

# Strangers in the night? Populism and the Workplace Safety of Immigrants\*

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## Abstract

Populist parties' propaganda often portrays immigrants as a threat to native workers' jobs. When propaganda materializes as an electoral success and electoral results signal a change in social preferences about immigration, natives may and become more likely to express anti-immigrant resentment, including in the workplace. We employ Italian administrative data on workers in the manufacturing sector to explore whether the electoral results of an Italian populist party, the *Lega Nord*, drive actual differences in native and foreign workers' labor market outcomes. We find that a 1% increase in the votes for the Lega Nord increases injury rates of foreign workers by 1% within job spells. The effect is driven by firms with fewer than fifteen employees, which are less likely to be unionized and offer employment protection. Our results are suggestive that the increase in injury rates is due to a reallocation of migrants to night-shift schedules, which draws on increased rigidity in immigrants' labor supply.

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# 1 Introduction

In this paper, we study whether the electoral success of populist parties with anti-immigrant stances affects the labor market conditions of immigrants.

The literature has extensively documented the increase in the electoral consensus of populist parties, mainly among white, non-college-educated voters. A complex intertwining of economic insecurity and cultural reactions to globalization motivates the growing consensus to protectionist and nativist claims. Fears of labor market rivalry between natives and migrants are amplified by the exposure to trade shocks and import competition from low-wage countries, and get radicalized in the political arena (Scheve and Slaughter, 2001, Mayda, 2006, Colantone and Stanig, 2018a, Colantone et al., 2021b,a, Carreras et al., 2019, Ballard-Rosa et al., 2021a,b, Guriev and Papaioannou, 2022). As a result, the right-wing populist discourse tends to give centrality to identitarian stances and to target social resentment towards out-groups, mainly immigrants and minorities (Autor et al., 2020, Hainmueller and Hiscox, 2006, Rho and Tomz, 2015, 2017, Guiso et al., 2017, Rodrik, 2018, Inglehart, 2018, Inglehart and Norris, 2017). The propaganda has gone so far as to call for “opening fire” on boats carrying immigrants<sup>1</sup>, and to ban Muslims from entering the United States<sup>2</sup>.

To the extent that the anti-immigrant rhetoric does not bear actual implications for the well-being of immigrants and asylum seekers, one may take it as just another electoral strategy. On the contrary, there is emerging evidence that this propaganda actually deteriorates the well-being of immigrants and foreign residents. Indeed, Meleady et al. (2017), Müller and Schwarz (2019), Romarri (2019) find that the electoral success of populist parties in the UK, the US, and Italy increases the occurrence of hate crimes against immigrants. Bracco et al. (2020) show that discourses against minorities lead to

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<sup>1</sup>As stated by Umberto Bossi, former leader of the *Lega Nord*, Italy, in an interview to newspaper *Corriere della Sera*, 16th June 2003. “Basta rinvii, cacciare i clandestini con la forza”. [https://www.corriere.it/Primo\\_Piano/Politica/2003/06\\_Giugno/16/bossi\\_intervista.shtml](https://www.corriere.it/Primo_Piano/Politica/2003/06_Giugno/16/bossi_intervista.shtml)

<sup>2</sup>Executive Order 13769, “Protecting the Nation from Foreign Terrorist Entry into the United States”, by US President Donald Trump, eventually blocked by several courts, was in effect from January 27, 2017, until March 6, 2017.

actual increases in societal hostility towards immigrants and bullying episodes against minority children in schools. Bracco et al. (2018) show that the residential choices of immigrants at the municipality level are affected by the electoral performance of Lega Nord.

One of the alleged effects of immigration is “to steal our jobs”<sup>3</sup>, but the literature has so far neglected whether populism affects immigrants at their workplace. In this paper, we seek to fill this gap and investigate whether the electoral success of populist parties in the province of work bears actual implications for immigrants’ labor market conditions. We consider the electoral results of *Lega Nord*, an Italian populist party with a marked anti-immigrant stance, which had remarkable electoral success over the time period that we consider, as we detail below. We focus on a key measurable aspect of job quality: workplace safety (Hamermesh, 1999, Boone and van Ours, 2006). Our main focus is on injury rates, rather than other labour market outcomes such as remunerations, because we recognize that the downward wage rigidity in the Italian labour market may prevent us from observing the effects of populism on this margin.

In our application, we take advantage of Italian administrative data covering the 1994-2005 period. We exploit within job-spell variation in injury rates before and after the country election rounds in 1994, 1996 and 2001. We consider manufacturing workers for the core of our analysis, but show that the results carry over to other sectors as well. Our results show that a 1-percentage-point increase in the votes for *Lega Nord* leads to a 0.9% increase in workplace injuries for foreign-born workers within the same job spell. The effect is entirely driven by firms with less than 15 employees, i.e., firms where trade union representation is less formalized and jobs are less protected. Native workers in any firm size, as well as immigrant workers in large firms, do not exhibit any worsening in pecuniary and non pecuniary conditions.

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<sup>3</sup>According to a 2020 poll, 53% of Americans favored stopping legal immigration if it protects jobs for Americans during the COVID-19 crisis <https://www.reuters.com/article/us-usa-election-immigration-insight/trump-pushes-anti-immigrant-message-even-as-coronavirus-dominates-campaign-idUSKCN25A18W>

We show that the increase in injuries in smaller firms is driven by accidents occurred during overtime/night shifts. We argue that the underlying mechanism may be traced back to the “erosion of social norms”, à la Bursztyn et al. (2020). Electoral results may signal a change in social preferences about immigration and make individuals more likely to express anti-immigrant behaviours that they were previously hiding. As a result, native workers and employers may find it legitimate to shift the burden of night shifts and overtime work toward immigrants. This is a relatively easy and socially acceptable way to reduce job disamenities for workers who perceive a threat to their group identity.

We also find indications of increased rigidity in immigrants’ labour supply. The combination of anti-immigrant resentment and monopsonistic power (Black, 1995, Manning, 2003), which is stronger in less unionized, smaller firms with lower employment protection, may make it difficult for foreign workers to oppose this type of job disamenity and to find alternative employment options in the local labour market.

Our findings contribute to the emerging literature on the consequences of the rise of populism and represent, to the best of our knowledge, the first study on the labour market effects of populism.

The paper is organized as follows. Section 2 discusses the theoretical framework. Section 3 introduces the institutional context, Section 4 presents our data, and Section 5 the empirical approach. Section 6 shows the results, and Section 7 discusses possible mechanisms underlying them. Section 8 concludes. A broad set of robustness checks is presented in Appendix A.

## **2 Background and Theoretical Framework**

### **2.1 The signal from elections and the erosion of social norms**

The expectation that the electoral success of populist parties affects the allocation of job amenities is consistent with the theoretical model and experimental findings by Bursztyn

et al. (2020). Their study shows that social norms, usually persistent, can change quickly with changes in public information. As they demonstrate, Donald Trump's electoral success increased individuals' willingness to publicly express xenophobic views and decreased the social sanctioning of xenophobic statements.

In our context, the electoral success of a populist party may act as an update on the information regarding the xenophobic preferences of others and increase the probability that anti-immigrant attitudes are expressed within firms. We should note that shifting the burden of risk or unpleasant time schedules on workers with less bargaining power may potentially benefit both employers and native co-workers. Employers would save on safety costs, derogate time-consuming safety procedures, and comply with output demand; native co-workers would decrease their own injury risk and increase their job quality. However, the differential treatment of foreign workers may be subject to social and pecuniary sanctions. Hence, if they ignore the social preferences about immigration, firms and co-workers may hide anti-immigrant attitudes and refrain from anti-immigrant behaviors. Instead, if the elections indicate that such views are relatively widespread, xenophobic views and discriminatory behaviors will face less social sanctioning, which implies a lower probability of actual pecuniary sanctions. In turn, if the social sanctioning around anti-immigrant sentiments decreases, it becomes more likely that actual actions are taken. This is indeed the key implication of the literature that studies the effects of hate speech on immigrants' wellbeing (Meleady et al., 2017, Romarri, 2019, Bracco et al., 2020, 2018).

## **2.2 Monopsonistic employers and populism**

The literature on monopsonistic labor markets (Manning, 2003) contributes to explaining how populism may drive an uneven allocation of tasks and time schedules between immigrants and natives.

In the literature on taste-based discrimination, the racially prejudiced monopsonist

has a specific disutility from hiring immigrants, hence will offer them comparatively worse working conditions (Manning, 2003). This differential treatment triggers a broader deterioration in immigrants' working conditions among non-discriminating employers, too. Observing discrimination in racially prejudiced firms, firms with no discriminatory tastes learn that they have an opportunity to decrease their own costs by exploiting immigrants' reduced outside options. Hence, they will also offer immigrants worse working conditions compared to other workers. The greater the number of prejudiced monopsonists surrounding a focal firm, the more unequal the ultimate result (Black, 1995, Berson, 2016).

Labor supply heterogeneity will reinforce these dynamics, as firms with monopsony power will impose larger mark-downs on workers with comparatively inelastic labor supply (Hirsch and Jahn, 2015). It is well established that immigrants are more tolerant to risk and job disamenities, have lower reservation wages, and tend to replace natives in riskier jobs and more displeasing job schedules, such as night shifts, weekends, and overtime hours (e.g., Orrenius and Zavodny, 2009, 2010, 2013, Giuntella, 2012, D'Ambrosio et al., 2020, Bond et al., 2023).

