CHAPTER 5

"Dear Brother, Please, Send Me Some More Dollars…": Transatlantic Migration and Historic Remittance Between the Habsburg Empire and the United States of America (1890–1930s)

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In the summer of 1921, a migrant worker living in Joliet, Illinois, who had been born in the Habsburg Empire, received the following message, translated into English:

> Dear brother, please, send me some more dollars […]. You know, God gave me many children and I have to support them and I have nothing to support them with […]. Do not resent me for begging, I am ashamed for begging, but I have to. Please, help us. You know, this country was always poor and will always be poor, and I am lucky to have you send me something. (Anton Nemanich Papers 1921)

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This letter was sent to Anton Nemanich from Lokvica—by that time situated in the Kingdom of Yugoslavia, today in the Republic of Croatia. Such a message might just as easily have arrived in Joliet in 2020 in the form of an email or WhatsApp text, perhaps sent from a relative in Latin America or the Caribbean. Data from the US census shows that, in 2010, more than a quarter of Joliet's population spoke a language other than English at home, and one-seventh of the city's population today are foreign-born. The 1921 letter, with all its heartbreak and humiliation, indicates that money sent transnationally was an important connector of migrants to their scattered families, then as now (Steidl et al. 2017, p. 250).

Nearly 18 million people left Europe for the United States between 1890 and the 1930s, the vast majority of whom had been born in Eastern and Southern Europe. US immigration records show that at 27.9 percent, individuals from the Habsburg Empire formed the largest group of US-bound migrants between the years 1902 and 1911, followed by people from the Kingdom of Italy and the Russian Empire. Nineteenth-century industrialization, urbanization, and political and economic liberalization encouraged and facilitated these massive transatlantic migrations. From the mid-nineteenth century on, overseas migration was triggered by a growing demand—particularly in the United States—for low-skilled laborers in mines, factories, construction, and urban services. Ever more jobs began attracting Europeans to a more labor-intensive American economy in which even urban service jobs and factories were heavily reliant on temporary employment. This provided the perfect conditions for the growing internationally mobile labor force from Central, Southern, and Eastern Europe. Millions of citizens left the Habsburg Empire before World War One, with between 30 and 40 percent returning to Europe before the war started. Based on data regarding wages and expenses and estimates of remittances, I will follow the money that was sent from migrants in the United States to their dependents back in the Habsburg Empire.

Historic Remittance Practices

Remittances are money transfers earned by migrants abroad and sent back to relatives and dependents in their countries of origin. Today, migrant remittances constitute a significant part of international capital flows, especially for the national income of labor-exporting countries. The World

Bank documented that in most developing countries, remittances are already more than three times the size of official development assistance (World Bank Group 2019, p. 1). Although few scholars would deny the significant contribution of migration and remittances to the income and survival of families in the countries of origin today, flows of remittances by migrants in the past are still a mostly neglected topic of research. However, going abroad to earn higher wages and sending money to relatives and friends back home is hardly new, even though the means of transport and communication were less efficient and reliable then than they are today.

Then as now, remittances were part of a collective strategy that consisted in sending one or more members of one's family abroad so that they could support those left behind. Millions of Europeans had migrated to the United States of America by the 1930s. These people stayed in contact with family members, friends, and neighbors mostly via letters. The letters sent by those who stayed in Europe frequently asked for financial support, while the letters sent by the transatlantic migrants often included remittances, which constituted a source of income that many Europeans in their countries of origin with relatives or friends overseas depended on (Cancian and Wegge 2016, pp. 352–353). As a case in point, in the early twentieth century the mother of Mike Vukasinovich, who had moved to the United States from a village near Bjelovar in Croatia-Slavonia, wrote in a letter to her son: "I do not wish to have it so that I need to find money to win it and what you write that you sent me money but that was too little" (Mike Vukasinovich Papers).

