

## **Abstract**

The size of nations matters, but the literature is long on theory and short on empirics. Using a unique time series data set spanning the past two millennia, we study the process of unification and division in historical China. The empirical results are consistent with the theory on the size of nations. First, more frequent famines led to China being more united; as the demand for public goods (e.g. disaster relief) rose, a larger nation was more efficient in public goods provision. Second, when China was more ethnically fragmented, the number of nations in China increased, as smaller nations could better serve a heterogeneous population. These results survive a variety of robustness checks after controlling for nomadic attacks and a rich set of climate variables using both annual and decadal data.