Hence, the interplay of taste-based discrimination and labor supply heterogeneity lead to the prediction that immigrants' working conditions will be comparatively worse in regions with greater shares of firms with discriminating tastes (Black, 1995, Berson, 2016). This may involve both pecuniary and non-pecuniary working conditions, like workplace injuries, overtime work, and night shifts, especially when wages are downward rigid due to minimum wage policies or minimum contractual wages. For instance, instead of decreasing wages, the monopsonistic employer may force employees to work longer, at night, or in more dangerous tasks (D'Ambrosio et al., 2020).

Suppose that election results signal that the number of citizens and firms with discriminating tastes is greater than expected. The electoral signal allows firms to update their information about the diffusion of anti-immigrant sentiments (Bursztyn et al., 2020). In this way, firms learn that they have an opportunity to save on labor costs by worsening the working conditions offered to immigrants, or by taking advantage of their labor

supply rigidity to adjust working hours and comply with temporary output variation. As a result, the likelihood that job disamenities are reallocated to immigrants increases. In turn, foreign workers learn that they have even fewer outside options, which makes their labor supply even more inelastic.

### **2.3 The role of trade unions**

While populism may increase monopsony power, employment protection legislation and trade unions may reduce it. By making it more difficult to dismiss workers, employment protection effectively equalizes the labor supply elasticities of workers with different levels of bargaining power. Similarly, trade unions' claims for better conditions for all workers ultimately reduce the heterogeneity in labor supply elasticities.

Previous works have indeed shown that trade unions facilitate immigrants' inclusion and promote their equal working conditions (Marino et al., 2017). It has also been shown empirically that trade unions are effective in reducing inequalities in the distribution of job disamenities like unpaid overtime (Bell et al., 1999, Bell and Hart, 1999, Hart, 2004, Alves et al., 2007)<sup>4</sup>. Trade union activity may also hamper the ability of employers to derogate from safety regulations and enact discriminatory behaviors.<sup>5</sup>

Overall, we expect that the effect of the electoral success of populist parties on the labor market conditions of immigrants will be especially detrimental in contexts where trade union activity and employment protection legislation are weaker.

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<sup>4</sup>In their comparison of working hours in UK and Germany, Bell et al. (1999) show that unpaid overtime hours are lower in the German labor markets where workers' councils play a role in setting working time standards.

<sup>5</sup>Somewhat in line with this interpretation, the political studies literature highlights that the populist rhetoric tends to oppose to trade union activity and that strongly unionized firms tend to be less permeable to populist votes (e.g. Mosimann and Rennwald, 2018, Sanz de Miguel et al., 2019).

## 3 Institutional context

### 3.1 Differences between firms at the 15 employees threshold

The Italian legislation in force before the 2013 reform provided for remarkable differences in the regulatory regime for firms above and below 15 employees.<sup>6</sup> These differences concern, among other, the conditions for dismissing workers, the rights of workers to form unions, and the monitoring of workplace safety.

First, based on the Workers' Statute (Law no. 300 of 1970, *Statuto dei Lavoratori*, i.e., Workers' Statute), conditions were quite different for firms above and below 15 employees in case of unfair dismissal. Indeed, workers with permanent contracts having been dismissed without “*just cause*”, such as serious worker misconduct or economic difficulties of the firm, were entitled to appeal to the court. If the appeal proved right in court, a former large-firm worker had to be compensated for all unpaid salaries over the period between dismissal and the court's decision. In addition, the judge could impose the workers' reinstatement or a severance payment equal to 15 months of salary. Instead, a former small-firm employee was not compensated for the foregone wages over the period between the dismissal and the court's decision; employers faced lower mandated severance payments, and the judge could not impose reinstating the unfairly dismissed worker.

Second, the same legislation provided for quite different rights in terms of the formation of workers' representative bodies and of the bargaining power granted to trade unions in firms above and beyond 15 employees. In large firms, the law guaranteed workers' rights to establish representative bodies to negotiate on wage levels. The 15-employees threshold is also relevant for the establishment of the so-called “*Rappresentanze Sindacali Aziendali*” (RSA), i.e., trade union representatives within the firm. Large-firm employees could elect RSAs, who are allowed to be absent from work for trade union activities, could call general meetings, affix posters on union activities and call referendums. All these rights were not granted to workers in smaller firms.

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<sup>6</sup>The 2012 labor market reform reduced part of these differences.



Third, legislative decree no. 626 of 1994 on workplace safety, (popularly known as the “626 law”) provides for a different accountability structure for workplace safety in firms above and below 15 employees. The responsibility to ensure workplace safety in Italian firms is in charge of an employer’s and a workers’ representative, respectively referred to as RSPP (“Responsabile del servizio di prevenzione e protezione”, i.e., responsible for the prevention and protection service) and RLS (“Rappresentante dei lavoratori per la sicurezza”, i.e., workers’ safety representative). In larger firms, the RLS is elected by employees to voice their issues concerning workplace health and safety and is usually identified among trade union representatives within the firm—the RSAs. In case the RLS deems the risk prevention and protection measures are not appropriate, it can appeal to the responsible authorities or to the local health agency (Azienda Sanitaria Locale, ASL), which is responsible to ensure compliance with safety regulations. In smaller firms, the RLS may be a person external to the firm who is responsible for several small firms in the same local area or in the same industry. Moreover, firms with more than 15 employees have a specific obligation to hold yearly meetings about health and safety issues, which does not apply to smaller firms. Overall, the law provides for a significantly different level of formalization in the extent to which workers’ health and safety concerns are voiced, and may imply a less impactful representation of workers’ issues in smaller firms.

Other factors relating to firm size may drive a difference in workplace safety and job amenities between firms above and below 15 employees. In large manufacturing firms, time working schedules and production systems are mainly determined by technological constraints (Bell and Hart, 1999). Smaller firms are characterized by more flexible production systems and lower control by trade unions. Hence, they are more likely to implement labor adjustments on the intensive margin and to require more overtime hours from their employees.

Empirical studies confirm that worker turnover is higher in firms with more than 15 employees (Schivardi and Torrini, 2008, Hijzen et al., 2017), consistent with the idea that in firms with more than 15 employees trade unions are able to contrast firms’ monop-

sonistic power (Belloc and D'Antoni, 2020) and increase the labor supply elasticity of employees.

### **3.2 The Lega Nord party**

We take the electoral success of the right-wing populist party Lega Nord as a proxy for the public information about the social acceptance of xenophobic statements. Following Bracco et al. (2020), we focus on Lega Nord only, although this is not the unique Italian populist party (see the definition by Inglehart and Norris, 2016). This choice is motivated by the distinctive features of this party and the geographic distribution of its electoral constituencies.

The Lega platform combines both reasons related to cultural identity and economic insecurity. Since its foundation, the Lega party has been characterized by both regionalism (which later turned to nationalism) and anti-immigration platforms. The propaganda in the 80s and early 90s was based on the defense of the economic interests of Northern regions as opposed to Southern regions. The initial claim for regional autonomy and federalism, at the peak, turned into an appeal for secession. Over the decades, to gain electoral consensus at the national level, the Lega platform abandoned the request for secession and the resentment against internal immigrants, moving into the direction of anti-EU and anti-globalization policy and directing the hostility only against foreign immigrants. In the 90s, Italy was just starting to be an immigration country and immigrants did not seem to represent an actual threat to natives' jobs (Venturini and Villosio, 2006). Nonetheless, the Lega Nord propaganda portrayed immigrants as a threat to local community values, collective identity, and natives' jobs.

Over the period that we consider, supporters of the Lega Nord may have argued that their party scored generally positive electoral results. In the 1994 elections, the Lega Nord participated for the first time in the electoral competition as a single alliance of previously separated parties promoting similar issues. The party joined the center-right

coalition, contributing to its victory with an 8% of votes nationwide, which is remarkable considering the young age of the party and its relatively narrow constituency, which was mainly based in the North. In 1996, the Lega Nord was responsible for the call for new elections, having withdrawn support to the coalition and caused the collapse of the first Berlusconi government. The results rewarded this choice and yielded a 11% of support to the Lega Nord, although this didn't bring the party to govern. In 2001, the party joined the center-right coalition again, gaining remarkably lower consensus—less than 4%—but nonetheless contributing to the victory of the coalition, which brought Silvio Berlusconi to win his second mandate as a prime minister, and Lega Nord leader Umberto Bossi to become Minister for institutional reforms.

Economic shocks may be important in explaining the electoral success of Lega and its geographic distribution. The constituency of the Lega Nord has always been based in small-medium municipalities and among small and medium-sized entrepreneurs in the North, who have experienced fast growth in the past and have been recently the most exposed to increased globalization. In the empirical analyses, we control for these economic aspects as they may also affect the quality of working conditions.

## 4 Data

Our estimation sample is drawn from the WHIP-Salute Dataset. This is a random sample of workers that combines information on working histories from the Italian Social Security Archive (INPS) with confidential information on their workplace injuries from the National Work Injuries Insurance Administration (INAIL). We had access to a random sample of male workers over the 1994-2005 period. The sampling probability is 1/15 for foreign-born and 1/100 for native workers.

The dataset contains information on individual characteristics such as age and region of birth (including foreign nations) and job/firm characteristics such as number of worked weeks, earnings, professional qualification (apprentice, blue-collar), two-digit NACE rev.

1 sector, province of work, number of employees, and the initial and final day of each job spell. A spell is defined as the entire work relationship between a particular worker and an employer.<sup>7</sup>

Our outcome of interest is workplace injuries. A workplace injury is any physical damage originating from a violent cause in a working context, which determines a person's death or partially or totally hampers the person's working capacity.<sup>8</sup> As regards injured workers, the data report the date of the accident, the days of injury leave, and the type of injury. We exclude commuting injuries from our analysis because their drivers are partially different. We label as "severe" injury a workplace accident requiring immediate care (Leombruni et al., 2019) or leading to more than 20 days of injury leave. We also compute weekly wages by dividing the deflated earnings in the annual job spell by the number of weeks worked, with all variables measured on a full-time equivalent scale.

