledge this is the first paper which estimates the precise effects of Empires within Romania just around the former Habsburg-Ottoman border using rich elections data. We add to existing literature on institutional persistence by showing that history can have a direct impact not only on trust, culture and economic development today, but also on political values and attitudes of people who live in one country close to each other for a long time.

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## Appendix

*Figure 3:* Historical Habsburg-Ottoman Border and Administrative Borders Today



Figure 4: Timeline of Romanian History

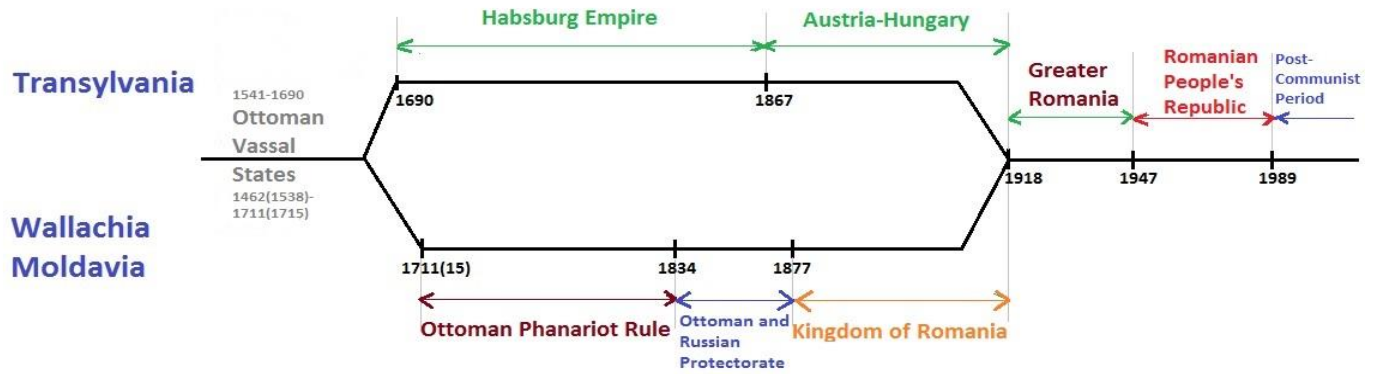
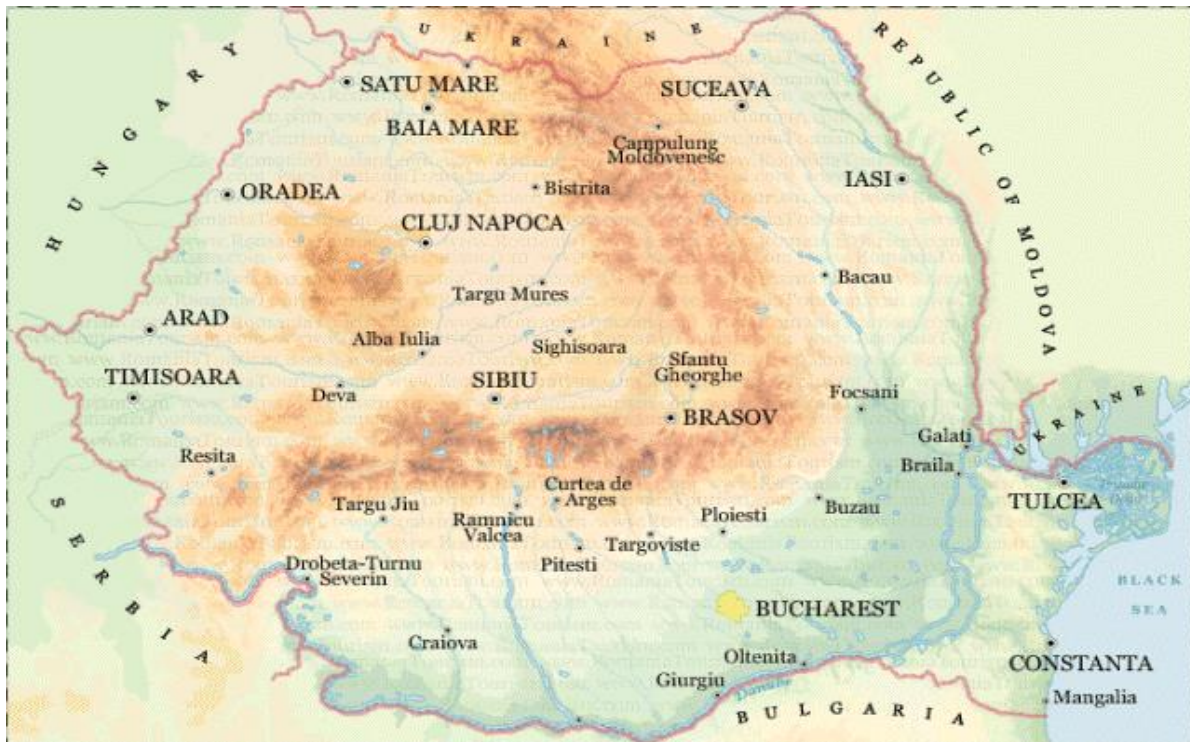


Figure 5: Map of Romania and Carpathian Mountains Chain





**Table 1:** Rulers of Transylvania, Wallachia and Moldavia during Phanariot and Habsburg Rule

Transylvania	Wallachia (Princes)		Moldavia (Princes)	
<b>Governers:</b>	Nicolae Mavrocordat (1715–1716)	Mihai Suțu (1783–1786)	Lupu Costachi (1711-1711)	Alexandru Mavrocordat Firaris (1785-1786)
Stephan Haller (1709–1710)	Habsburg occupation (1716)	Nicolae Mavrogheni (1786–1789)	Ioan Mavrocordat (1711-1711)	Alexandru Ipsilanti (1786-1788)
Stephan Wesselényi (1710–1713)	Ioan Mavrocordat (1716–1719)	Habsburg occupation (1789–1790)	Nicolae Mavrocordat (1711-1715)	Austrian occupation (1787-1791)
Sigismund Kornis (1713–1731)	Nicolae Mavrocordat (1719–1730)	Mihai Suțu (1791–1793)	Mihai Racoviță (1715-1726)	Emanuel Giani Ruset (1788-1789)
Stephan Wesselényi (1731–1732)	Constantin Mavrocordat (1730)	Alexandru Moruzi (1793–1796)	Grigore II Ghica (1726-1733)	Russian occupation (1788-1791)
Francis Anthon Paul Wallis (1732–1734)	Mihai Racoviță (1730–1731)	Alexander Ypsilantis (1796–1797)	Constantin Mavrocordat (1733-1735)	Alexandru Moruzi (1792-1792)
Johann Haller (1734–1755)	Constantin Mavrocordat (1731–1733)	Constantin Hangerli (1797–1799)	Grigore II Ghica (1735-1739)	Mihai Suțu (1793-1795)
Franz Wenzel Wallis (1755–1758)	Grigore II Ghica (1733–1735)	Alexandru Moruzi (1799–1801)	Russian occupation (1739-1739)	Alexandru Callimachi (1795-1799)
Ladislaus Kemeny (1758-1762)	Constantin Mavrocordat (1735–1741)	Mihai Suțu (1801–1802)	Grigore II Ghica (1739-1741)	Constantin Ipsilanti (1799-1801)
Adolf Nikolaus von Buccow (1762–1764)	Mihai Racoviță (1741–1744)	Alexandru Suțu (1802)	Constantin Mavrocordat (1741-1743)	Alexandru Suțu (1801-1802)
Andreas Hadik (1764–1767)	Constantin Mavrocordat (1744–1748)	Constantin Ypsilanti (1802-1806)	Ioan II Mavrocordat (1743-1747)	Chancellor Iordache Conta (1802-1802)
Karl O'Donnell (1767–1770)	Grigore II Ghica (1748–1752)	Russian occupation (1806–1812)	Grigore II Ghica (1747-1748)	Alexandru Moruzi (1802-1802)
Maria-Joseph Auersperg (1771–1774)	Matei Ghica (1752–1753)	Ioan Gheorghe Caragea (1812–1818)	Constantin Mavrocordat (1748-1749)	Scarlat Callimachi (1806-1806)
Samuel von Brukenthal (1774 -1787)	Constantin Racoviță (1753–1756)	Grigore Brâncoveniu (1818)	Iordache Stavrachii (1749-1749)	Alexandru Moruzi (1806-1807)
Georg Banffy (1787–1822)	Constantin Mavrocordat (1756–1758)	Alexandru Suțu (1818–1821)	Constantin Racoviță (1749-1753)	Russian occupation (1806-1812)
Johann Jósika (1822–1834)	Scarlat Ghica (1758–1761)	Grigore Brâncoveanu (1821)	Matei Ghica (1753-1756)	Alexandru Hangerli (1807-1807)
	Constantin Mavrocordat (1761–1763)	Tudor Vladimirescu (1821)	Constantin Racoviță (1756-1757)	Scarlat Callimachi (1807-1807)
<b>Emperors:</b>	Constantin Racoviță (1763–1764)	Scarlat Callimachi (1821)	Scarlat Ghica (1757-1758)	Iordache Ruset-Roznovanu (1807-1807)
Joseph I (1705-1711)	Ștefan Racoviță (1764–1765)	Grigore IV Ghica (1822–1828)	Ioan Teodor Callimachi (1758-1761)	Metropolitan Veniamin Costache (1807-1812)
Charles III (1711-1740)	Scarlat Ghica (1765–1766)	Russian occupation (1828–1834)	Grigore Callimachi (1761-1764)	Scarlat Callimachi (1812-1819)
Maria Theresa and Francis I Stephen (1740-1765)	Alexandru Ghica (1766–1768)		Grigore III Ghica (1764-1767)	Mihail Suțu (1819-1821)
Maria Theresa and Joseph II (1765-1780)	Russian occupation (1768)		Grigore Callimachi (1767-1769)	Stolnici Manu and Rizos-Nerulos (1819-1819)
Joseph II (1780-1790)	Grigore III Ghica (1768–1769)		Constantin Mavrocordat (1769-1769)	Metropolitan Veniamin Costache (1821-1821)
Leopold VII (1790-1792)	Russian occupation (1769–1770)		Russian occupation (1769-1774)	Filiki Eteria occupation (1821-1821)
Francis II (1792-1804)	Emanuel Giani Ruset (1770-1771)		Grigore III Ghica (1774-1777)	Ștefan Vogoride (1821-1822)
Francis I (1804-1835)	Alexander Ypsilantis (1774–1782)		Constantin Moruzi (1777-1782)	Ion Sandu Sturdza (1822-1828)
	Nicolae Caragea (1782–1783)		Alexandru Mavrocordat Delibey (1782-1785)	Russian occupation (1828-1834)