Up to 60 million Europeans left the continent during the long nineteenth century lasting into the 1930s, which resulted in a huge reallocation of the population on an international scale. Many migrants moved to seek out a better existence compared to what they had experienced in their homelands. Individuals moved if they had the financial means or could secure a loan from family members or friends to cover the costs of travel. Therefore, the transatlantic mass migration of the late nineteenth century was accompanied by considerable financial flows between continents, countries, and empires. As many people preferred to use informal channels to transfer their savings, it can reasonably be concluded that a significant share of remitted money sent to Europe in the nineteenth century traveled via "invisible" operations. Banknotes were mailed through ordinary letters, despite the risk of loss or theft, and migrant laborers also used networks of family and friends to whom they entrusted envelopes full of money for the families when they traveled back to Europe. Transatlantic migration was never a one-way street, especially during the decades before World War One. Many migrants to the United States went back and forth or even returned to Europe for good, taking their savings with them. Rui Esteves and David Khoudour-Castéras use the term "pocket remittances" for cash, but also for bank drafts which were carried by those who returned to Europe (2009, p. 954). From this perspective, return migrants can be viewed as important agents of change, as innovators and investors. The general expectation was that so-called pocket remittances, as well as the experience, skills, and knowledge that these people acquired during their time in the United States, would greatly help the economic development of their countries of origin (de Haas 2007, p. 3).

Migration Between the Habsburg Empire and the United States of America

In comparison to other European regions such as the western German lands or the Scandinavian countries, Habsburg citizens were latecomers to transatlantic migration. Although various migration patterns within, from, and to the Habsburg Empire had a long-standing history, transatlantic movements were not a characteristic feature of mass mobility prior to the 1880s (Steidl 2021). By the end of the nineteenth century, transatlantic migration had become easier due to the circulation of knowledge about the wider world. Although some people from the Austrian territories had moved overseas as early as the eighteenth century, a new type of international movement did not emerge before the end of the nineteenth century. According to official surveys, only a few thousand people had left the Habsburg provinces for destinations overseas before the middle of the century, with the numbers of overseas migrants being particularly small for the Kingdom of Hungary and Croatia-Slavonia, totaling only a few hundred persons per year (John 1996, p. 55; Puskás 1982, p. 18). The number of overseas movements was still low in the 1870s but grew apace in the following decades. Booming industrial centers in the United States stimulated transatlantic traffic with a seemingly insatiable demand for cheap laborers (Zahra 2016, pp. 3–6).

By the first decade of the twentieth century, many provinces and regions of the Habsburg Empire had become a major source of labor migrants, who joined Irish, Italian, and German workers in transforming industrial labor in the Americas. Overseas migration had developed into a generally accepted means of improving one’s living situation, an instrument for social advancement, and the number of individuals who moved over long distances increased in proportion to the information available regarding particular destinations. While images and visions of “America” as a land of milk and honey corresponded little with reality, they nonetheless influenced migration decisions. US immigration records show that in the 1900s, individuals from the Habsburg Empire comprised the largest group of new arrivals. In 1910, a peak year for transatlantic movement to the United States, 113,218 Austrian subjects crossed the Atlantic (Steidl et al. 2017, p. 114).

In the first decade of the twentieth century, the absolute number of US-bound migrants from the Kingdom of Hungary outstripped those from Imperial Austria. With migration from both parts of the empire falling to 50,000 from more than 350,000 in the previous year, 1908 was a year of retrenchment (Puskás 1990, pp. 43–58). According to the *New York Times*, the economic decline of the US labor market, which was accompanied by a sharp rise of unemployment in these years, resulted in “the most violent reaction in the history of transatlantic travel” (*New York Times*, December 19, 1909). The recovery of the US economy in 1909 prompted a renewed rise in out-migration from the Habsburg Empire, but these numbers failed to approach the 1905 to 1907 levels for the rest of the prewar period, although migration from Imperial Austria reached a new record in 1913. Finally, the onset of war in Europe in the summer of 1914 resulted in a dramatic drop in US-bound movements. The British blockade of the Central Powers made wartime travel for German and Habsburg citizens to and from Europe highly difficult, if not impossible (Feys 2016, pp. 151–162). Even if the necessary preconditions for significant overseas traffic had developed at a relatively late point in time, these routes had become a generally accepted means to improving the living situation of individuals as well as their families, a positively marked instrument for social advancement, and the rise in the number of people who moved over longer distances increased the information available concerning potential destinations. Overall, up to four million people from the Habsburg Empire arrived in the United States during the long nineteenth century (Keeling 2013, p. 62; Deak 1974, p. 34).