We exclude female workers from the analysis because we lack access to data on domestic workers, who represent a very important share of employment for foreign female workers. Our definition of immigrant workers is based on the information about the nation of birth. In our sample, most of the foreign-born workers come from low-income countries. We also excluded a minority of anomalous job spells with zero duration.

We exclude workers in the Transportation sector due to their widespread self-employment. Moreover, data limitations force us to drop Agriculture and fishing, too, due to the low representativeness of our sample in these sectors. This bears some implications for our estimates. Indeed, in the North, most immigrants are employed in Manufacturing and services, while in the South they are mostly employed in agriculture. Excluding agricultural workers due to data limitations, we are effectively neglecting the vast majority of immigrants employed in the South. Hence, our results will be more representative of the

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<sup>7</sup>Provinces are the finest level of disaggregation at which we were allowed to use the information on individual injuries. The unavailability of data at the municipality level prevents us from conducting an analysis of labor outcomes in Local Labor Markets.

<sup>8</sup><https://www.lavoro.gov.it/temi-e-priorita/previdenza/focus-on/Assicurazione-contro-infortuni-sul-lavoro-e-malattie-professionali/Pagine/Infortunio-sul-lavoro.aspx>.

Northern regions. Moreover, the widespread informality in the construction sector and the low number of foreign workers in the mining sector lead us to focus on workers in the manufacturing sector. Jointly with the mining and construction sectors, manufacturing accounted for the majority of all workplace injuries in the considered period (INAIL, 2002). We will show the robustness of our results to lifting limitations on the considered sectors.

In our empirical analysis, we restrict the sample to workers aged 18-55 with at least 3 years of potential labor market experience. Several reasons motivate this restriction.

First, it allows us to compare native and immigrant workers with more similar language and communication skills and to mitigate the impact of unobserved heterogeneity in productivity. In the first years, language difficulties may limit foreign workers' productivity and coerce them into worse and more hazardous occupations. Indeed, immigrants' hazard rates in the first three years of their labor market career grow more steeply with labor market experience than those of natives (see Fig. A.4 in Appendix A). Hence, including workers with less than three years of labor market experience would challenge the assumption that unobserved shocks affect foreign and native workers similarly.

Second, the restriction mitigates the impact of measurement error in the exposure to injury risk for both foreign and native workers. In the period under study, both types of workers were extremely likely to report injuries during their first day of work due to a widespread practice in the informal sector: irregular workers would remain informally employed until an injury event imposed job regularization to allow the worker access to health assistance and injury benefits.<sup>9</sup> More generally, immigrants are more likely to be employed in undeclared jobs, especially when they are newly arrived. Hence, the length of their job spells is more likely to be under-reported in the administrative data.

Third, more experienced workers are generally more tenured and more settled (Dauth et al., 2021): they are less sensitive to macroeconomic conditions and less likely to change firms and/or provinces. This increases the probability of observing the same worker

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<sup>9</sup>This practice was counteracted by specific laws in 2006 and 2007.

before and after an election and helps our identification strategy, which is based on the within-spell variation (see Section 5).

A fourth reason relates to changes in the institutional framework having occurred over our period of observation. Indeed, two major immigration reforms—popularly known as the “Turco-Napolitano” and “Bossi-Fini” reforms—, were introduced in 1998 and 2002 respectively. Both entailed a vast regularization of previously undocumented foreign workers who were working in the informal labor market. Lacking information about who benefited from the regularization, our data have a further source of error in the measurement of labor market experience. Restricting the analysis to relatively labor-market-attached workers, we intend to make the sample composition less sensitive to this limitation.

One obvious limitation of our application is that it focuses on legal immigrants. In the period under observation, though, the ratio of illegal to legal immigrants was estimated to be quite stable over time (Bianchi et al., 2012). Since the other restrictions in the data presumably yield a group of positively selected workers, we expect our results to provide a lower bound for the true effect of the increase of votes for Lega Nord on the labor market outcomes of the entire population of immigrants.

Data at the municipality level on Italian elections in 1994, 1996 and 2001 have been provided by the Italian Ministry of the Interior.<sup>10</sup> Although these elections use different electoral rules, it is always possible to recover the share of votes for each party (the “proportional” vote) in the Chamber of Deputies. We aggregate these shares at the provincial level as this is the highest level of disaggregation provided in the WHIP-SALUTE dataset for confidentiality reasons. We split job spells crossing the day of an election into two to account for the different exposure in the job before and after the changes in the electoral results.

As mentioned in the introduction, the remarkable rigidity in the Italian labor market supports the choice of employing injuries as our outcome of interest, as we expect wage

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<sup>10</sup>Before the national elections in 1994 there were several regional League parties (i.e., Lega Lombarda, Lega Veneto etc). For a comparison with post-1994 elections, we consider the votes obtained by these parties in 1994 as part of a unique League party.)

dynamics not to react to changing attitudes and preferences of employers and co-workers. Moreover, this choice may bring insights into the effects of economic shocks on firms' behavior towards immigrants. Indeed, if downturns affect both anti-immigrant resentment and labor market outcomes, it may be difficult to disentangle the effect of the two, if we only focused on wages. Instead, workplace safety is counter-cyclical: injury rates tend to decrease during downturns because, when the pace of economic growth slows down, the intensity of work activity diminishes.<sup>11</sup> Hence, we expect economic insecurity and anti-immigrant resentment to affect injury rates in opposite ways. Economic insecurity would only increase injury rates if it goes through a reduction in safety investments at the firm level.

## 5 Empirical analysis

### 5.1 Empirical model

Our main outcome of interest is the number of injuries,  $y_{ijpt}$  of individual  $i$  in job spell  $j$  working in province  $p$  at time  $t$ . We assume that it depends on individual factors, job characteristics, and fixed effects as follows:

$$\begin{aligned}
y_{ijpt} &= f(\beta_1 \text{Lega}_{pt} + \beta_2 \text{Below15}_{jt} + \beta_3 \text{Lega}_{pt} \times \text{Below15}_{jt} + \beta_4 \text{Foreign}_i \times \text{Below15}_{jt} \\
&\quad + \beta_5 \text{Foreign}_i \times \text{Lega}_{pt} + \beta_6 \text{Foreign}_i \times \text{Lega}_{pt} \times \text{Below15}_{jt} + \rho \text{LogExposure}_{ijpt} \\
&\quad + \gamma_1 X_{pt} + \gamma_2 W_{ijt} + \gamma_3 IC_{pst} + \delta_p + \psi_t + \theta_s + \mu_j) + \varepsilon_{ijpt} \\
&= f(\mathbf{X}_{ijpt}\boldsymbol{\beta}) + \varepsilon_{ijpt}
\end{aligned} \tag{1}$$

where  $\text{Lega}_{pt}$  is the share of votes of Lega Nord in province  $p$  at time  $t$ ,  $\text{Foreign}_i$  is a dummy equal to one for foreign-born workers, and  $\text{Below15}_{jt}$  is a dummy indicating firms with less than 15 employees. Following common practice in the epidemiological literature, we

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<sup>11</sup>Boone and Van Ours (2006) also find that, during downturns, accidents tend to be under-reported when the risk of unemployment is higher

add a measure of exposure, measured as the full-time equivalent (FTE) number of weeks worked.<sup>12</sup>  $X_{pt}$  is a vector of province-level controls, i.e., unemployment rate, immigration rate, and aggregate import competition from China<sup>13</sup>.  $W_{ijt}$  is a vector of individual or job-specific characteristics, including tenure (linear and quadratic), professional qualification (apprentice, blue-collar), log firm employees, and work intensity (i.e., the ratio of FTE weeks worked to the number of paid weeks).  $IC_{pst}$  captures import competition from China in sector  $s$  (see footnote 13). We further include a set of fixed effects at the levels of province ( $\delta_p$ ), time ( $\psi_t$ ; they are split into two in election years), sector ( $\theta_s$ ), and job spell ( $\mu_j$ ).<sup>14</sup>

As the number of injuries is a count variable, in our main specification we employ the Poisson pseudo-maximum likelihood (PPML) regression with multi-way fixed effects<sup>15</sup>, as follows:

$$y_{ijpt} = \exp(\mathbf{X}_{ijpt}\boldsymbol{\beta}) + \nu_{ijpt} \quad (2)$$

We also estimated the corresponding linear model, as well as a binary dependent variable model indicating whether any injuries took place over the considered spell (see the robustness checks in Section A).<sup>16</sup>

Our empirical approach compares natives and immigrants exposed to different increases in the electoral performance of Lega Nord, studying whether there is a differential impact of Lega Nord on natives and immigrants and whether this is affected by the dif-

<sup>12</sup>We do not impose its coefficient  $\rho$  to be equal to one, as the data clearly reject this assumption, but the results are robust if we do.

<sup>13</sup>We compute the exposure of Italian provinces to the import competition from China similarly to Caselli et al. (2020) and Barone and Kreuter (2021) as  $IC_{py} = \sum_s \frac{L_{psy_0}}{L_{py_0}} \frac{M_y^{ITA}}{L_{sy_0}}$ , where  $p$  is the province,  $y$  the year,  $s$  the tradable sector; and  $y_0$  is 1991, i.e., the first period when we observe import and employment data in the Census.  $M_y^{ITA}$  is the yearly real imports from China to Italy in sector  $s$ ,  $L_{psy_0}$  is the start-of-period employment in province  $p$  and sector  $s$ ;  $L_{sy_0}$  is the start-of-period Italian employment in sector  $s$ ; and  $L_{py_0}$  is the start-of-period total employment in province  $p$ .