Source: Based on Treptow and Popa (1996)

*Figure 10:* Municipalities lying within 60 km bandwidth from the historical Habsburg-Ottoman Border



*Table 3: The Share of Urban Population by Years (in %):*

	Former Habsburg	Former Ottoman
1930	17.4	24.2
1948	19.5	26.2
1965	38.9	32.1
1980	53.0	48.8
1990	57.5	54.3

*Table 4: The Ethnic Composition of Population by Years (in %):*

	Former Habsburg	Former Ottoman
1930		
	Former Habsburg	Former Ottoman
Romanians	57.82	88.53
Hungarians	24.39	0.68
Germans	9.80	0.51
Jews	3.22	2.87
Gypsy	1.97	1.57
Russians	0.13	0.48
1956		
	Former Habsburg	Former Ottoman
Romanians	65.01	98.68
Hungarians	25.01	0.28
Germans	5.91	0.12
Jews	0.70	0.82
Gypsy	1.26	0.25
Russians	0.03	0.33
2011		
	Former Habsburg	Former Ottoman
Romanians	72.09	89.91
Hungarians	16.73	0.06
Germans	0.46	0.02
Jews	0.02	0.02
Russians	0.02	0.17

*Table 5: The Religious Composition of Romanian People by Years (in %):*

1930		
	Former Habsburg	Former Ottoman
Orthodox	34.83	91.61
Greek-Catholic	24.97	0.25
Roman-Catholic	17.07	1.99
Reformata	12.55	0.15
Evangelist	4.95	0.33

2011		
	Former Habsburg	Former Ottoman
Orthodox	66.94	89.05
Greek-Catholic	1.97	0.05
Roman-Catholic	8.82	1.77
Reformata	8.21	0.02
Evangelist	0.09	0.07
Atheist	0.26	0.15

*Table 6: Romanian Population by Educational Level in 1930 and 2011 (in %):*

1930		
	Former Habsburg	Former Ottoman
Illiterate	32.61	44.14
Secondary	6.23	4.25
Professional	1.51	2.35
Higher	0.93	1.04

2011		
	Former Habsburg	Former Ottoman
No Education	2.78	3.12
Secondary	67.42	64.02
Postsecondary	3.25	3.15
Higher	14.08	14.55

*Table 7:* The Number of Universities by Years (in %):

	Former Habsburg	Former Ottoman
1938	5	11
1950	21	32
1980	20	23

University Students per 1000 people:

	Former Habsburg	Former Ottoman
1938	0.83	2.49
1950	2.82	3.92
1980	8.72	9.93

*Table 8:* The Per-capita Total Industrial Production in lei per person (in 1980 prices):

	Former Habsburg	Former Ottoman	% differences
1938	1658.28	1323.34	125.31
1950	2416.42	1610.04	150.08
1980	46619.97	41401.68	112.60

*Table 9: Descriptive Statistics (Average and Standard Deviation) for the Main Controls*

Variable	Habsburg (Transylvania)	Ottoman (Wallachia and Moldavia)	Difference
Total Population	5310.647 [740.9043]	5248.518 [504.9875]	-62.12907 [896.6335]
Altitude (meters)	507.6316 [11.29997]	370.439 [8.730365]	<b>-137.1926</b> <b>[14.27966]</b>
Male (%)	49.71522 [0.058359]	49.584 [0.0472037]	-0.1312247 [0.0750597]
People Older than 60 years (%)	23.70855 [0.285299]	26.89095 [0.2509609]	<b>3.182392</b> <b>[0.3799696]</b>
People with at least Postsecondary Education (%)	8.187445 [0.2541442]	7.221866 [0.2007879]	<b>-0.9655788</b> <b>[0.3238905]</b>
People with Higher Education (%)	6.142139 [0.2038659]	5.157097 [0.1526689]	<b>-0.9850424</b> <b>[0.2546941]</b>
Hungarian Speaking Population (%)	16.94039 [1.582478]	0.0491958 [0.0124912]	<b>-16.89119</b> <b>[1.582527]</b>
German Speaking Population (%)	0.3596928 [0.0592352]	0.0036421 [0.0005588]	<b>-0.3560507</b> <b>[0.0592378]</b>
Ethnic Hungarians (%)	16.758 [1.558946]	0.0458097 [0.0093913]	<b>-16.71219</b> <b>[1.558974]</b>
Ethnic Germans (%)	0.4325302 [0.0653131]	0.0053279 [0.000731]	<b>-0.4272023</b> <b>[0.0653172]</b>
Non-Orthodox Religion (%)	29.53235 [1.473408]	8.72098 [0.5341922]	<b>-20.81137</b> <b>[1.567257]</b>
Observations	456	672	

*Table 10:* Electoral Descriptive Statistics in 1996

<b>Variable</b>	<b>Average</b>	<b>Std. Dev.</b>	<b>Min</b>	<b>Max</b>
Turnout	76.67	9.50	42.49	99.50
CDR (right)	22.35	10.65	0.09	59.55
PDSR (left)	27.83	14.33	0.06	74.52
PUNR	2.92	3.86	0.00	46.24
USD	13.29	6.04	0.09	36.85
PRM	4.28	3.02	0.00	45.94
UDMR	6.01	20.29	0.00	98.69
Number of Observations	1057			

*Table 11:* Electoral Descriptive Statistics in 2000

<b>Variable</b>	<b>Average</b>	<b>Std. Dev.</b>	<b>Min</b>	<b>Max</b>
Turnout	66.21	8.43	35.14	99.63
CDR_2000 (right)	3.71	3.36	0.00	36.96
PDSR_PUR (left)	41.37	17.18	0.11	79.83
PNL	4.63	3.38	0.09	25.06
PDSR_PUR (left)	6.16	5.47	0.00	60.12
PRM	19.05	8.37	0.00	64.22
UDMR	6.18	21.04	0.00	98.84
Number of Observations	1058			

*Table 12:* Electoral Descriptive Statistics in 2004

<b>Variable</b>	<b>Average</b>	<b>Std. Dev.</b>	<b>Min</b>	<b>Max</b>
Turnout	60.35	7.68	34.72	95.50
PNL_PD (right)	24.44	11.55	0.36	66.98
PSD_PUR (left)	41.97	15.26	0.00	81.87
PNTCD	1.40	1.86	0.00	21.04
PNG	1.86	1.77	0.00	19.18
PRM	13.52	6.59	0.00	47.17
UDMR	6.49	21.05	0.00	98.60
Number of Observations	1115			