Even if the United States had become the preferred destination for a rapidly increasing number of Habsburg citizens, their regions of origin changed dramatically. While in the second half of the nineteenth century, German-, Czech-, and Yiddish-speaking people from the Bohemian Lands and from Vorarlberg accounted for more than 80 percent of all international migrants from the empire, at the end of the century, the new arrivals were primarily Poles, Slovaks, Slovenes, Croats, Serbs, Hungarians, Ukrainians, and Romanians. Therefore, transatlantic migration from the Habsburg territories should not be reduced to only one type of mass movement. Divergent overseas mobility patterns emerged along various regional, ethnic, and cultural lines and during different stages of economic development. Peoples' social status, gender, and religious and ethnic affiliations linked them closely to certain mobility patterns. While in some parts of Imperial Austria, individuals started to move overseas quite early in the first half of the nineteenth century and many had the intention to settle on land for farming, the knowledge that the US labor market was in search of foreign workers did not spread to other areas until the first decade of the twentieth century. Many moved as family groups, such as Czech speakers from the Bohemian Lands in search of free territories in the 1870s and 1880s, while others left their families in Europe with the intention of returning. Most transatlantic travelers were young men and women in employment age, many of them single and hoping for a profitable job or a suitable marriage partner (Steidl and Fischer-Nebmaier 2014). Especially since the end of the nineteenth century, most Habsburg citizens moved within well-developed transatlantic communication and migration networks of family and friends, but there were also adventurous pioneers who made their way to still scarcely populated areas in the West and South of the United States.

Historic Return Migration

Of the Europeans who settled in the Americas, some returned to their countries of origin (Wyman 1993, p. 9). Increasing globalization processes of labor markets modified transcontinental migration patterns from exclusively lifelong commitments to temporary employment. The mainly work-related moves all over the globe had high return rates both because there was little intention of permanent settlement and because new travel possibilities made return much easier. According to official data from the US government and shipping company statistics, nearly half of all European migrants crossed the Atlantic more than once during the first decades of the twentieth century (Steidl 2021, pp. 151–161). Before World War One, the majority did not leave the Habsburg Empire with the intention of settling in the United States for good. Wages were considerably higher in US heavy industry, mining, and construction, and the main goal was therefore to save as much money as possible and to return with these pocket remittances after two to five years (Dustmann and Weiss 2007).

This decision to return was just as likely the result of a positive reason as a negative, and rather than being viewed as failures, return migrants should be recognized as simply a part of a global migration system (Grosjean 2005, pp. 216–232). Some transatlantic migrants returned home with their pockets empty, their health ruined, and their illusions shattered, but not all were actually bankrupt, ailing, or disaffected. Some of those who had originally left home with no thought of returning simply changed their minds. A significant number of migrants went overseas with no intention of settling permanently, but rather with the goal of repatriating the income they hoped to make and thereby improving the economic situation of their families in their home countries. Migrants who intended to return based their decisions not only on their immediate and prospective circumstances in the host economy, but also on the expected future in their countries of origin (Dustmann and Weiss 2007, pp. 236–256). Family networks, networks of neighbors, and clientele were all highly influential when it came to migration; the same was the case for return migration.

About 1.2 million individuals moved from the Habsburg Empire to the United States between 1908 and 1913, of whom about 460,000 returned (Steidl 2021, p. 154). It is estimated that in 1902, for example, the rate of individuals who came back to Hungarian-ruled Liptó/Liptov/Liptau County constituted about 50 percent (Evans Poznan 2011, p. 93). Between 1900 and the outbreak of World War One, most transatlantic migrants from the Habsburg territories planned to stay only temporarily, making use of opportunities to earn money that would relieve financial difficulties back home. "Most of the Bohunks came to America intending to stay two or three years […] work to the limit of their endurance […] and then, returning to the Old Country, pay the debt on the old place, buy a few additional fields and heads of cattle, and start anew," recalled Louis Adamic, who left Imperial Austria in 1913 at the age of sixteen (Adamic 1932, p. 104). An oral history survey of Yugoslav migrants in the United States found that two-thirds of the migrants who arrived before 1910 had planned to return (Colakovic 1973, p. 58). Many desired financial independence or at least an improvement in their economic lot, and hoped a few years of work in America would allow them to realize these dreams. It was a common mobility pattern for married men to leave their families behind in Europe and return to join them again after a few years in America. Young couples planned to build houses of their own, others wanted to buy a few acres of land so that they could work for themselves or save up enough to buy a small store or a shop along with the necessary tools. Return migrants also made use of skills acquired in the US labor market. The ability to cope with new technologies and faster production processes in the United States were qualifications in high demand in many industrializing European regions (Gould 1980, p. 51).