<sup>14</sup>We control for province and sector fixed effects along with job-spell ones fixed effects as a minority of individuals change province of work and core activity of the firm within the same job spell.

<sup>15</sup>This model is estimated using the `ppmlhdfe` Stata package developed by Correia et al. (2020).

<sup>16</sup>PPML is not only a natural choice for regressions on count dependent variables. According to Blackburn (2007) and Manning and Mullahy (2001), it should be preferred to log-linear specifications even for wage regressions when there is heteroskedasticity, which would lead to biased estimates because the higher-order moments of the log wage distribution will depend on the regressors.



ferent regimes in firms above and below 15 employees. We are mainly interested in  $\beta_6$ , i.e., the coefficient of the triple interaction  $\text{Foreign}_i \times \text{Lega}_{pt} \times \text{Below15}_{jt}$ , capturing the differential impact of an increase in the votes to Lega Nord on foreign-born workers in firms with less than 15 employees.

The inclusion of spell effects instead of individual effects follows Hummels et al. (2014). Had we included worker and firm fixed effects only, the identification would be based on the workers who switch employers and would require the assumption that worker mobility is random. On the contrary, worker mobility is often systematically correlated with time-invariant but worker-firm match-specific factors (i.e., job-spell fixed effects; see Krishna et al., 2014). Our approach only requires the weaker identification assumption that worker mobility is random conditional on job-spell fixed effects. Moreover, job-spell fixed effects are likely to mitigate the effects of unobserved heterogeneity in tasks among workers. However, the location of workers is not predetermined and individuals may decide where to work. Our analysis of the transitions between jobs, firm sizes, provinces, and sectors, indicates that the Lega Nord increases the rigidity of foreigners' labor supply (Hirsch and Jahn, 2015), and confirms previous results by Bracco et al. (2018) who did not find effects of Lega Nord on immigrants outflows of foreign residents. Hence, in our specification, the impact of regressors is identified using within-spells time variations in the dependent and independent variables, including changes that occurred in the electoral outcomes within the same job contract. Identification rests upon the assumption that unobserved shocks experienced by native and foreign workers would affect them similarly in large or small firms. This assumption is more likely to hold if the most pressing sources of heterogeneity and omitted variable bias are controlled for, as we aim to do by including province, sector, time, and size effects, as well as a set of province- and sector-level potential confounding factors at the province and individual level. Under this assumption, the triple interaction effect will capture the differential effect on injury risk of being a foreign worker in provinces with larger shares of votes for the Lega Nord and in less protected work environments.

## 5.2 Identification issues

Our approach cannot be considered as a pure Diff-in-Diff-in-Diff design with a continuous treatment  $\text{Lega}_{pt}$ , as we are including post-treatment controls. The inclusion of time-varying province-level controls is critical for our identification strategy. Indeed, both the electoral results of populist parties and the natives’ and immigrants labour market outcomes correlate with immigration rates, import competition and unemployment rates (e.g. Halla et al., 2012, Barone et al., 2016, McManus and Schaur, 2016, Colantone et al., 2021b). Yet, as we show among our robustness checks, the results are robust to excluding these variables or to replacing them with province-time effects (see Section A).

A threat to identification may arise from the correlation between import competition and injury rates (McManus and Schaur, 2016, Adda and Fawaz, 2020).<sup>17</sup>, which is positively associated with the consensus for populist parties, mainly due to a deterioration of natives’ labor market conditions (Barone and Kreuter, 2021, Caselli et al., 2020). (Barone and Kreuter, 2021). We are aware of the complex interaction between cultural and economic factors and of the difficulty in disentangling the role of economics and cultural factors that have led Colantone et al. (2021b) to argue against imposing an empirical “horse race” between the two. Yet, in our application, the effects of import competition and populist preferences may be viewed to operate on two conceptually distinct channels. On the one hand, import competition decreases the incentives to invest in workplace safety (McManus and Schaur, 2016); on the other hand, and conditional on this effect, populist preferences may erode social norms (Bursztyn et al., 2020) and justify a within-firm reallocation of job disamenities to non-native workers with less bargaining power.

Another concern may be that the effect of Lega Nord captures the effect of a third unobserved factor, or of reverse causality running from the need to cut on costs to the identification of a party that provides political backing for these stances—ultimately, a mechanism operating at the level of the demand for populism (Guiso et al., 2017,

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<sup>17</sup>We address the broader effects of import competition on workplace injuries in Italy—irrespective of populist preferences—in a companion paper (D’Ambrosio et al., 2021)

Rodrik, 2020). To address this issue, we run a broad set of robustness checks including sector-time, small-firm-time, and region-time fixed effects (see Table A.3 in Section A), and we implement a control function approach where we instrument the province-level votes for Lega Nord with the average votes for Lega Nord in the surrounding provinces whose centroid is located at least than 100 km away, and at most 150 km away from the focal province centroid. The rationale for this instrument draws on the consideration that the Lega Nord constituency is geographically clustered, hence a province’s electoral preferences are accurately predicted by its neighbors’ preferences, but arguably subject to different unobserved shocks, as the distance restriction ensures that provinces exploited for the instrument are located in different local labor markets and even in different regions.

### 5.3 Descriptives

Table 1 reports our summary statistics. The table indicates that, on average, 0.24 workplace injuries and 0.09 severe injuries occur in a job spell. The average exposure for the worker in our sample is 37 weeks. 22.4% of the workers in our sample are employed in small firms. They have an average tenure of 6 years in their jobs, are overwhelmingly working full time (intensity is 99.8% on average), and about 3% of them are apprentices. The average log-transformed firm size is 4.4, corresponding to an average firm size of 81 employees. This relatively large firm size is a consequence of our 1:15 sampling, which covers most large firms but tends to undersample small firms. The share of foreign-born in our sample is higher than in the general population and it amounts to 25%, consistent with the oversampling of foreign workers in our data and with the fact that most foreign-born residents are employed. As regards province characteristics, the average unemployment rate in the considered period was about 7.8%, and the share of votes in favor of the Lega Nord was 10.5%. The province-level immigration rate over the considered period was 4.2%. The average exposure to import competition was 50 thousand Euro per worker.

In Figure 1 we plot injury rates by vote shares for the Lega Nord for native and foreign workers. The relationship appears positive and comparatively stronger for foreign workers.

## 6 Results

In Table 2 we report the results of our baseline estimates. Column 1 reports the control-only model without interaction effects. *Log Exposure* is, as expected, positive and significant, confirming the expectation that longer exposure to the risk of injury increases the probability to get injured. As anticipated, its coefficient is significantly different from 1, indicating that it would be inappropriate to constrain it to this value. In line with the literature, *Tenure* turns out negative and significant, confirming that on-the-job experience acts as a protective factor against injuries. The continuous firm size variable *Log(Employees)* is positive and significant, and the dummy *Firm size* is insignificant, not indicating a direct relationship between job protection and injury risk within a given job spell. An increasing immigration rate in the province is found to increase within-spell injury risk, possibly as a result of increased competition among workers. Taking all workers together, the share of votes for Lega Nord, *Lega*, does not turn out to significantly affect workers' injury risk. We cannot include a dummy for foreign-born alone as its effects are absorbed by the job-spell fixed effects that overlap with individual fixed effects.

< Include Tab. 2 about here >

In column 2, we augment our model with an interaction effect between *Lega* and the *Foreign* dummy. In line with our theoretical arguments, we find a positive and significant effect of this variable on injury rates, while the main effect remains insignificant. This suggests that higher shares of votes for Lega Nord imply a significantly higher risk of injury for foreign workers only. This effect is conditional on province dummies and province-level controls, hence it can be considered to add up to the effects of the economic conditions of the province or the economic cycle.

In column 3, we add the triple interaction between *Foreign*, *Below15*, and *Lega*, along with all the dyadic interactions between these variables. The results clearly indicate that our results are driven by foreign workers employed in small firms. Interestingly, there seems to be no effect of the Lega Nord on natives' injury rates, nor a differential injury risk for foreign workers in small firms as a whole.

In columns 4-5, we augment this specification with aggregate and sector-specific *Import Competition* measures. Consistent with Adda and Fawaz (2020), McManus and Schaur (2016), import competition turns out to increase injury rates, but it does not affect the main results. This suggests that, even if import competition may increase the propensity to express populist preferences, this is not the main mechanism underlying our detected effects.

We obtain similar results when restricting the analysis to severe injuries (Table 3). If workers fear that denouncing injuries increases the risk of losing their jobs, they may underreport their injuries. According to Boone and Van Ours (2006), severe injuries, requiring immediate care, are less subject to under-reporting. Focusing on severe injuries implies losing statistical power, as severe injuries account for a relatively small share of overall injuries, which are, per se, rare events. Accordingly, the coefficient of the triple interaction in Column 2 is very similar to the ones displayed in Table 2 but is less precisely estimated.

Our results are also confirmed when we implement our control function approach (Table 4). We first regress the observed share of votes for the Lega Nord on the *Lega* instrument (based on the shares of votes obtained by the party in provinces whose centroid is located at least 100 km and at most 150 km away from the province centroid), on a shift-share instrument for immigration, and on the other covariates. Then, we retain the residuals from this first-stage regression and plug them into our main specification. This control function captures the component of the share of votes received by Lega Nord that is not predicted by other exogenous regressors and may correlate with unobserved shocks at the level of the focal province. Hence, including this correlated error component in

our main regression allows us to separate the exogenous effect of Lega Nord (captured by the *Lega* coefficient) from possible endogenous factors (Wooldridge, 2015). As shown in Table 4, the control function coefficient is insignificant, not allowing us to reject the null hypothesis of exogeneity, and the *Lega* coefficient is very similar to the one estimated in Table 2.