*Table 13:* Electoral Descriptive Statistics in 2008

<b>Variable</b>	<b>Average</b>	<b>Std. Dev.</b>	<b>Min</b>	<b>Max</b>
Turnout	44.50	9.24	18.06	89.81
PD_L (right)	30.36	17.20	0.00	91.30
PSD_PC (left)	32.70	19.09	0.29	88.52
PNG_CD	2.35	3.27	0.00	39.56
PNL	20.50	16.84	0.00	82.91
PRM	2.65	2.00	0.00	25.45
UDMR	6.18	20.32	0.00	97.61
Number of Observations	1128			

*Table 14:* Regional Differences between Counties in Romania Today

	Habsburg	Ottoman	Difference
Regional GDP per capita (2006), lei per person	<b>15208.56</b> (3623.75)	<b>13592.58</b> (6663.02)	<b>1615.99</b> (1596.33)
Regional GDP per capita (2009), lei per person	<b>21433.09</b> (5192.47)	<b>19627.60</b> (10211.91)	<b>1805.49</b> (2399.44)
Observations	17	25	



*Table 15: Ethnic Differences between the Former Habsburg and Ottoman Territories (OLS)*

	(1)	(2)	(3)	(4)
	Romanians	Hungarians	Germans	Others
Habsburg Dummy	-4.195 (3.076)	1.950 (2.053)	0.112** (0.0533)	2.133 (1.772)
Altitude	0.00634** (0.00247)	-0.00186 (0.00136)	0.000254 (0.000325)	-0.00473** (0.00200)
Population (log)	-0.543 (0.478)	-0.130 (0.362)	-0.0929 (0.0817)	0.765** (0.349)
Bandwidth (km)	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes
Observations	1,128	1,128	1,128	1,128
R-squared	0.715	0.818	0.143	0.151

*Table 16: Religious Differences between the Former Habsburg and Ottoman Territories (OLS)*

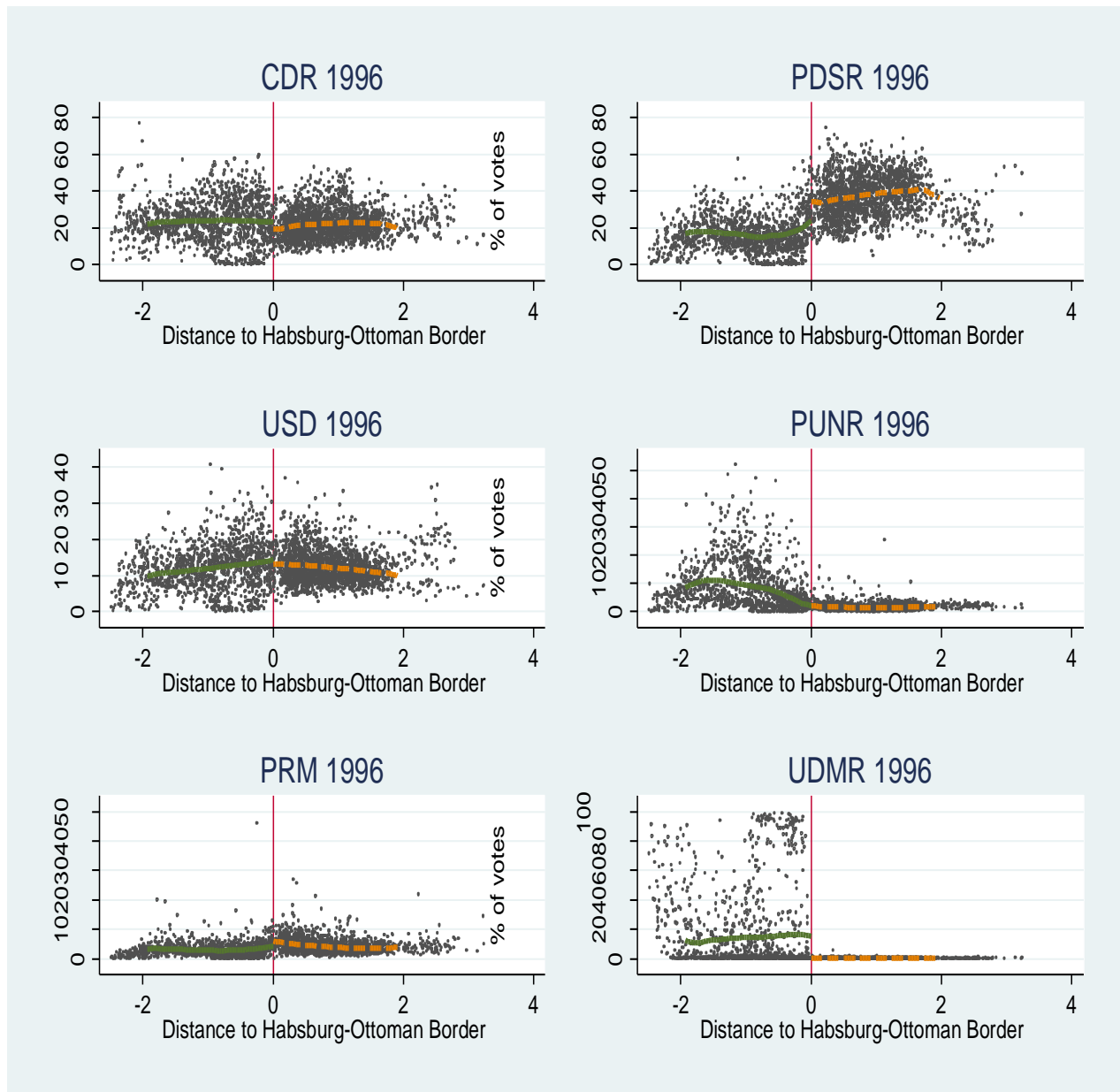
	(1)	(2)	(3)	(4)
	Orthodox	Protestant	Catholic	Non-Orthodox
Habsburg Dummy	-4.496** (1.918)	2.710*** (0.581)	3.236 (2.246)	4.496** (1.918)
Altitude	0.00741** (0.00266)	-0.00375* (0.00186)	-0.00238 (0.00165)	-0.00741** (0.00266)
Population (log)	-1.147** (0.429)	-0.0555 (0.272)	0.0604 (0.281)	1.147** (0.429)
Bandwidth (km)	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes
Observations	1,128	1,128	1,128	1,128
R-squared	0.654	0.467	0.594	0.654

*Table 17: Differences in Education between the Former Habsburg and Ottoman Territories*

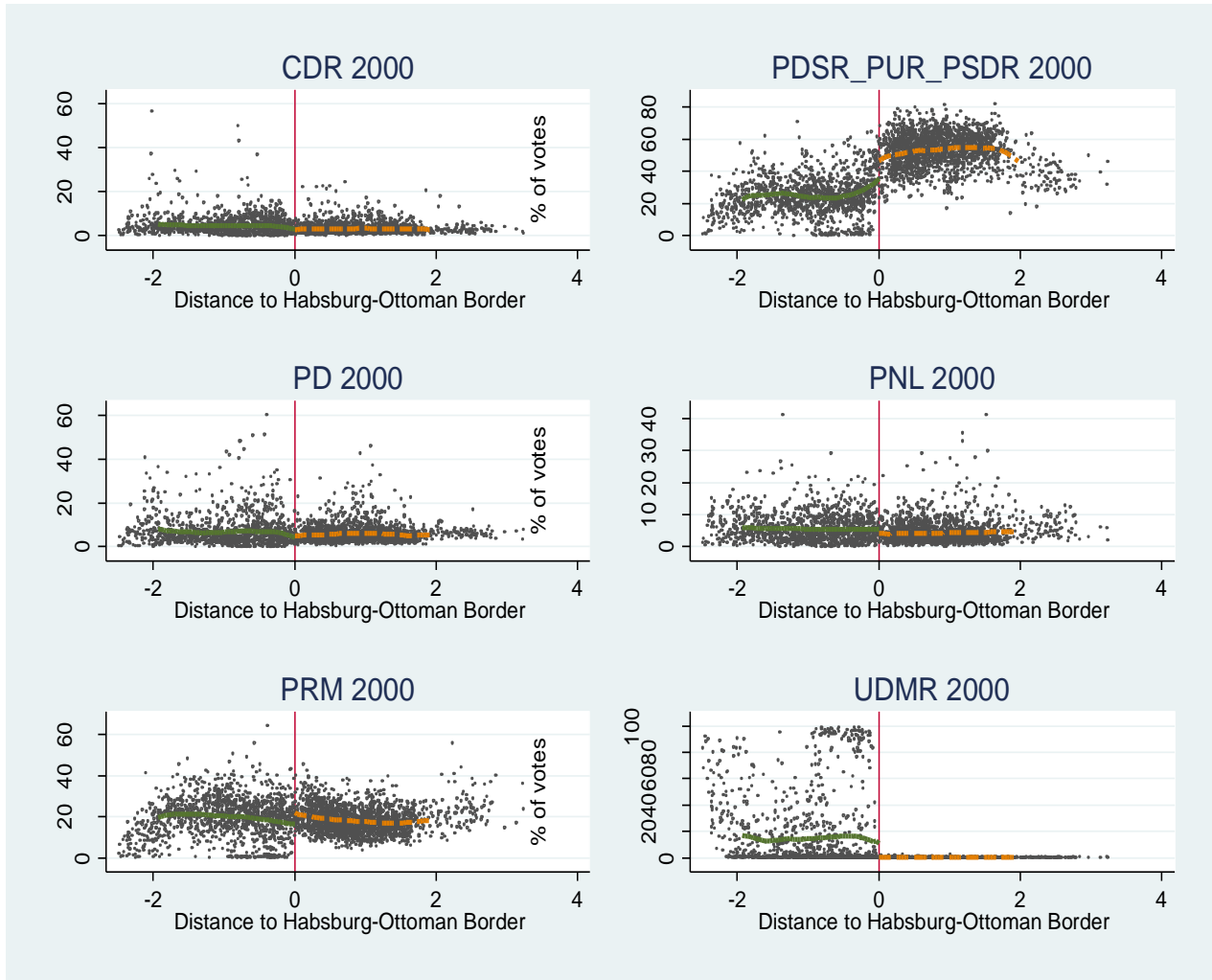
	No Education		Post-Secondary Education		Higher Education	
	(1)	(2)	(3)	(4)	(5)	(6)
Habsburg Dummy	0.439 (0.303)	0.250 (0.153)	0.141 (0.159)	-0.00350 (0.0698)	1.158** (0.517)	0.662** (0.299)
Bandwidth (km)	60	60	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Controls	No	Yes	No	Yes	No	Yes
Observations	1,128	1,128	1,128	1,128	1,128	1,128
R-squared	0.104	0.388	0.184	0.637	0.130	0.708