Return migration was largely a movement of men (Steidl 2021, pp. 156–157). While men moved on their own for employment reasons, women participated in repeat transatlantic crossings in much lower numbers. In comparison to South and Southeastern Europe, where women had limited opportunities in the labor market, the industrializing process in the United States provided many jobs for women. Besides, at the beginning of the twentieth century, men were in the clear majority of the US population in the age cohort of 18–30 years. These surplus men, when still single, formed a lucrative marriage market. Therefore, young single women were more likely to leave Europe with the intention of permanently settling on a new continent and starting a family of their own (Steidl and Fischer-Nebmaier 2014, p. 85). For women, migration was a way to overcome patriarchal traditions. These routes were therefore often difficult to reverse, because a return to their society of origin might have implied a return to patriarchy (Krauss 2001, p. 13).

For those who left, migration implied a fresh start in a new environment, but for those who stayed behind, the loss of a family member or friend might have had other implications. The social and economic positions that migrants had formerly held became vacant and had to be filled; social configurations needed to be rearranged. The ones left behind, most often women with children, might have had difficulty coping without a male breadwinner present. Not all migrants were able to obtain (or keep) a decent job in the United States, and they might not have been able to support families in Europe. Those left behind did not always welcome those who returned with open arms and might have been distrustful of the returnees' new perspectives or broadened horizons. The administrations in both parts of the Habsburg Empire might likewise have viewed the return of transatlantic migrants with some skepticism, even if they returned with financial means (Puskás 1982). Migrants might have been treated by the sedentary population as "traitors" who had abandoned them on the one hand, or on the other hand might have been seen as shining beacons of a better future for the entire community. It was not uncommon for return migrants to be mocked—the term *chuligani pruscy* was used to refer to Polish migrants who had returned from Germany, and *amerykanie* was used to refer to return migrants from the United States (Esch 2017, pp. 131–188).

The freedom that individuals from the Habsburg territories had enjoyed working and living on two continents ended abruptly with World War One. Although the United States remained neutral during World War One until April 1917, the global conflict had an almost immediate effect on international migration. Congress sought to restrict the admission of new arrivals even before the United States entered the war. In the 1920 fiscal year, return migration grew to more than 288,000, with almost a quarter of a million individuals leaving the United States the following year, too. In 1921 and 1924, however, US Congress passed additional laws restricting immigration that had the effect of discouraging would-be returnees who had not been naturalized and were thus not guaranteed re-admittance to the United States (Steidl et al. 2017, pp. 73–74).

Transatlantic Communications and Sending Money Back Home

People who crossed the Atlantic faced a bigger decision, besides transportation costs, in calculating whether to go west, or back east, and when to make such moves. Drew Keeling (2013) termed this type of migration "risk management," which means that people tried to take advantage of transatlantic demands for their labor and to minimize living costs while maximizing other financial earnings, which included accumulating liquid savings and investing in real estate. Before World War One, the United States benefited enormously from European migrants' ability to adapt to seasonal fluctuations in the American job market. As Susan B. Carter and Richard Sutch wrote, migrants' "involvement in the American economy allowed for longer economic expansions and shorter contractions than would have been the case had employers been forced to rely on domestic labor supplies alone" (Carter and Sutch 1997). An investigation of labor turnover led to a set of questions about how individuals from the Habsburg Empire used their earnings from wage labor (Steidl et al. 2017, pp. 260–282). Which institutions were used to hold the possible savings of the Habsburg migrants and did they invest their money in real estate in the United States or did they transfer their savings to Central Europe?

In 1907, the US Labor Department carried out a survey among Italian, Slavic, and Hungarian-speaking unskilled male labor migrants to compile detailed information on migrants' earnings, savings, and investments. Labor Department administrators estimated that unskilled laborers from Southern and Central Europe earned on average USD1.50 per day in US industry. Having a permanent job and working about 26 full days each month, these laborers could expect a monthly income of USD39, potentially amounting to between USD450 and 500 with full-time employment year-round. The Labor Department further estimated how much these European men spent on housing, food, and clothing, assuming that most of these men were either single or had left their families in Europe. Many spent on average USD12 per month on lodging and food in boarding houses. If they spent another USD1.50 each month on clothing, they could save about USD25 net at the end of each month for further expenses. Without a family to provide for and no further special needs, the Labor Department estimated that these men might have been able to accumulate as much as USD1000 after a bit more than three years of industrious work in the United States (Sheridan 1907, p. 477). Those savings could either be sent via letters or transfered via banks to Europe or brought back by return migrants as pocket remittances. Estimates by the Labor Department did not include expenses for amusements such as beer or cigarettes, nor newspapers or going to the movies. All such expenditures would have eaten into their savings and reduced remittances or delayed a possible return to Europe (Steidl et al. 2017, p. 283).