In Appendix A, we show the robustness of our results to a vast number of checks. The results are robust to lifting sample restrictions, to implementing more demanding specifications including province-time, sector-time, or firm-size-time effects; a linear regression; and a linear probability model. We also show that, as expected, the results are robust but smaller in magnitude if we replace the share of votes for the Lega Nord with the votes going to all right-wing parties, and that they disappear when running a placebo with left-wing parties. We show that the results are stronger for lower-tech manufacturing (manufacturing of non-metal minerals and other manufacturing) and lower for the more automatized metal mechanic sector, but are generally robust to removing sectors one by one, and to removing provinces one by one. Removing particular nationalities, we find that the results are driven by the injuries of workers from Morocco, the largest community of immigrants at the time that we consider, which was also strongly targeted by the anti-immigrant propaganda. They are also robust to employing a different measure of Lega Nord based on province-level elections instead of national polls, to limiting the analysis to provinces located in the Centre-North of Italy, to constraining the log exposure coefficient to 1, and to excluding shorter work spells ( $< 31$  days).

## 7 Mechanism

Different mechanisms may be identified to explain our main results. On the one hand, the effects of populist votes on injury rates may go through import competition. An alternative interpretation may be that the effect is purely driven by anti-immigrant preferences, with elections having a revelation effect.

## 7.1 Economic mechanism

Increased competition from low-wage countries imposes economic distress and determines significant transformations in the supply chains of local production systems, challenging the survival of incumbent firms, and, simultaneously, nourishing preferences for populist parties (Colantone and Stanig, 2018b). If firms have to modify their production processes to cut costs and increase flexibility, an implication of import competition may be to force a reorganization of tasks and challenge established job safety procedures, which may induce manufacturers to reduce investments in workplace safety. In line with these arguments, Adda and Fawaz (2020) and McManus and Schaur (2016) show that import competition imposes a “health toll” on workers by increasing their injury risk. Our results may conceal an economic mechanism linked to import competition.

To explore this interpretation, we augment our specification with an additional triple interaction of *Foreign* and *Below15* with import competition measures (Table 6). This is measured at the aggregate (column 1) and sector-specific (column 2) levels, respectively.<sup>18</sup> Across specifications, the results confirm previous findings that import competition affects injury risk (Adda and Fawaz, 2020, McManus and Schaur, 2016). Moreover, they indicate that foreign-born workers and small firms are disproportionately affected.

Nonetheless, these new insights do not substantially affect our main results. The estimated excess risk for foreign workers in small firms located in provinces with greater populist preferences remains substantially stable, indicating that import competition alone is not the main driver of these effects.

A broader economic interpretation of our results may be that Lega Nord’s electoral success is greater in regions where small firms face greater economic difficulties and face shutdown risk — beyond import competition —, which will reduce their safety investments (somewhat in line with the arguments in McManus and Schaur, 2016). To study whether

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<sup>18</sup>Changes in firms’ production may be induced not only by the direct import competition in their own sector but also by changes in the amount of foreign input adopted upstream or downstream in the supply chain.

this interpretation applies, we leverage the demographic information about the firms in our data to identify those that ended up closing during our period of observation. We then add a further interaction effect with a time-to-closure variable in our main regression (Table 7), capturing whether the firm will close in 0, 1, 2, 3, or 4 years, so that the main interaction effect captures the effect of Lega Nord on firms that will not close within the next 4 years.

Again, we find support for the argument that time to closure affects injury rates, but this does not seem to be the main driver of our results. Indeed, the triple interaction effect remains positive and significant and very stable in magnitude. Moreover, the results suggest that foreign workers in provinces expressing greater consensus for Lega Nord tend to face greater injury risk in the year of closure, while the injury rates of natives tend to decrease in the year immediately preceding closure. Generally, when a company approaches closure, the pace of work tends to decrease, and as a result, the risk of on-the-job injuries also decreases.

Overall, our results provide indications that injury risk reacts to the economic difficulties of firms, but the economic mechanism does not seem to be the main driver of our estimated effects.

## **7.2 Revelation mechanism**

An alternative explanation may be that immigrants' excess risk is the result of a different attitude towards immigrants in firms below 15 employees, consistent with the revelation effect outlined in Section 2.

## **7.3 Nightshift segregation**

As we discussed, we argue that the impact of populism on immigrants' injury rates occurs via a reallocation of job disamenities within the firm. We cannot test whether immigrants are forced to take charge of comparatively riskier tasks, because the within-firm allocation



of tasks is unobservable to us. However, we can leverage the detailed information in our data to learn about whether populism affects the probability that injuries take place during displeasing job schedules, such as overtime and night shift hours and weekends.

We define overtime and nighttime injuries as those occurring between 6 p.m. and 8 a.m., or after the eighth hour of work. We refer to weekend injuries as those that occurred on Saturday or Sunday. We then run a series of linear probability models with the same right-hand side covariates and as outcomes (i) the probability that the worker experiences an overtime or nighttime injury; (ii) the probability that the worker experiences a weekend injury; (iii) the probability that the worker experiences an injury during weekends, overtime or night time hours; and (iv) the probability that the worker experiences an injury during standard working hours (i.e., between 8 a.m. and 6 p.m.). Overtime and nightshift injuries account for about 24% of all injuries in our sample, and weekend injuries for about 5%.<sup>19</sup>

The results of this exercise highlight that the above-detected effects of populism in small firms are entirely driven by injuries that occurred during overtime and night shift hours (see Table 5). This is a remarkable result considering the lower statistical power of these models compared to the previous ones. Moreover, the estimated effect of populism becomes even larger if we consider the probability to get injured during any kind of non-standard working hour (i.e., overtime, night shifts, or weekends; see Column 3). The estimated effect of populism on injury rates occurring during standard working hours is somewhat smaller and insignificant.

These results suggest that populism increases the exposure of foreign workers to job disamenities. If these disamenities are compensated by higher wages, this would not necessarily reflect a differential treatment for these workers nor a worsening of their labour conditions. For this reason, in Table 8 we report the results of a set of wage regressions estimated by OLS and PPML, respectively Manning and Mullahy (2001), Blackburn (2007).

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<sup>19</sup>Less than 1% of the injuries are declared to take place after the 8th hour, which unfortunately hinders a separate analysis for overtime and nightshift injuries with our data.

In both cases, the estimated triple interaction effects are negative and insignificant, not indicating any significant compensation for the increased risk and work disamenities faced by foreign workers in small firms in response to increasing voting shares for Lega Nord.

< *Include Tab. 8 about here* >

Our evidence indicates that a worsening in foreign workers' safety conditions is not matched by a corresponding increase in wages, hence suggesting that monopsonistic power in small firms may play an important role. The interpretation of the underlying channel as one that goes through an increased rigidity in foreign workers' supply seems confirmed in table 9, where we study the probability that the worker ends up in non-employment for the next 180 days, changes job spell (hence, changes firm), province, sector, and firm size category.<sup>20</sup> Throughout specifications, the results indicate that native workers in small firms (*Below15*) and in provinces with higher shares of Lega Nord (*Lega*) are more mobile — they are more likely to end up nonemployed, to separate from their firms, and to change province, sector, and firm size category —, but foreign workers adhere to a somewhat different pattern. Foreign workers as a whole (not only those working in small firms) are comparatively less likely to separate from their jobs and remain non-employed when they work in provinces with greater shares of Lega Nord (Column 1). The results for the triple interaction indicate that foreign workers in small firms and provinces expressing greater support for Lega Nord are less likely to change firm (Column 2) and firm size (Column 5). Instead, they are not significantly more or less likely than other workers to change province (Column 3) or sector (Column 4).

The results reported in this table yield multiple insights. First of all, the results in columns (1), (2) and (5) suggest that foreign workers are less likely to separate from their jobs, which is consistent with the interpretation of greater labor supply rigidity for immigrants. Second, the results in Column 4 are reassuring that changes in the location of immigrants are not driving our results— in line with the results by Bracco et al. (2018)

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<sup>20</sup>The set of covariates is similar to the one in equation 1 but excludes exposure and includes individual instead of job-spell fixed effects.

that higher shares of Lega Nord discourage new inflows of foreign residents, but do not lead to outflows.

Another, somewhat unexpected insight arising from Table 9 is that increased shares of Lega tend to increase job separations for all workers, especially natives. To shed light on this result, in Table 10 we display pre-election characteristics of native and foreign workers that separate from their firms in the 12 months after the date of the elections when the Lega Nord got shares that exceeded 4.5%, and compare them with the average characteristics of the workers who remain employed.

< *Include Tab. 9 about here* >

The table shows that both the native and the foreign-born leavers have higher injury rates, lower wages, and shorter tenure, and are more likely to come from small firms and from apprenticeship contracts even if they are similar in terms of age and labor market experience. Hence, from this perspective, they are quite similar. On the other hand, comparing the wages of native leavers and foreign stayers, it emerges clearly that immigrants who remain employed receive, on average, remarkably lower salaries than natives who separate. This suggests that lower-waged foreign workers substitute for the more expensive labor of native leavers and implies that shifting the burden of job disamenities on a group of workers with lower bargaining power ends up being detrimental to the labor market prospects of incumbent workers as a whole.<sup>21</sup>

A final implication of these findings is that the greater separation rates observed for natives as a response to Lega Nord may yield a positively selected sample, with workers with comparatively lower injury rates remaining in the control group. Hence, the observed increases in injury rates may partly be driven by a composition effect. Nonetheless, several features of our empirical strategy make such concerns less pressing. Among these

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<sup>21</sup>The increased risk of non-employment for natives in provinces with populist preferences does not appear to be a consequence of economic distress. Indeed, the estimates reported in table 9 are conditional on controls for aggregate- and sector-specific import competition. Moreover, the findings are robust to including interactions of *Foreign* with import competition to the specification, indicating that populist preferences *ceteris paribus* increase the risk of non-employment. Results are available upon request.

features is the fact that injury rates are adverse random events for workers, that we study within-spell variation, and that we focus on workers with at least 3 years of labor market experience where the hazard rates are similar. Moreover, despite the higher risk of non-employment in provinces with more populist preferences, which translates into shorter exposure for all workers in provinces with populist preferences, our results do not indicate significant differences between native and foreign workers with respect to exposure (see column 1 of Table A.4 in Appendix). Column 2 of the table is also reassuring that the results are not driven by foreign workers being concentrated in extremely short exposures, which by reducing the denominator could overestimate injury rates for them.

