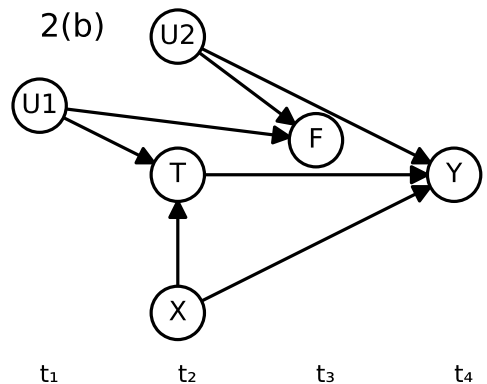
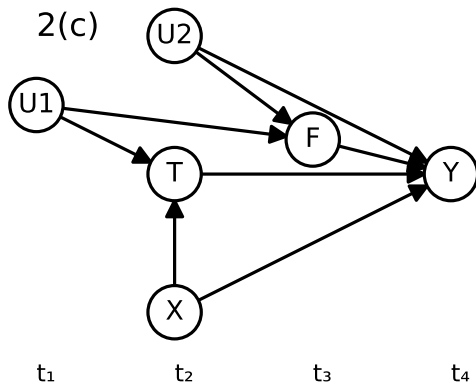


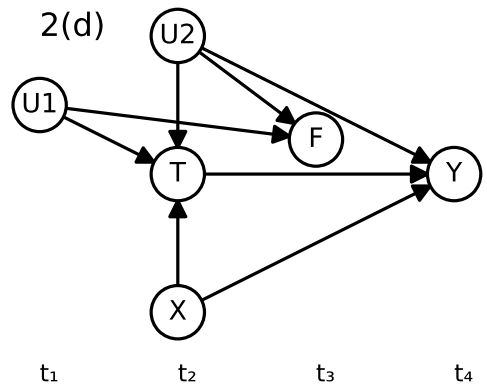
Controlling for  $F$ ,  $X$  identifies the effect of  $T$



Controlling for  $X$  identifies the effect of  $T$ ,  
controlling for  $F$  generates M-bias



The effect of  $T$  is not identifiable  
using observed covariates



The effect of  $T$  is not identifiable  
using observed covariates

HPT seek to estimate the effect of Distance to camps ( $T$ ) on Intolerance ( $Y$ ).  
The issue is whether Länder fixed effects ( $F$ ) create M-bias, or whether they help to capture unobserved state-level factors ( $U$ ) that also explain intolerance.