On the basis of similar documents, Claudia Goldin (1990) prepared a dataset of women wage earners in various US cities. According to her estimates, women who worked as textile laborers, in cigar factories, or other sweatshops could earn about USD25 each month. Based on the 1907 survey, the US Labor Department reported an average weekly wage for women from the Habsburg Empire of USD5.87. Taking Goldin's and the Labor Department's estimates, women who lived on their own or shared accommodation, spent up to USD2.93 per week on lodging and board, with another forty cents needed for public transportation. Goldin estimated that single women might have been able to send USD1.69 (nearly 29 percent of their wages) as remittances each week to Europe, leaving them 85 cents for clothing and amusements (Goldin 1990; Report on Condition of Woman and Child Wage-Earners in the United States 1910).

However, these numbers are estimates, and we have no detailed information on how many of these men and women were actually single, with a dependent family back in Europe, or even willing to send remittances. Women were more likely to start a family in the United States, and it remains unclear whether they were still willing to support their families of origin financially.

According to the 1910 US population census, about 1.57 million persons over the age of 13 born in the Habsburg Empire were making a living in the United States, namely 974,000 men and 596,000 women. We can further estimate that 90 percent of these men and about 25 percent of the women participated in the labor market, mostly as unskilled wage laborers or as domestic servants. Those 149,000 women expected a smaller income than their male peers. If all Habsburg migrant laborers were able to save USD25 for men or USD10 for women each month and transfer these sums back to families and relatives, the annual flow of remittances would have topped USD280 million.[1] In the daily practice of the late nineteenth and early twentieth centuries, most unskilled wage laborers did not have stable full-time jobs each month, never mind year-round. In 1926, for example, the Italian migrant Diego Delfino wrote a letter from Ohio to his daughter in Reggio Calabria: "Until now, it has not been possible for me to send the money for the board, given the dearth of work in this land, as I'm always waiting for the mines to reopen […] Here, if the miners don't work, money is hard to come by" (Cancian and Wegge 2016, p. 362).

In response to increasing political and public concerns about the negative effects of the growing numbers of Central and Southeastern Europeans arriving in the country, the US government formed the Dillingham Commission in 1907 (Benton-Cohen 2018). In that same year, this Commission estimated that all remittances transferred from the United States to Europe by migrants amounted to USD275 million, of which USD140 million were being transferred by banks owned by former European migrants (Dillingham 1911, p. 75).

However, from the perspective of the Austrian and Hungarian governments, of banks in the Habsburg Empire, and even of the population itself, migration to the United States was a financially positive development. In 1904, the Hungarian-born and New York-based US immigration inspector Marcus Braun interviewed the Bohemian-born and

[1] I want to especially thank James W. Oberly for putting together all this data and compiling the estimations.

Budapest-based banker Zsigmund Kornfeld on the economic and political significance of migration from the Kingdom of Hungary to the United States. According to Braun's report, Kornfeld said: "Let all go who can, earn all the money they can, learn the practical ways of the American laborer, and come home with both the money and experience thus gained" (Report of Immigrant Inspector Marcus Braun 1906, p. 12). Following his conversations with bankers in Budapest and Vienna, Braun estimated that the annual amount of remittances totaled USD50 million from the United States to the Kingdom of Hungary in 1904. Due to increasing demand for land by return migrants and those who received remittances in the Kingdom of Hungary, property prices began to increase (Report of Immigrant Inspector Marcus Braun 1906, p. 3). The 1907 report from the US Labor Department gives further information on remittances transferred via the international mail service:

> The most effective as well as the least expensive means is through the international and domestic mail service. Through this channel reliable information as to employment, wages, and location is given by the relative or friend in the United States to the intending immigrant before he leaves his native land. The relative or friend in the mine, factory, or work of construction knows if there is a shortage of labor or a place here for his relative or friend in Europe. The magnitude of the international mail and money-order business of the United States, together with the fact that the great mass of immigrants go unerringly to the States where wages are highest and their services in greatest demand, indicates the effectiveness of the system and the accuracy of the information. (Sheridan 1907, pp. 407–408)