*Note:* In specification (2), (4) and (6) we control for altitude, population size, age structure and ethnic minorities

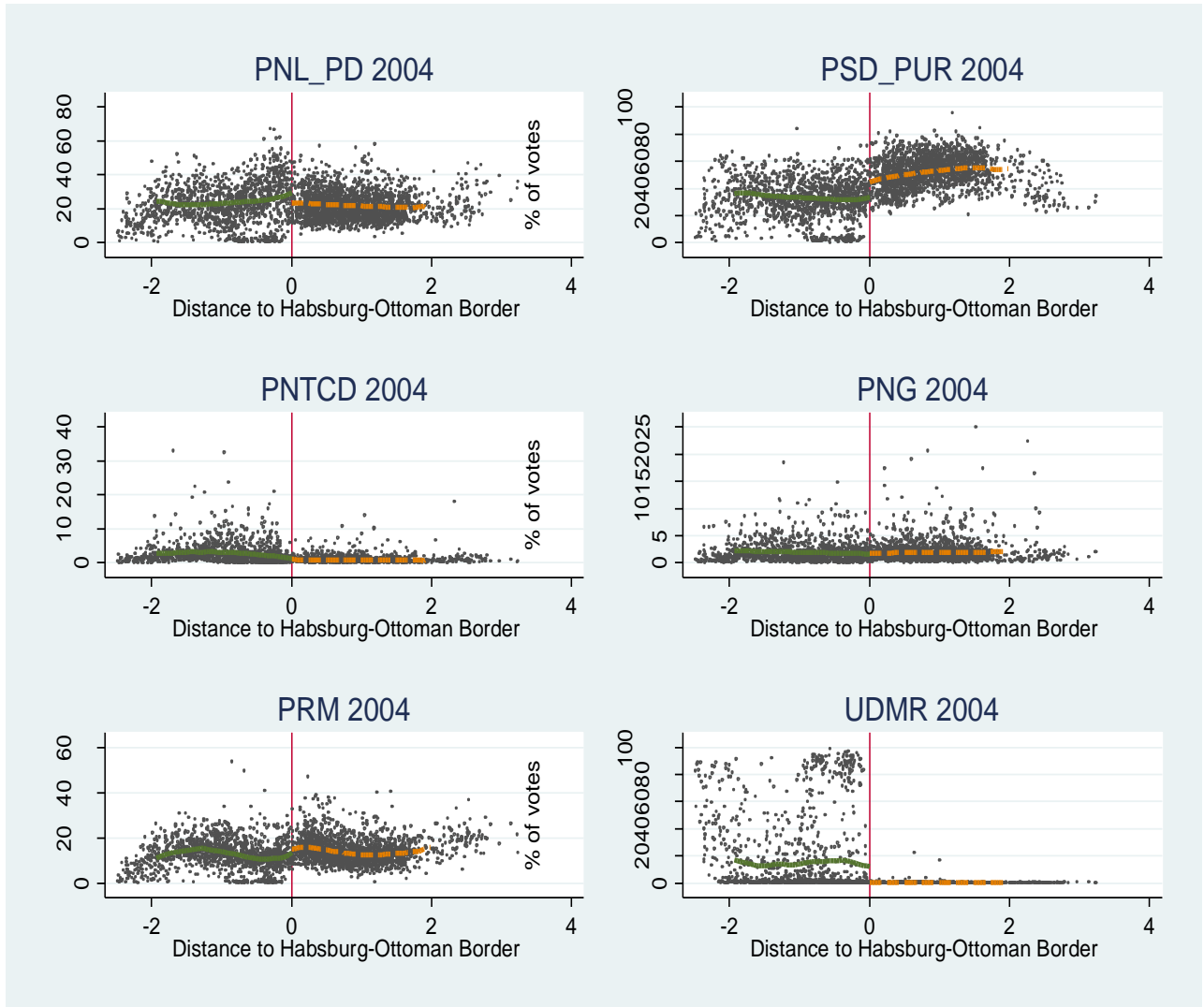
*Figure 11:* The Nonparametric Local Average for the Share of Votes for Major Parties in Parliamentary election in 1996



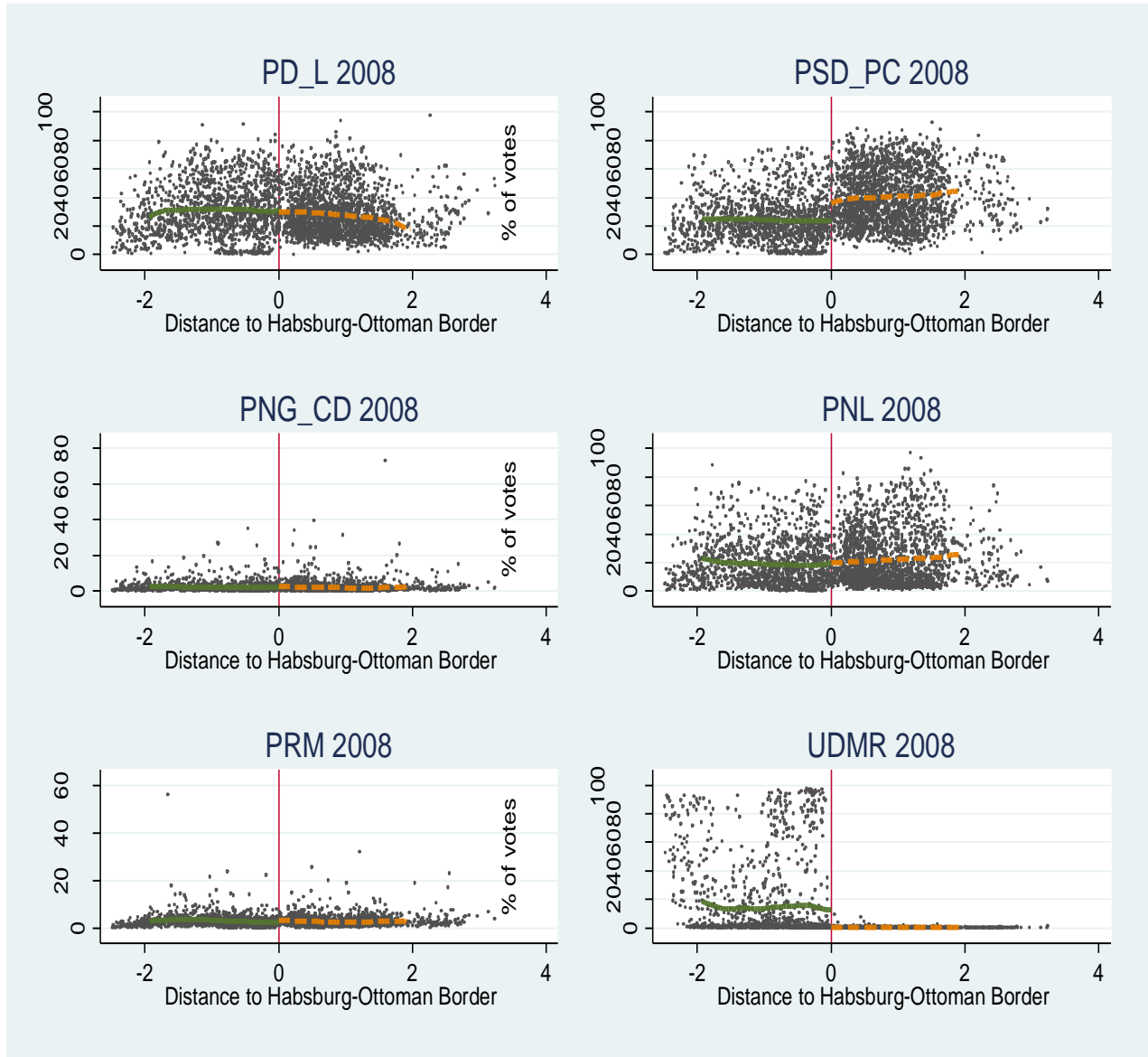
*Figure 12:* The Nonparametric Local Average for the Share of Votes for Major Parties in Parliamentary election in 2000