*< Include Tab. 10 about here >*

Taken together, our results highlight two parallel effects of the electoral success of Lega Nord. On the one hand, it leads native workers to abandon riskier jobs; on the other hand, it leads to a significant increase in injury risk for immigrants within job spells. Overall, then, the burden of risk appears to remain on the shoulders of immigrants. Our results are in line with the well-known phenomenon of reallocation of physical burden and injury risk from native to foreign workers (Giuntella et al., 2019), and suggest that immigrants have a more rigid labor supply function than natives, consistent with Hirsch and Jahn (2015). The authors show that immigrants' greater labor supply rigidity leads to wage discrimination and increases employers' profits. In our setting, employers could exploit this rigidity to shift the burden of workplace risk at a lower cost, avoiding paying high wage premia for risk. Small firms, where labor market protection is lower, trade union activity is more limited, and task allocation is more fluid, drive the result.

## **8 Discussion and conclusions**

The literature has explored in depth the economic and cultural drivers of populism, but few studies have focused on what happens when the message of populist parties materializes as an electoral success. The findings of this paper show that the electoral success

of a populist party may concretely affect the groups that were targeted by electoral propaganda. Exploiting within-spell variation in injury rates on a sample of manufacturing workers, we show that the electoral success of Lega Nord has a detrimental differential effect on the working conditions of foreign workers in firms with less than fifteen employees, i.e., in contexts characterized by lower employment protection and more fluid allocation of tasks and working schedules, increasing the risk of injuries mainly during nightshifts.

This evidence suggests that changes in the behavior of employers or employees occur as a result of the elections. Our results are consistent with a reallocation of hazardous tasks and unpleasant working schedules from native to foreign workers, which becomes more likely when the electoral success acts as a public signal that decreases the social sanctioning of anti-immigrant behaviours (Bursztyn et al., 2020). Native employees, after an election, may externalize their resentment towards immigrants and may decide to push for (or not oppose) employers' decisions that reduce the job quality of their foreign colleagues. Reallocating job disamenities to workers with less bargaining power is easier in smaller and less employment-protected firms. Differences in trade union presence and employment protection imply that workers in smaller firms are subject to stronger monopsonistic power, which may amplify the impact of any change in the social environment affecting foreign workers' perceived outside options. Monopsonistic employers in small companies can exploit the resulting reduction in foreign workers' labor supply elasticity to induce them to accept job disamenities without adequate monetary compensation.

Our results show that the worsening of immigrants' labor conditions in provinces with populist preferences ends up detrimental to the employment prospects of native workers, too. If foreign workers' willingness to take riskier jobs and nightshifts offers small firms a "buffer" to adjust to temporary production peaks, this may bear the adverse effect of making the costlier and less flexible labor of natives less needed. If this interpretation applies, the "race to the bottom" triggered by populist propaganda would seem to make the statement that "immigrants steal our jobs" a self-fulfilling prophecy. Unfortunately, our data do not allow us to test whether employers ultimately benefit from these dynamics.

Policies aiming to guarantee better working conditions for all workers in small firms may have ambiguous effects. On the one hand, they may decrease the perception of immigrants as a threat to native workers' jobs, mitigating the negative post-electoral effects of nativist and identitarian stances on immigrants' workplace safety. On the other hand, they may increase costs and accelerate the shutdown of smaller, less productive firms, further exacerbating discontent and support for populist stances among displaced workers. Small firms' survival depends on their ability to react to shocks by flexibly adjusting employment on the intensive margin. In this sense, the populist rhetoric appears functional to the short-run survival of smaller firms, which make up its main electoral constituency. Shifting risk and disamenities onto immigrants may be viewed as an effective risk-coping strategy that allows small firms to survive globalization and absorb shocks, at least in the short run.

Increasing employment protection in small firms bears the cost of eliminating their comparative advantage in terms of labor flexibility, inevitably shifting the firm size distribution to the right. The selection of more productive firms that, through rent-sharing, can improve workers' working conditions (McManus and Schaur, 2016) can be viewed as a device to create, in the long run, "good jobs" fostering the middle class (Rodrik and Sabel, 2019) at the cost of lower survival rates among small firms in the shorter term.

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## Tables

Table 1: Summary Statistics

Variable	Mean	Std. Dev.	Min	Max
Count injuries per spell	0.19	0.42	0.00	4.00
Count severe injuries per spell	0.07	0.27	0.00	3.00
Exposure (weeks)	37.50	15.31	0.02	53.00
Intensity	1.00	0.03	0.02	1.00
Apprendice	0.03	0.17	0.00	1.00
Tenure	6.73	5.01	0.00	20.00
(Log) Employees	4.39	2.13	0.00	11.33
Prov. unempl. rate	7.81	6.05	1.30	33.20
Immigration rate	0.04	0.22	0.00	3.35
Share small firms in province	0.33	0.05	0.22	0.60
Import competition (aggregate)	481.20	349.20	53.08	2189.37
Import competition (sector-specific)	50.59	109.46	0.00	1952.58
Lega	10.49	11.72	0.00	41.97
Foreign	0.25	0.43	0.00	1.00
Below15	0.22	0.42	0.00	1.00

Summary statistics of the main estimation sample. Observations: 129,485.

Table 2: Baseline estimates

<i>Dep.var.: Count injuries</i>	(1)	(2)	(3)	(4)	(5)
ln_exposure	0.4984*** (0.0172)	0.4983*** (0.0172)	0.4980*** (0.0172)	0.4985*** (0.0172)	0.4981*** (0.0171)
Below15	0.0455 (0.0565)	0.0458 (0.0565)	0.0198 (0.0624)	0.0448 (0.0564)	0.0192 (0.0624)
Immigration rate	0.0742*** (0.0082)	0.0748*** (0.0083)	0.0745*** (0.0082)	0.0748*** (0.0084)	0.0745*** (0.0083)
Share small firms	-0.2663 (0.6584)	-0.2648 (0.6572)	-0.2716 (0.6563)	-0.2701 (0.6844)	-0.2778 (0.6837)
Share Lega	0.0022 (0.0023)	0.0013 (0.0025)	0.0014 (0.0026)	0.0012 (0.0025)	0.0013 (0.0027)
Foreign × Lega		0.0024** (0.0012)	-0.0000 (0.0014)	0.0024** (0.0012)	-0.0000 (0.0014)
Foreign × Below15			-0.0497 (0.1001)		-0.0508 (0.1000)
Below15 × Lega			-0.0004 (0.0030)		-0.0004 (0.0030)
Foreign × Below15 × Lega			0.0103** (0.0043)		0.0103** (0.0043)
IC (aggregate)				-0.0000 (0.0001)	-0.0000 (0.0001)
IC (sector-specific)				0.0002* (0.0001)	0.0002* (0.0001)
N	129,485	129,485	129,485	129,485	129,485
Net effect Lega		0.0037 (0.0023)	0.0112 (0.0030)	0.0036 (0.0024)	0.0111 (0.0030)
Standard error					
p-value		[0.1164]	[0.0002]	[0.1337]	[0.0003]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time, industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, and share of small firms in the region. In columns 2 and 4 we report the net effect (i.e., coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Columns 3 and 5 report the net effect of Lega for foreign workers in firms below 15 employees.

Table 3: Severe injuries

<i>Dep.var.: Count injuries</i>	(1)	(2)
Below15	0.0306 (0.0796)	0.0135 (0.0945)
Immigration rate	0.0502*** (0.0147)	0.0502*** (0.0148)
Lega	0.0056* (0.0033)	0.0054 (0.0034)
IC (aggregate)	0.0003* (0.0002)	0.0003* (0.0002)
IC (sector-specific)	-0.0001 (0.0002)	-0.0001 (0.0002)
Foreign $\times$ Lega	-0.0020 (0.0025)	-0.0058** (0.0025)
Foreign $\times$ Below15		-0.1278 (0.1498)
Below15 $\times$ Lega		0.0010 (0.0042)
Foreign $\times$ Below15 $\times$ Lega		0.0136** (0.0062)
N	61,601	61,601
Net effect Lega	0.0036	0.0142
Standard error	(0.0034)	(0.0047)
p-value	[0.2844]	[0.0022]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time, industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, share of small firms in the region, sector-specific and province-level aggregate import competition. The dependent variable is the number of injuries leading to at least 20 days of sickness leave. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees.