Sending money through the US Post Office to the Austrian or Hungarian Post was popular with migrants, and from the mid-1880s onward, they took advantage of postal savings banks, where labor migrants could safely deposit their money and collect interest. By 1905, some 2 million people in the Austrian provinces had savings accounts with the post office, as did almost 0.6 million inhabitants of the Hungarian counties (Postal Savings Banks in Foreign Countries 1907, p. 21). Annual reports of the Postmaster General tracked the growth of remittances sent via international postal money orders to the Habsburg Empire. In 1897, the Post Office handled about 45,000 money orders on remittances, worth nearly USD750,000. Small savers made up the great bulk of users of this international money movement system, as the average money order was for less than USD20. The Slovak-speaking migrant Thomas Čapek reported that the postal savings bank in Košice/Kassa in the Kingdom of Hungary handled 6 million Crowns (about USD1.2 million) a year in savings from America. Čapek further cited information on remittances from one small village in Zemplín/Zemplén/Semplin County in which, in the 1890s, about 1100 people received an average of 35,000 Crowns (USD7000) per year from the United States (Čapek 1906, p. 157). The use of postal orders increased dramatically after 1900, meaning that by 1907 senders dispatched almost USD16 million to Austria-Hungary (Annual Reports of the Postmaster General, 1897 to 1914; Steidl et al. 2017, p. 287).

By 1908, the volume of international postal money orders going to the Kingdom of Hungary exceeded those bound for the Austrian part of the empire. Some of this intensified use of international postal money orders resulted from defaults, embezzlements, and other defalcations committed by private migrant bankers, especially during the economic slump of 1907/1908 (see, e.g., the case of Frank Zotti; Steidl et al. 2017, pp. 164–165). In the same year, the Postmaster General began reporting a reverse flow of international postal money orders. Transatlantic migration routes were never one-way streets, nor was the flow of money. While transatlantic migrants sent remittances to the Habsburg Empire, people in the empire also transferred money, although in much smaller amounts, to their loved ones in the United States. In 1908, some USD2.5 million were sent by individuals from Austria-Hungary to recipients in the United States, of which 60 percent (USD1.4 million) originated in the Kingdom of Hungary. Especially during economic crises and unemployment, some of that European money, no doubt, helped finance return migrations. In 1914, the US Post Office remitted USD19 million in international postal money orders to the Habsburg Empire, and received USD3.5 million in return (Annual Reports of the Postmaster General, 1897 to 1914). World War One disrupted the international mail service between the United States (which was neutral until 1917) and the Habsburg Empire. It also disrupted transmissions of international postal money orders, which declined in volume by two-thirds between 1914 and 1916.

Tracking the volume of remittances is never an easy task, neither in the records of the United States nor in surveys from the Habsburg Empire. One problem is the changing definition, as the US Treasury Department sometimes lumped church and non-profit benevolent donations together with remittance calculations. Also, the expenses of prepaid ocean passenger tickets or the tickets themselves were sometimes included. In the decades before World War One, the price for a one-way ticket was on average USD25, meaning this underwriting by US calculations represented millions of dollars expended by Habsburg migrants (Carter and Sutch 1997).

According to the contemporary economist Friedrich von Fellner, who published a series of volumes on national income in the Habsburg Empire and paid particular attention to the part remittances played in the economies of both parts of the empire, payments coming from abroad were an essential element of Imperial Austria's gross national product (GNP) as well as that of the Kingdom of Hungary. From 1911 to 1913 alone, migrants remitted more than 176 million Crowns to the Kingdom of Hungary (which is equivalent to the average purchasing power of about one billion Euros today) through mail and telegraph offices, money orders, postal savings bank checks, or via transfers made by local banking institutes. Von Fellner estimated the amount of remittances sent to Imperial Austria in 1910 at 146 million Crowns (equivalent to the average purchasing power of nearly 840 million Euros today) (von Fellner 1917, pp. 99 and 110).

