

“Some Long-Run Economic Consequences of Keeping Out Refugees: Evidence from a Spatial Discontinuity in the Distribution of Refugees After WW2” (Antonio Ciccone and Jan Nimczik)

Abstract

After the end of WW2, Germany was divided into four occupation zones. What later became the Federal Republic of Germany experienced a large inflow of German-speaking refugees from further east. France did not allow these refugees into their occupation zone, which led to a spatial discontinuity in the distribution of refugees along the border of the French occupation zone by 1950, within what is today the state of Baden-Württemberg. We analyze the consequences of this spatial discontinuity for modern population density, productivity, and wages.