Table 4: Control function approach

<i>Dep. var: Count injuries</i>	
Immigration rate	0.0771*** (0.0298)
Lega	-0.0048 (0.0069)
Foreign $\times$ Lega	-0.0005 (0.0026)
Native $\times$ Below15	0.0534 (0.1127)
Below15 $\times$ Lega	-0.0018 (0.0031)
Foreign $\times$ Below15 $\times$ Lega	0.0117** (0.0054)
First stage residual	0.0069 0.0079
Foreign $\times$ First stage residual	-0.001 (0.0067)
Below15 $\times$ First stage residual	0.0057 (0.0085)
Foreign $\times$ Below15 $\times$ First stage residual	-0.0046 (0.0146)
N	129,485
Clusters	16,846

PPML estimates. Bootstrapped standard errors based on 360 replications in parentheses; \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . First-stage Residual is based on the regression of the Share of votes for Lega on the share of votes imputed based on the votes obtained in the provinces located in a radius of at least 100 km and at most 150 km from the province centroid. First and second-stage estimates include job spell, province, time, industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition.

Table 5: Probability of injury during specific time schedules

Dep. var.	(1) Night/overtime	(2) Non-standard	(3) Standard
Below15	-0.0079* (0.0046)	-0.0058 (0.0047)	0.0101 (0.0081)
Immigration rate	0.0031*** (0.0008)	0.0031*** (0.0009)	0.0098*** (0.0014)
Lega	0.0001 (0.0002)	0.0001 (0.0002)	-0.0001 (0.0003)
Foreign $\times$ Lega	-0.0002 (0.0001)	-0.0003 (0.0002)	0.0003 (0.0003)
Foreign $\times$ Below15	-0.0004 (0.0087)	0.0003 (0.0094)	-0.0054 (0.0173)
Below15 $\times$ Lega	-0.0001 (0.0002)	-0.0001 (0.0002)	-0.0001 (0.0004)
Foreign $\times$ Below15 $\times$ Lega	0.0010*** (0.0003)	0.0011*** (0.0003)	0.0008 (0.0006)
N	128793	128794	128794
Net effect	0.0007	0.0008	0.0009
Standard error	(0.0003)	(0.0003)	(0.0004)
p-value	[0.0048]	[0.0045]	[0.0294]

Linear probability models. Dependent variables: (1) Probability that the worker had an injury during night or overtime hours (i.e., between 6 p.m. and 8 a.m. or after the 8th hour); (2) Probability that the worker had an injury during night, overtime hours or weekends (i.e., Saturday or Sunday). Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time, industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees.



Table 6: Estimates with import competition

<i>Dep.var.: Count injuries</i>	(1)	(2)
Interactions with:	aggregate IC	sector-specific IC
Below15	-0.0716 (0.0735)	-0.0067 (0.0641)
Immigration rate	0.0722*** (0.0084)	0.0738*** (0.0084)
Lega	0.0008 (0.0027)	0.0010 (0.0027)
IC (sector-specific)	0.0002** (0.0001)	-0.0001 (0.0002)
IC (aggregate)	-0.0002 (0.0001)	-0.0000 (0.0001)
Foreign $\times$ IC	0.0002*** (0.0001)	0.0006*** (0.0002)
Below15 $\times$ IC	0.0002** (0.0001)	0.0006** (0.0003)
Foreign $\times$ Below15 $\times$ IC	-0.0002 (0.0001)	-0.0009*** (0.0003)
Foreign $\times$ Lega	0.0007 (0.0014)	0.0004 (0.0013)
Foreign $\times$ Below15	0.0333 (0.1155)	-0.0025 (0.1017)
Below15 $\times$ Lega	-0.0004 (0.0031)	-0.0003 (0.0031)
Foreign $\times$ Below15 $\times$ Lega	0.0103** (0.0042)	0.0099** (0.0043)
N	129,485	129,485
Net effect	0.0114	0.0110
Standard error	(0.0031)	(0.0030)
P-value	[0.0002]	[0.0003]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time, industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees.

Table 7: Interactions with time to closure

<i>Dep.var.: Count injuries</i>		(1)				
Below15		0.0160				
		(0.0661)				
Immigration rate		0.0748***				
		(0.0084)				
Lega		0.0019				
		(0.0028)				
Foreign × Lega		-0.0018				
		(0.0015)				
Foreign × Below15		-0.0767				
		(0.1038)				
Below15 × Lega		0.0007				
		(0.0032)				
Foreign × Below15 × Lega		0.0102**				
		(0.0044)				
	Years to closure	0	1	2	3	4
		-0.0864	0.0805	0.034	-0.0208	0.1599**
		(0.1313)	(0.0685)	(0.0754)	(0.0745)	(0.0706)
Foreign ×		0.0442	-0.0729	-0.1769	-0.0517	-0.3479**
		(0.2143)	(0.1242)	(0.1270)	(0.1343)	(0.1655)
Below15 ×		0.2555	-0.2627*	0.2674*	0.0943	-0.1522
		(0.2112)	(0.1516)	(0.1565)	(0.1387)	(0.1384)
Lega ×		0.006	-0.0118**	-0.0039	0.0014	-0.0084**
		(0.0065)	(0.0046)	(0.004)	(0.0042)	(0.0037)
Foreign × Lega ×		-0.007	0.0121*	0.0132**	0.0109*	0.0170**
		(0.0127)	(0.007)	(0.0058)	(0.0063)	(0.0083)
Foreign × Below15 ×		-0.5579*	0.226	0.1429	0.1127	0.4911*
		(0.3242)	(0.2818)	(0.3106)	(0.2418)	(0.2686)
Below15 × Lega ×		-0.0344**	0.0184**	-0.0127	-0.0107	0.0002
		(0.0136)	(0.0094)	(0.0113)	(0.0087)	(0.0086)
Foreign × Below15 × Lega ×		0.0523***	-0.0128	-0.0019	-0.0001	-0.0102
		(0.0198)	(0.0137)	(0.0170)	(0.0114)	(0.0140)

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . The estimates include, in addition to the baseline interaction terms, a set of further interactions of each term with yearly dummies capturing whether the firm will close in 0, 1, 2, 3, 4 years. In addition, all estimates include job spell, province, time, industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition.

Table 8: Wage estimates

Dep. var.	(1)	(2)	(3)	(4)
	OLS ln(Wage)	OLS ln(Wage)	PPML Wage	PPML Wage
Below15	-0.0256*** (0.0070)	-0.0219** (0.0099)	-0.0238 (0.0335)	0.0070 (0.0495)
Lega	0.0000 (0.0003)	0.0001 (0.0003)	-0.0014 (0.0025)	-0.0012 (0.0025)
Immigration rate	0.0041*** (0.0008)	0.0041*** (0.0008)	0.0137*** (0.0050)	0.0137*** (0.0051)
Foreign $\times$ Lega	0.0001 (0.0003)	0.0002 (0.0003)	-0.0030 (0.0031)	-0.0019 (0.0029)
Foreign $\times$ Below15		0.0050 (0.0150)		-0.0164 (0.0862)
Below15 $\times$ Lega		-0.0005 (0.0004)		-0.0010 (0.0020)
Foreign $\times$ Below15 $\times$ Lega		-0.0001 (0.0006)		-0.0051 (0.0055)
N	129,467	129,467	129,467	129,467
Net effect Lega	0.0001	-0.0003	-0.0044	-0.0093
Standard error	(0.0004)	(0.0006)	(0.0031)	0.0054
P-value	[0.6954]	[0.6029]	[0.1610]	[0.0880]

Columns (1)-(2): OLS estimates; dependent variable: ln(Wage). Columns (3)-(4): PPML estimates; dependent variable: Wage. Weekly wage calculated as the ratio of yearly wage to worked weeks. <sup>a</sup> Pseudo  $R^2$ . Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time, industry fixed effects, and the following control variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. In columns 1 and 3, we report the net effect (i.e. coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Columns 2 and 4 report the net effect of Lega for foreign workers in firms below 15 employees.

Table 9: Probability to turn into non-employment, to change job spell, province, sector, firm size

<i>Dep. var.:</i>	(1)	(2)	(3)	(4)	(5)
	Nonempl.	Change firm	Change prov.	Change sector	Change firm size
Below15	0.0158** (0.0072)	0.0333*** (0.0083)	0.0256*** (0.0081)	0.0321*** (0.0081)	0.0403*** (0.0080)
Immigration rate	0.0041 (0.0032)	0.0060 (0.0039)	0.0051 (0.0038)	0.0052 (0.0037)	0.0052 (0.0037)
Lega	0.0007*** (0.0003)	0.0008** (0.0004)	0.0007* (0.0004)	0.0008** (0.0004)	0.0008** (0.0004)
Foreign × Lega	-0.0006** (0.0003)	-0.0003 (0.0003)	-0.0002 (0.0003)	-0.0003 (0.0003)	-0.0002 (0.0002)
Foreign × Below15	0.0017 (0.0126)	-0.0018 (0.0141)	-0.0038 (0.0114)	-0.0159 (0.0140)	-0.0006 (0.0132)
Below15 × Lega	0.0002 (0.0003)	0.0002 (0.0003)	0.0000 (0.0003)	0.0000 (0.0003)	0.0001 (0.0002)
Foreign × Below15 × Lega	-0.0003 (0.0005)	-0.0009* (0.0005)	-0.0007 (0.0005)	-0.0006 (0.0005)	-0.0009* (0.0005)
N	129,485	129,485	129,485	129,485	129,485
Net effect Lega	0.0001	-0.0003	-0.0002	-0.0001	-0.0002
Standard error	(0.0006)	(0.0006)	(0.0006)	(0.0006)	(0.0006)
P-value	[0.9243]	[0.6936]	[0.8131]	[0.8835]	[0.7849]

Linear probability models. Dependent variables are respectively: (1) The probability to end up non-employed in the coming 180 days; (2) the probability to change job spell — i.e., to change firm —; (3) the probability to change province of work; (4) the probability to change sector; (5) the probability to change firm size category (i.e., Below/Above 15 employees). Standard errors clustered at the province level in parentheses: \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include individual, province, time, and industry fixed effects, and the following control variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees.