Von Fellner went one step further and also estimated the amount of pocket remittances, meaning the savings from the United States taken back to Europe by return migrants. According to Hungarian statistics, nearly 18,000 return migrants carried on average about 2197 Crowns (equivalent to the average purchasing power of nearly 14,000 Euros today) in 1908/1909. Altogether, people returning to the Kingdom of Hungary arrived with about 39,000 Crowns (equivalent to the average purchasing power of more than 245,000 Euros today). In the years before World War One, on average 28,760 return migrants arrived in the Austrian part of the empire with about the same amount of pocket remittances as their Hungarian counterparts, amounting to about 63,000 Crowns each year (equivalent to the average purchasing power of nearly 379,000 Euros today) (von Fellner 1917, pp. 100 and 110). However, given the unknown numbers of unreported return migrants, pocket remittances, and the uncertain quantities of cash in private letters, such calculations have to be approached with caution.

A more recent study by Matthias Morys (2007) attempted to estimate the contribution of remittances, mainly from the United States, to economic developments in the Habsburg Empire. His work drew on reports by von Fellner and Franz Bartsch (1917), another Austrian economist working on the balance of payments for the Habsburg Empire before and during World War One. Based on this statistical data, Morys constructed a timeline of remittance payments from the United States of America to Austria-Hungary as well as to the Kingdom of Italy from 1880 to 1913. While Braun estimated remittances to the Kingdom of Hungary for 1904 at about USD50 million and omitted Imperial Austria, Morys calculated the sum of remittances for the whole empire in the same year at 208.6 million Crowns (about USD41.7 million in 1904 or equivalent to the average purchasing power of nearly 1.5 billion Euros today) and topping 262 million Crowns to Central Europe the next year (see Fig. 5.1). The amount remitted to the Kingdom of Italy in 1904 was much higher, with

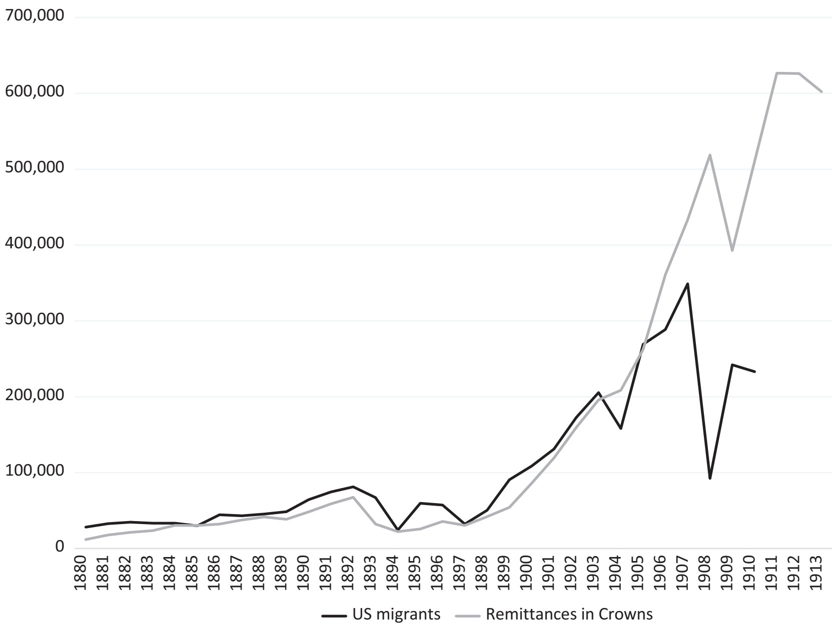

Fig. 5.1 Number of US migrants from the Habsburg Empire and remittances in Crowns, 1880–1913. (Source: Morys 2007 (accessed August 26, 2015); Chmelar 1973; Kön. Ungarisches Statistisches Zentralamt 1918. Note: No figures are available for US migrants from Imperial Austria between 1911 and 1913. For the purposes of comparison, the numbers of remittances in Crowns have here been divided by 1000)

about 584 million lire (an average purchasing power of more than 2.5 billion Euros today) (Morys 2007, pp. 16–17).