*Figure 13:* The Nonparametric Local Average for the Share of Votes for Major Parties in Parliamentary election in 2004



*Figure 14:* The Nonparametric Local Average for the Share of Votes for Major Parties in Parliamentary election in 2008



*Table 18: The Effect of Empires on Voting in 1996 Parliamentary Elections (OLS)*

	(1)	(2)	(3)	(4)	(5)	(6)
	CDR	PDSR	USD	PUNR	PRM	UDMR
Habsburg Dummy	3.803*** (0.978)	-5.501*** (1.172)	-0.203 (0.317)	0.222 (0.639)	-0.232 (0.637)	-0.651 (0.523)
Altitude	-0.00308 (0.00207)	0.00188 (0.00250)	-0.00149 (0.00112)	0.000239 (0.000391)	0.00134*** (0.000339)	0.000248 (0.000250)
Population (log)	-0.347 (0.467)	1.070** (0.467)	-0.485 (0.408)	-0.102 (0.137)	0.131 (0.139)	0.176 (0.192)
% of Male	-0.406* (0.227)	0.329 (0.204)	-0.0206 (0.142)	0.0268 (0.0828)	0.155 (0.102)	0.0258 (0.0502)
% of People older than 60 years	-0.0637 (0.0936)	0.339*** (0.110)	-0.132** (0.0521)	-0.00102 (0.0254)	-0.000873 (0.0330)	-0.00879 (0.0338)
% of People with Higher Education	0.661*** (0.143)	-0.322* (0.157)	-0.0667 (0.0693)	-0.0124 (0.0612)	0.0549 (0.0822)	-0.00329 (0.0459)
% of People with Post-Secondary Education	0.374 (0.555)	-1.057** (0.408)	-0.01000 (0.155)	0.203* (0.105)	0.189** (0.0850)	-0.0916 (0.0939)
% of ethnic Hungarians	-0.299*** (0.0463)	-0.204*** (0.0260)	-0.166*** (0.0308)	-0.135*** (0.0427)	-0.0189*** (0.00518)	0.925*** (0.0293)
% of Ethnic Germans	-0.653*** (0.187)	0.216 (0.168)	0.442*** (0.133)	-0.108 (0.0966)	-0.00682 (0.0571)	-0.00296 (0.116)
% of Ethnic Minorities	-0.00783 (0.0399)	-0.0462 (0.0525)	-0.0266** (0.0104)	-0.0150* (0.00856)	-0.00849 (0.00840)	-0.00441 (0.0105)
Bandwidth (km)	60	60	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,057	1,057	1,057	1,057	1,057	1,057
R-squared	0.665	0.799	0.621	0.701	0.397	0.991

*Note:* We do not report coefficient estimates for all controls for sake of space here

*Table 19: The Effect of Empires on Voting in 2000 Parliamentary Elections (OLS)*

	(1)	(2)	(3)	(4)	(5)	(6)
	CDR	PDSR-PUR- PDSR	PD	PNL	PRM	UDMR
Habsburg Dummy	1.002*** (0.331)	-6.590** (2.979)	-0.186 (0.940)	0.00409 (0.502)	3.106 (1.879)	-0.741 (0.626)
Altitude	-0.000693 (0.000472)	0.000406 (0.00335)	-0.000642 (0.000802)	-0.000830 (0.000558)	0.00175 (0.00154)	-8.97e-05 (0.000239)
Population (log)	-0.0829 (0.201)	1.807** (0.679)	-0.241 (0.291)	-0.225 (0.186)	0.413 (0.421)	0.0495 (0.126)
% of Male	-0.235** (0.108)	-0.309 (0.289)	0.103 (0.156)	-0.00436 (0.0948)	0.245 (0.155)	0.0349 (0.0578)
% of People older than 60 years	0.0182 (0.0530)	0.0743 (0.163)	-0.0628 (0.0585)	0.0310 (0.0451)	-0.0115 (0.0843)	-0.00773 (0.0464)
% of People with Higher Education	0.194*** (0.0593)	-0.497*** (0.165)	0.0539 (0.0862)	0.229*** (0.0564)	0.0396 (0.0786)	0.0316 (0.0402)
% of People with Post-Secondary Education	-0.158 (0.172)	-0.275 (0.503)	0.270 (0.302)	0.0340 (0.139)	0.128 (0.272)	-0.0844 (0.0932)
% of ethnic Hungarians	-0.0431*** (0.0144)	-0.269*** (0.0333)	-0.0628*** (0.0169)	-0.0835*** (0.0185)	-0.256*** (0.0316)	0.964*** (0.0204)
% of Ethnic Germans	-0.189 (0.122)	0.473** (0.175)	0.0493 (0.205)	-0.0985 (0.127)	-0.173 (0.411)	-0.00587 (0.0946)
% of Ethnic Minorities	-0.0284*** (0.00957)	-0.0627*** (0.0216)	-0.100 (0.0630)	-0.0461 (0.0275)	-0.111** (0.0410)	-0.00859 (0.0129)
Bandwidth (km)	60	60	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,058	1,058	1,058	1,058	1,058	1,058
R-squared	0.412	0.793	0.428	0.387	0.658	0.993

*Note:* We do not report coefficient estimates for all controls for sake of space here



*Table 20: The Effect of Empires on Voting in 2004 Parliamentary Elections (OLS)*

	(1)	(2)	(3)	(4)	(5)	(6)
	PNL-PD	PSD-PUR	PNTCD	PNG	PRM	UDMR
Habsburg Dummy	5.502*** (0.636)	-7.707*** (1.013)	0.259*** (0.0792)	-0.204 (0.131)	0.898 (1.184)	-0.587 (0.484)
Altitude	0.00268 (0.00260)	-0.00440* (0.00237)	-0.000125 (8.99e-05)	-0.000658*** (0.000181)	0.00181 (0.00123)	0.000306 (0.000277)
Population (log)	-1.346** (0.495)	0.292 (0.368)	-0.232 (0.153)	-0.0278 (0.102)	0.689** (0.250)	0.184* (0.0999)
% of Male	-0.391 (0.236)	0.00633 (0.261)	-0.0821* (0.0421)	-0.00358 (0.0462)	0.451** (0.162)	0.0176 (0.0651)
% of People older than 60 years	0.125 (0.0903)	-0.0328 (0.108)	-0.00246 (0.0153)	-0.0340* (0.0196)	-0.0530 (0.0663)	-0.00199 (0.0322)
% of People with Higher Education	0.892*** (0.125)	-0.716*** (0.129)	0.0943* (0.0549)	0.0278 (0.0338)	-0.122** (0.0565)	-0.0341 (0.0250)
% of People with Post-Secondary Education	0.787 (0.527)	-0.444 (0.453)	-0.0252 (0.0848)	0.0557 (0.0556)	-0.126 (0.176)	-0.000327 (0.0691)
% of ethnic Hungarians	-0.259*** (0.0501)	-0.389*** (0.0654)	-0.0109* (0.00596)	-0.00886** (0.00389)	-0.133*** (0.0171)	0.899*** (0.0252)
% of Ethnic Germans	-0.571* (0.315)	0.429 (0.512)	0.183*** (0.0417)	0.0604 (0.0437)	0.0230 (0.185)	-0.169* (0.0838)
% of Ethnic Minorities	-0.119* (0.0608)	-0.200*** (0.0221)	-0.0139*** (0.00440)	-0.000294 (0.00399)	-0.0351** (0.0133)	-0.0100 (0.0118)
Bandwidth (km)	60	60	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,115	1,115	1,115	1,115	1,115	1,115
R-squared	0.662	0.772	0.496	0.200	0.656	0.992

