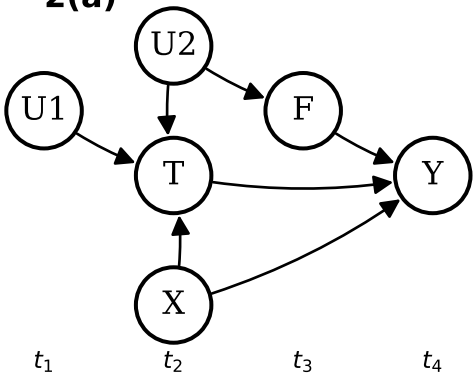
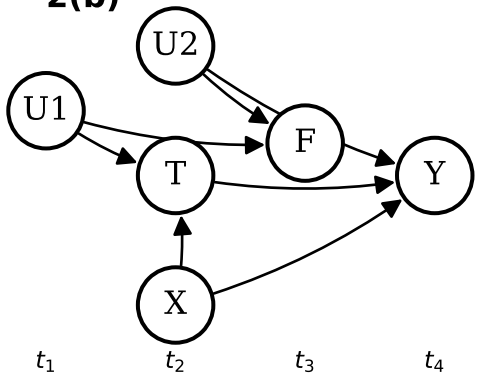
2(a)



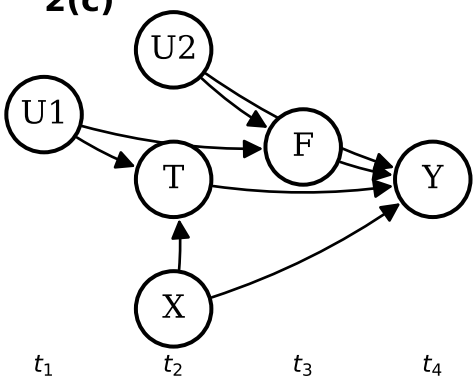
Controlling for F and X identifies the effect of T

2(b)



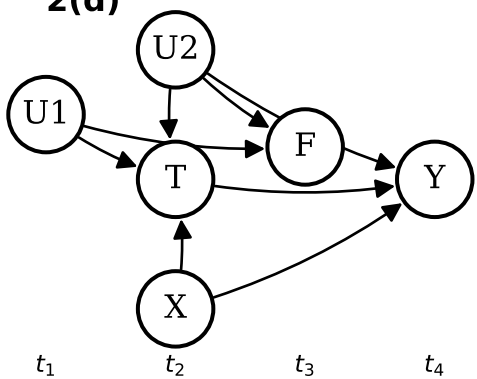
Controlling for X identifies the effect of T, controlling for F generates M-bias

2(c)



The effect of T is not identifiable using observed covariates

2(d)



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.