The figure shows the entire timeline that Morys constructed for the years 1880 to 1913 in comparison to the number of people from the Habsburg Empire who moved to the United States from 1880 to 1910 (detailed numbers for Imperial Austria are missing for the last three years). Remittances clearly grew in accordance with the number of migrants. A first peak of transatlantic migration was reached at the beginning of the 1890s, after which it declined sharply from 1892 to 1895 when an economic recession created unemployment and labor unrest in the United States. Habsburg citizens, therefore, postponed overseas movements to the second half of the 1890s. Those who arrived and worked in the United States up to the economic depression of the 1890s did send back their savings in accordance with their growing numbers. In 1892, the last year before the depression, migrants sent 67.4 million Crowns (equivalent to the average purchasing power of about 981 million Euros today) to the Habsburg Empire. The amount dropped to just 32 million Crowns the next year, and further to only 22 million Crowns in 1894. The biggest change came after the turn of the century, starting with a modest increase and then quadrupling between 1900 and 1914, in accordance with the much higher numbers of long-distance migrants. The peak years were 1905 to 1907, when a combined total of nearly 550,000 individuals departed the Kingdom of Hungary for the United States alone. By 1901, the Habsburg Empire received 119 million Crowns in remittances from the United States. A decade later, that number increased to 627 million Crowns. Again, the pattern depicted in the figure shows the impact of the economic slump in the United States on migrants and their remittances: the amount sent in 1909 was more than 100 million Crowns, down from the 1908 figure. Given the peak of unemployment in the United States in 1908, the number of transatlantic migrants from the Habsburg Empire fell dramatically. Accordingly, migrants from the Habsburg Empire and elsewhere lost their jobs, meaning that the savings they sent to Europe decreased the next year dramatically as well.

In the last years before the war, remittances were growing much faster than the number of Central Europeans arriving at US shores, which is a clear sign that former migrants eventually received better paying jobs in the United States, could save more funds, and accordingly were able to remit more of those savings to their families in the Habsburg Empire. According to David Good, who published widely on the economic growth of the Habsburg Empire, the increase in the volume of remittances after 1880 was a real economic change and not a reflection of inflation or currency changes. The empire's monetary system implemented the gold standard in 1892, and the Austrian and Hungarian Crown held its own against the Pound Sterling and the Dollar until wartime inflation started in 1915. Good found a pattern of price stability and steady, if unspectacular, economic growth in per capita income. He estimated that the annual growth rate of 1.63 percent in gross domestic production (GDP) per capita between 1870 and 1914 was due in part to remittances (Good 1994, p. 883). From 1910 to 1914, remittances made up 20 percent of asset flows in the balance of payments, easily outstripping the foreign income earned from transportation and tourism. A large balance-of-trade deficit in the years leading up to 1914 in both economies in the Habsburg Empire was thus partially offset by incoming remittances. Only the Kingdom of Italy had a comparable flow of remittances from its citizens who migrated to the United States, totaling between USD100 and USD150 million per year from 1905 through 1913 (Morys 2007, p. 17).

Conclusion

Between the 1880s and World War One, more than 3.7 million individuals moved in both directions between the Habsburg Empire and the United States. The motive for this historic migration was the search for better opportunities for themselves, but also for relatives and friends they left behind. Going abroad to earn higher wages and sending money to relatives and friends back home is thus hardly a new phenomenon. At the turn of the twentieth century, remittances were already part of a collective strategy that consisted in sending one or several members of the family abroad so that they could support those left behind. Furthermore, increasing globalization processes of the labor market modified transcontinental migration patterns from lifelong commitments to temporary limited stays and employment in the United States, and European migrants with the intention of returning based their decisions not only on their immediate and prospective circumstances in the host economy, but also on expected future returns in their countries of origin.

The amount of remittances sent from overseas to Central Europe can be estimated on the basis of reports by economists in the Habsburg Empire and the United States. While Braun's investigation found an amount of USD50 million sent from the United States to the Kingdom of

Hungary in 1904, von Fellner estimated the money sent in 1910 to have comprised on average USD40 million for the whole Habsburg Empire. In his constructed timeline, Morys cited a sum of USD42 million of remittances transferred in 1904 and more than USD102 million in 1910. Obviously, these estimates are far from perfect. Money was as well transferred via "invisible" informal channels, such as pocket remittances and private letters. Most estimates are based on the numbers of transatlantic migrants, but not all of these people were willing to support families in Central Europe, many had trouble keeping steady employment, and some, especially women, established their own families in the United States.

In 2019, remittances transferred from the United States all over the world exceeded USD71.5 billion (World Bank Group 2019). Adjusted for inflation, the 1911 remittances to the Habsburg Empire would have totaled about USD3 billion in today's US currency. The amounts sent were clearly less than those that migrant laborers send today to countries such as Mexico, Haiti, El Salvador, Guatemala, and Ecuador. However, the impact on the receiving country may be similar to that enjoyed by the population of the Habsburg Empire before World War One.

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