*Note:* We do not report coefficient estimates for all controls for sake of space here

*Table 21: The Effect of Empires on Voting in 2008 Parliamentary Elections (OLS)*

	(1)	(2)	(3)	(4)	(5)	(6)
	PDL	PSD-PC	PNG-CD	PNL	PRM	UDMR
Habsburg Dummy	9.478*** (1.336)	-10.85*** (2.244)	-0.0387 (0.335)	2.283 (1.826)	0.100 (0.193)	-0.775 (0.540)
Altitude	0.00500 (0.00429)	-0.00202 (0.00447)	-0.000615 (0.000674)	-0.00208 (0.00171)	-0.000144 (0.000341)	-0.000161 (0.000507)
Population (log)	0.243 (0.891)	1.743* (0.988)	-0.131 (0.158)	-2.232** (0.897)	0.182 (0.123)	-0.108 (0.133)
% of Male	-0.325 (0.553)	-0.278 (0.680)	-0.107 (0.0973)	0.550 (0.389)	0.0366 (0.0622)	-0.0116 (0.0511)
% of People older than 60 years	-0.0546 (0.233)	-0.127 (0.233)	-0.0384 (0.0369)	0.0672 (0.195)	0.00638 (0.0185)	0.0448 (0.0486)
% of People with Higher Education	0.435* (0.245)	-0.211 (0.281)	0.0598 (0.0480)	-0.284 (0.213)	0.0612** (0.0248)	-0.0506 (0.0675)
% of People with Post-Secondary Education	-0.710 (0.530)	-0.380 (0.917)	-0.0581 (0.160)	1.225 (0.983)	0.0268 (0.0929)	0.0293 (0.107)
% of ethnic Hungarians	-0.180*** (0.0513)	-0.387*** (0.0495)	-0.0507*** (0.0118)	-0.215*** (0.0707)	-0.0215 (0.0139)	0.846*** (0.0443)
% of Ethnic Germans	0.0908 (0.393)	0.272 (0.890)	-0.0230 (0.0570)	-0.939 (0.749)	0.168* (0.0941)	-0.0534 (0.112)
% of Ethnic Minorities	0.00216 (0.0708)	-0.107* (0.0611)	0.00435 (0.00694)	-0.159** (0.0616)	0.00124 (0.00416)	0.00182 (0.0136)
Bandwidth (km)	60	60	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,128	1,128	1,128	1,128	1,128	1,128
R-squared	0.397	0.367	0.173	0.263	0.256	0.978

*Note:* We do not report coefficient estimates for all controls for sake of space here

*Table 22: The Effect of Empires on Voting in Presidential Elections in 1996-2008 (OLS)*

	(1) 1996	(2) 2000	(3) 2004	(4) 2008
Habsburg Dummy	-5.821*** (0.825)	-8.111** (3.456)	-8.416*** (1.916)	-9.434*** (1.624)
Altitude	0.00311 (0.00325)	-0.00216 (0.00245)	-0.00284 (0.00296)	-0.00275 (0.00334)
Population (log)	2.126*** (0.726)	2.020*** (0.665)	1.755** (0.700)	0.605 (0.617)
% of Male	0.533** (0.224)	-0.719*** (0.201)	0.419 (0.263)	0.00290 (0.425)
% of People older than 60 years	0.441*** (0.152)	0.0166 (0.115)	-0.0708 (0.120)	0.124 (0.145)
% of People with Higher Education	-0.680*** (0.183)	-0.0744 (0.151)	-1.072*** (0.133)	-0.191 (0.157)
% of People with Post- Secondary Education	-0.865 (0.620)	0.154 (0.540)	-0.869* (0.427)	0.371* (0.190)
% of ethnic Hungarians	-0.418*** (0.0364)	0.498*** (0.0563)	0.383*** (0.0594)	0.0758* (0.0417)
% of Ethnic Germans	0.687** (0.292)	1.318*** (0.341)	1.016 (0.645)	0.652* (0.349)
% of Ethnic Minorities	0.0127 (0.0526)	0.0653 (0.0682)	-0.000676 (0.0249)	-0.0573 (0.0346)
Bandwidth	60	60	60	60
County Fixed Effects	Yes	Yes	Yes	Yes
Observations	1,057	1,058	1,115	1,129
R-squared	0.835	0.725	0.699	0.439

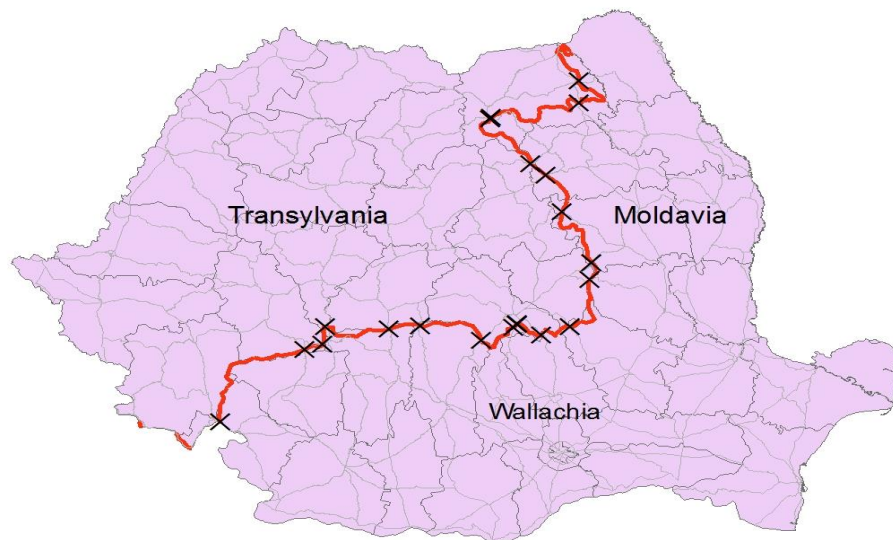
*Table 23: The Effect of Empires on Turnout (from [0,1])*

	Dependent Variable - Turnout				
	(1)	(2)	(3)	(4)	(5)
Habsburg Dummy	-0.0407*** (0.00696)	-0.0335*** (0.0104)	-0.0361*** (0.0112)	-0.00617 (0.0104)	-0.0239** (0.00859)
Controls	Yes	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes	Yes
Bandwidth (km)	60	60	60	60	60
Observations	1,057	1,058	1,115	1,128	1,129
R-squared	0.449	0.331	0.317	0.400	0.565

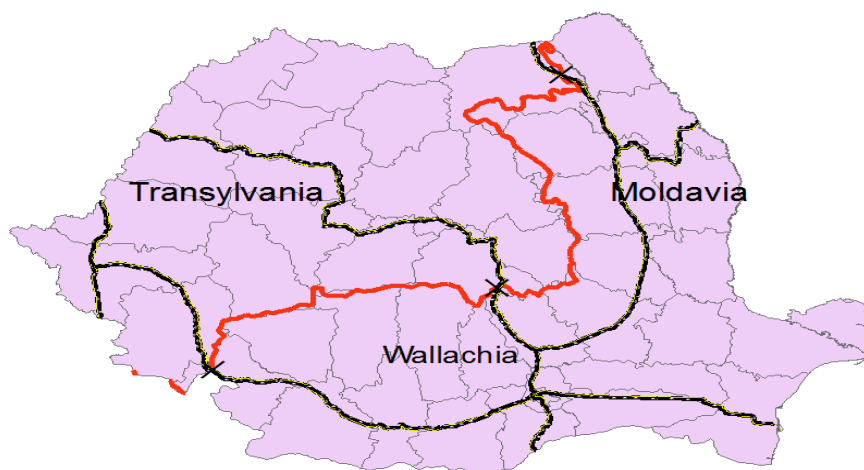
*Table 24: The Effect of Past Ethnic Diversity on Voting in Former Transylvania in 1996*

	CDR (right)				PSD (left)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Germans in the 19-th century	-0.00817 (0.0352)	-0.0355 (0.0347)	-0.0212 (0.0310)		-0.0635*** (0.0120)	-0.0365*** (0.0119)	-0.0164 (0.0129)	
Hungarians in the 19-th century	-0.134*** (0.0167)	-0.156*** (0.0166)			-0.220*** (0.0210)	-0.198*** (0.0235)		
Hungarians today			-0.203*** (0.0233)	-0.201*** (0.0211)			-0.242*** (0.0225)	-0.240*** (0.0222)
Germans today				-0.250* (0.123)				-0.166** (0.0684)
County Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Controls	No	Yes	Yes	Yes	No	Yes	Yes	Yes
Observations	1,041	1,041	1,041	1,041	1,041	1,041	1,041	1,041
R-squared	0.604	0.651	0.673	0.673	0.553	0.584	0.622	0.622

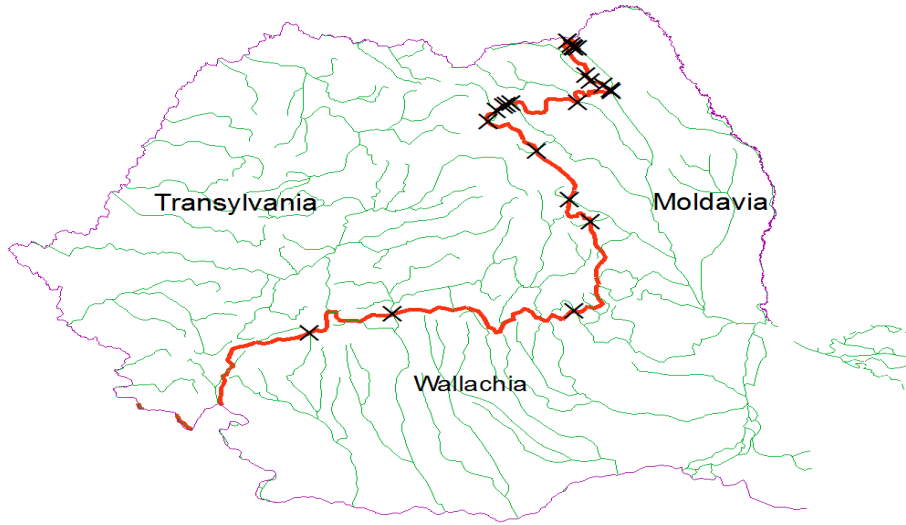
*Figure 15: Road Passes*



*Figure 16: Railroad Passes*



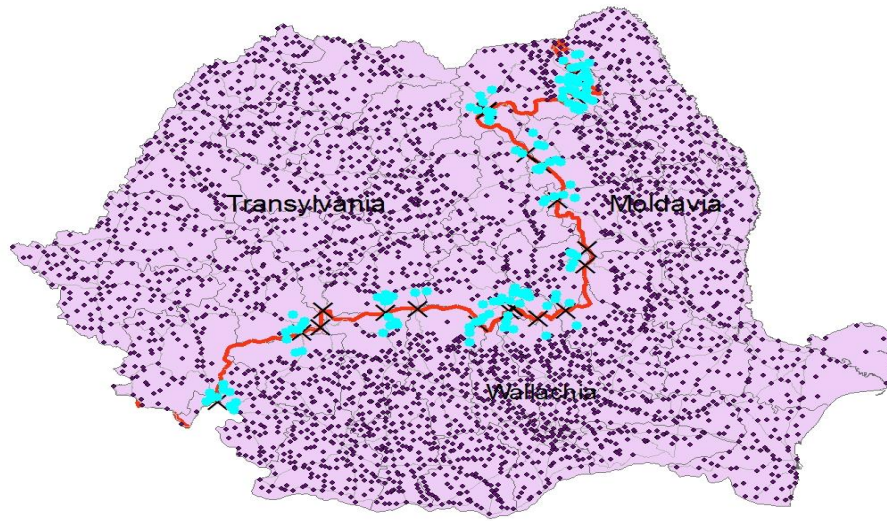
*Figure 17: River Passes*



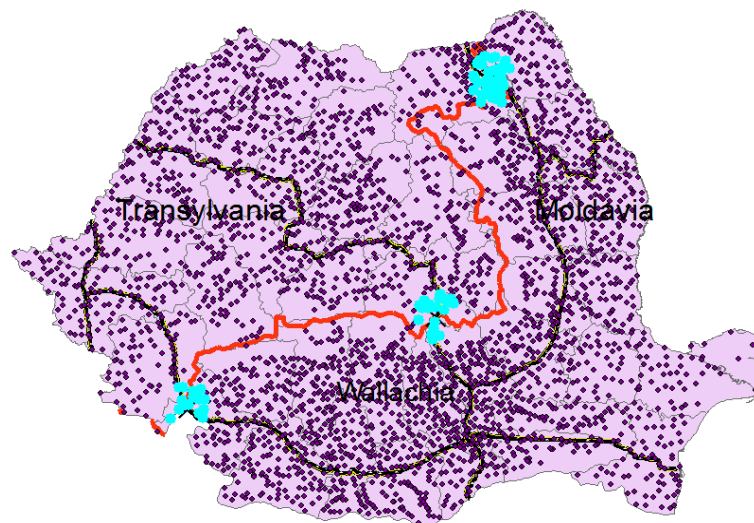
*Table 25: The Effects of Passes*

	(1)	(2) CDR (right)	(3)	(4) PSD (left)
Habsburg Dummy	2.912*** (0.474)	3.080** (1.192)	-6.502*** (1.595)	-4.517*** (0.749)
County Fixed Effects	Yes	Yes	Yes	Yes
Controls	No	Yes	No	Yes
Distance to Pass (km)	15	25	15	25
Observations	104	230	104	230
R-squared	0.616	0.783	0.539	0.837

*Figure 18:* Localities lying within 20 km from Road Passes:



*Figure 19:* Localities lying within 20 km from Railroad Passes:



*Figure 20:* Localities lying within 20 km from River Passes:

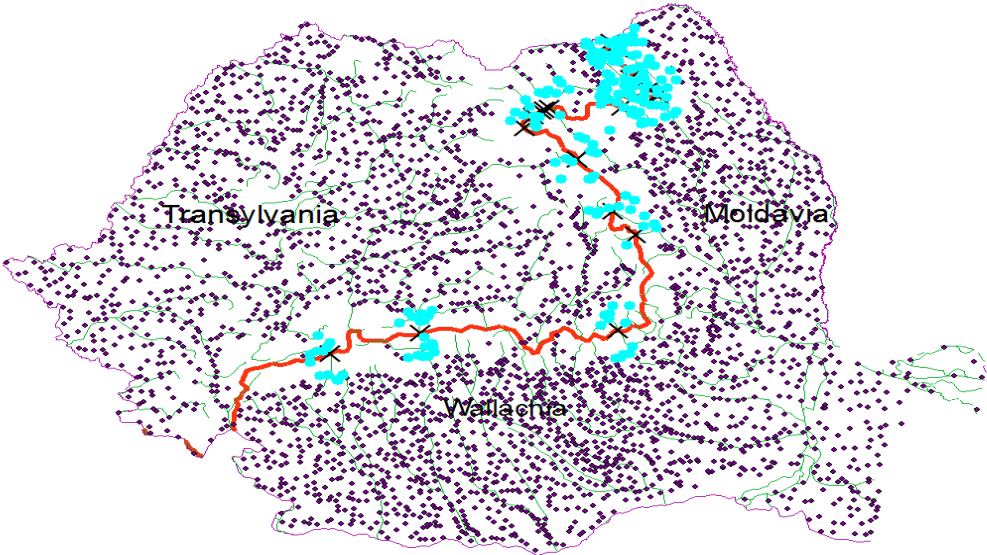
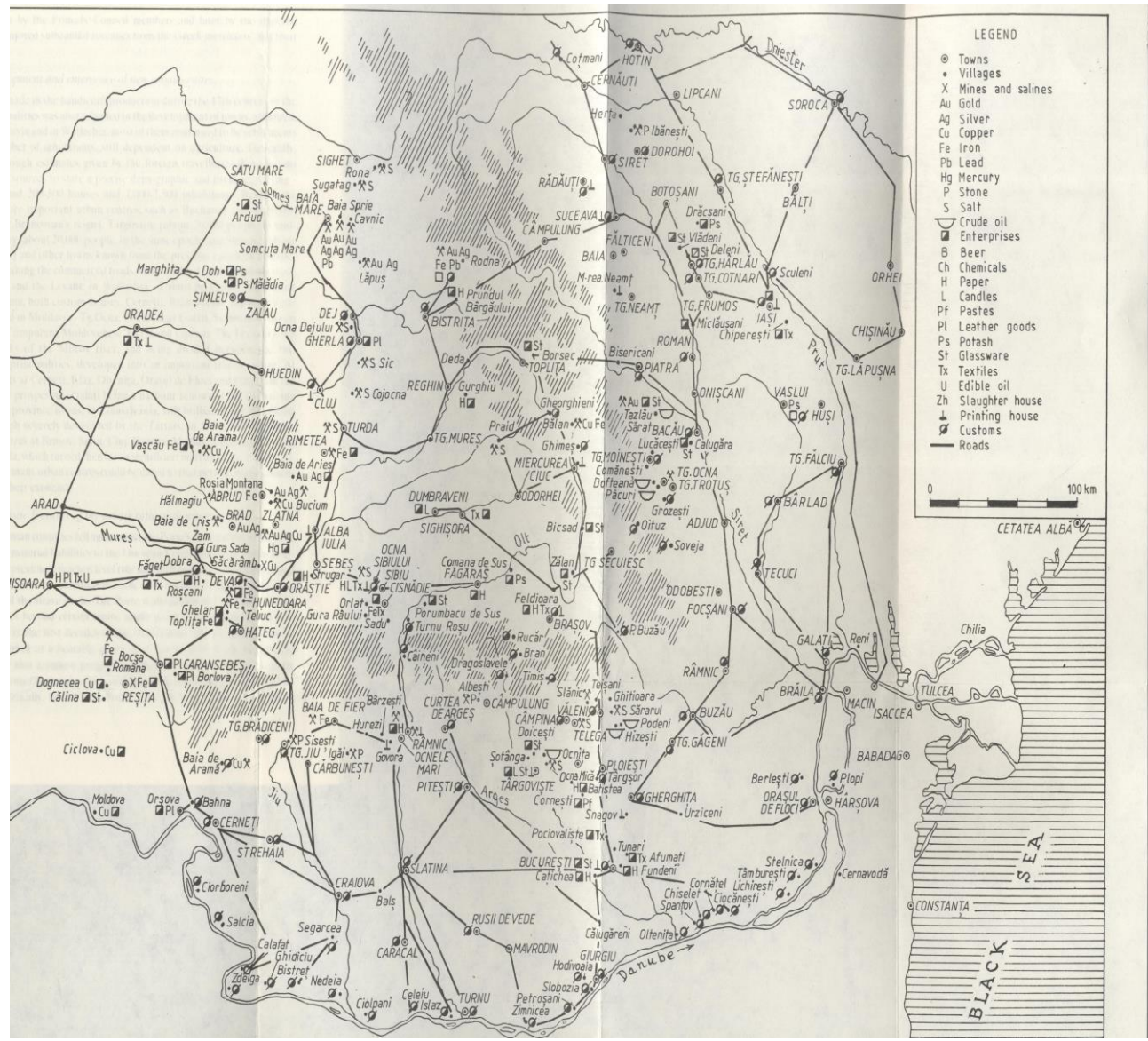
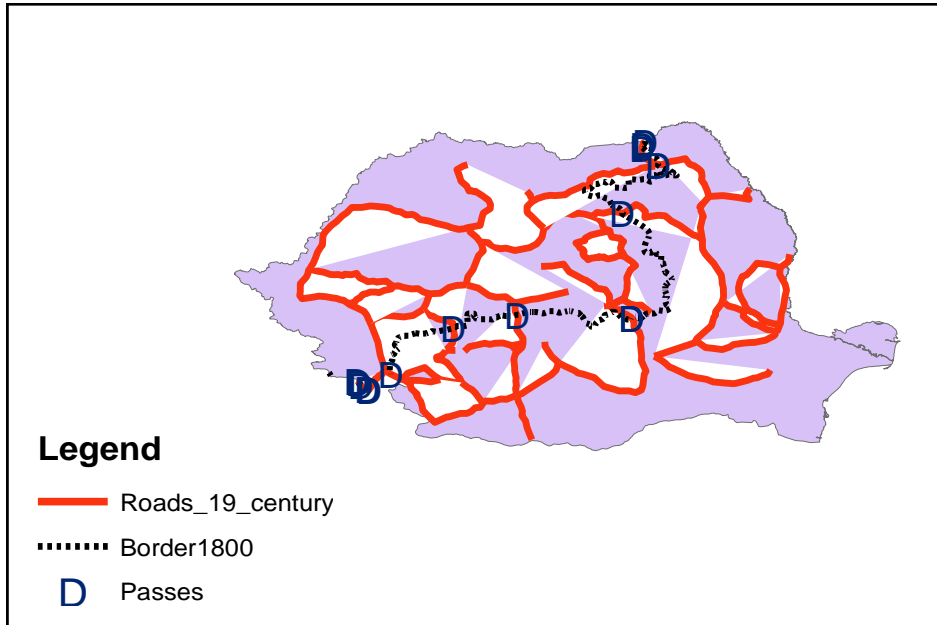




Figure 21: The Historical Map of Romania in the First Quarter of the 19-th Century



*Figure 22: The Roads in Romania in the First Quarter of the 19-th Century*



*Table 26: The Legacy of Empires near Historical Roads on Voting in 1996*

	(1)	(2)	(3)	(4)
	CDR (right)		PDSR (left)	
Habsburg Dummy	2.490 (1.473)	2.525** (0.953)	-6.027*** (1.572)	-5.886*** (1.715)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Distance to Road	10	-	10	-
Distance to Pass	-	10	-	10
Bandwidth (km)	60	60	60	60
Observations	478	287	478	287
R-squared	0.746	0.769	0.815	0.809

*Table 27: The Legacy of Empires near Historical Roads on Voting in 2000*

	(1)	(2)	(3)	(4)
	CDR (right)		PDSR_PUR_PSDR (left)	
Habsburg Dummy	0.112 (0.593)	-0.193 (0.406)	-8.133*** (2.528)	-9.096*** (2.766)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Distance to Road	10	-	10	-
Distance to Pass	-	10	-	10
Bandwidth (km)	60	60	60	60
Observations	479	287	479	287
R-squared	0.523	0.483	0.802	0.776

*Table 28: The Legacy of Empires near Historical Roads on Voting in 2004*

	(1)	(2)	(3)	(4)
	PNL_PD (right)		PSD_PUS (left)	
Habsburg Dummy	4.277*** (0.770)	4.262*** (0.431)	-9.453*** (0.979)	-8.482*** (0.521)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Distance to Road	10	-	10	-
Distance to Pass	-	10	-	10
Bandwidth (km)	60	60	60	60
Observations	511	303	511	303
R-squared	0.740	0.734	0.809	0.790

*Table 29: The Legacy of Empires near Historical Roads on Voting in 2008*

	(1)	(2)	(3)	(4)
	PD_L (right)		PSD_PC (left)	
Habsburg Dummy	8.424** (3.162)	10.10*** (1.275)	-10.61** (4.836)	-11.50*** (2.831)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Distance to Road	10	-	10	-
Distance to Pass	-	10	-	10
Bandwidth (km)	60	60	60	60
Observations	514	306	514	306
R-squared	0.466	0.406	0.425	0.359

*Table 30:* The Effect of Fake (Shifted for 30 km) Habsburg-Ottoman Border on Voting in 1996

	(1) right party	(2) left party	(3) right party	(4) left party
Fake Habsburg Dummy	0.628 (1.477)	-1.814 (1.124)	-1.405 (1.093)	0.449 (0.889)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Shift of the Border	West	West	East	East
Bandwidth (km)	30	30	30	30
Observations	421	421	636	636
R-squared	0.717	0.772	0.604	0.667

*Table 31:* The Effect of Fake (Shifted for 30 km) Habsburg-Ottoman Border on Voting in 2000

	(1) right party	(2) left party	(3) right party	(4) left party
Fake Habsburg Dummy	0.120 (0.454)	-2.123 (1.660)	0.109 (0.404)	-1.385 (1.501)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Shift of the Border	West	West	East	East
Bandwidth (km)	30	30	30	30
Observations	422	422	636	636
R-squared	0.538	0.701	0.257	0.527

*Table 32:* The Effect of Fake (Shifted for 30 km) Habsburg-Ottoman Border on Voting in 2004

	(1) right party	(2) left party	(3) right party	(4) left party
Fake Habsburg Dummy	0.250 (1.341)	1.147 (0.998)	-0.624 (1.117)	-0.453 (1.064)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Shift of the Border	West	West	East	East
Bandwidth (km)	30	30	30	30
Observations	452	452	663	663
R-squared	0.729	0.772	0.553	0.601

*Table 33: The Effect of Fake (Shifted for 30 km) Habsburg-Ottoman Border on Voting in 2008*

	(1) right party	(2) left party	(3) right party	(4) left party
Fake Habsburg Dummy	0.0291 (0.885)	0.861 (2.046)	-1.140 (1.693)	-0.691 (3.146)
Controls	Yes	Yes	Yes	Yes
County Fixed Effects	Yes	Yes	Yes	Yes
Shift of the Border	West	West	East	East
Bandwidth (km)	30	30	30	30
Observations	456	456	672	672
R-squared	0.568	0.436	0.210	0.156