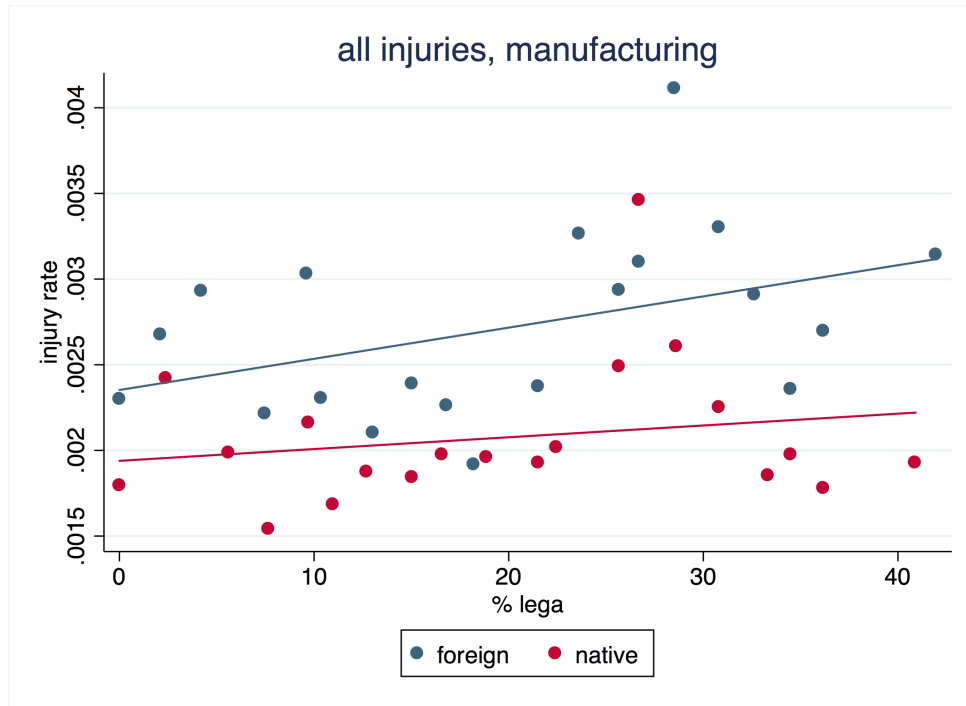
Table 10: Workers' nonemployment in response to rise in the Lega shares

Variable	Natives		Foreigners	
	Stayers	Leavers	Stayers	Leavers
Weekly wage	1088.325	980.872	927.332	757.608
Injury rate	0.006	0.014	0.006	0.028
Experience	19.243	19.577	7.635	7.385
Tenure	6.987	5.837	4.091	3.412
Age	36.197	36.445	36.939	36.039
Apprentice	0.033	0.053	0.012	0.036
Log(Employees)	4.597	4.120	3.795	3.344
Below15	0.192	0.298	0.249	0.382
Exposure	15.310	14.266	16.012	14.839
Observations	7178	761	2418	330

Pre-election characteristics of the average foreign and native workers who end up nonemployed after an election where Lega Nord got at least 4.5% of the votes ("Leavers"), and who remain employed ("Stayers"). Weekly wages are expressed in constant prices, with base year 1995.

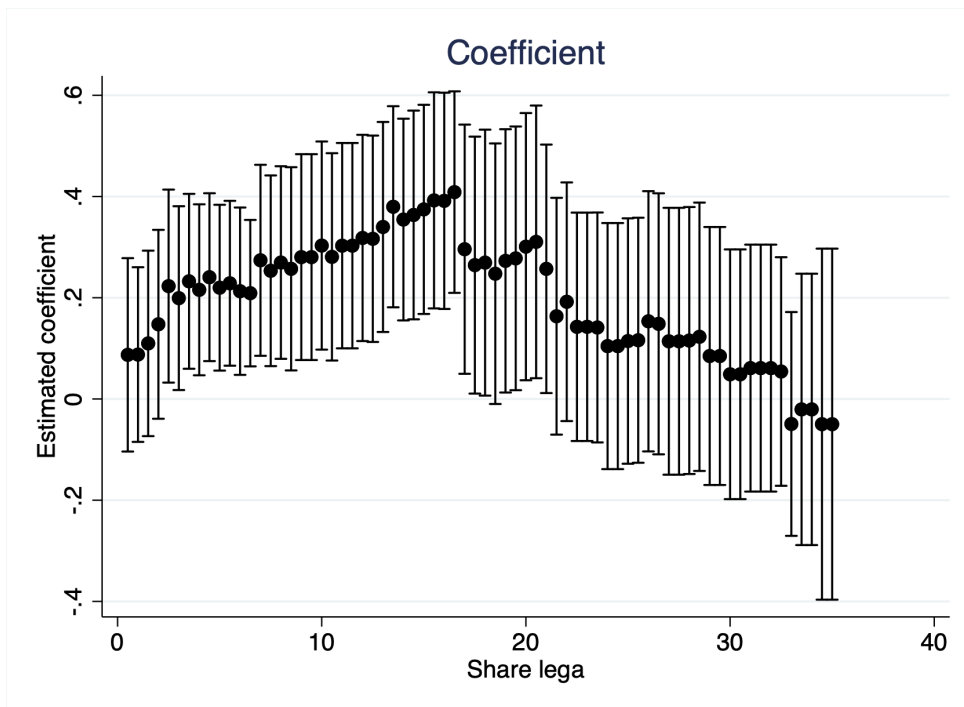
# Figures

Figure 1: Injury rates by share of votes of Lega Nord for native and foreign workers



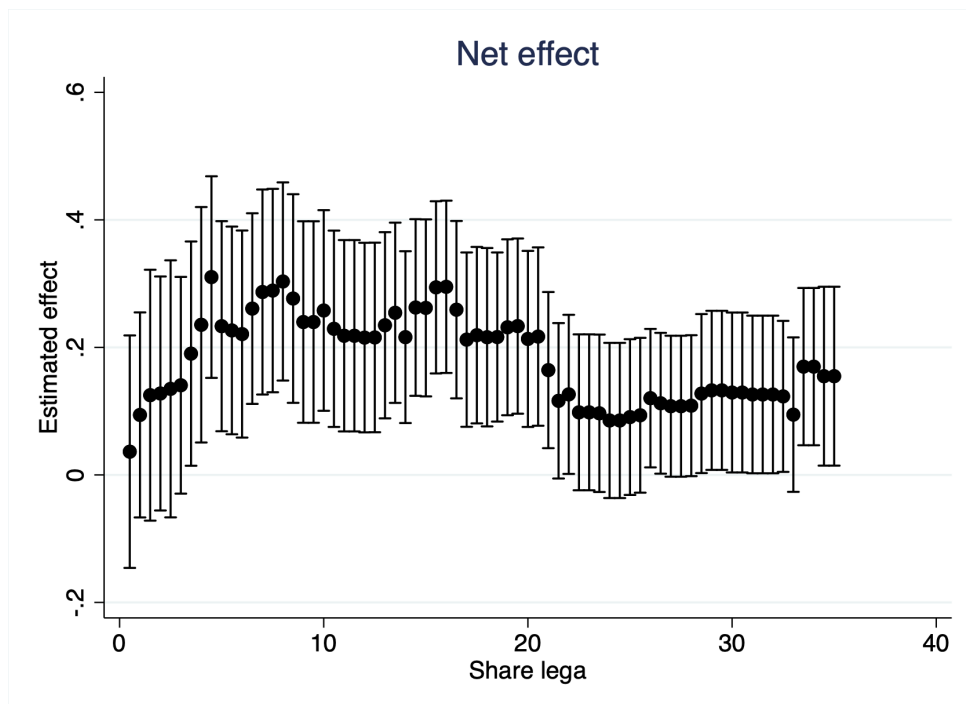
Average injury rates for native and foreign workers in the Manufacturing sector by share of votes gained by Lega Nord. Injury rates are measured as the ratio of total injuries to total exposure by 1% bins of votes.

Figure 2: Differential effect on injury rates by share of votes of Lega Nord



Estimated coefficient of the triple interaction effect  $Foreign \times Below15 \times Lega\ high$ , where the dummy  $Lega\ high$  is equal to 1 if the share of Lega exceeds  $x\%$ , and zero otherwise. The underlying regression is a PPML model with standard errors clustered at the province level. In addition to the triple interaction, all estimates include individual, province, time, and industry fixed effects, and the following variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition, a  $Below15$  dummy, a  $Foreign$  dummy, a  $Lega\ high$  dummy, as well as all the binary interaction effects between them.

Figure 3: Net effect on injury rates by share of votes of Lega Nord



Estimated net effect of the *Lega high* dummy for Foreign workers in small firms, where the dummy *Lega high* is equal to 1 if the share of Lega exceeds  $x\%$ , and zero otherwise. The underlying regression is a PPML model with standard errors clustered at the province level. In addition to the triple interaction, all estimates include individual, province, time, and industry fixed effects, and the following variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition, a *Below15* dummy, a *Foreign* dummy, a *Lega high* dummy, as well as all the binary interaction effects between them and the triple interaction  $Foreign \times Below15 \times Lega high$ . The net effect is computed as the linear combination of the effects of *Lega high*,  $Lega high \times Below15$ ,  $Lega high \times Foreign$ , and  $Foreign \times Below15 \times Lega high$ .



## A Additional results and robustness checks

### A.1 Lifting sample restrictions

As we anticipated in Section 6, lifting our sample restrictions makes the coefficient become somewhat smaller in magnitude but does not affect the overall robustness of the results (Table A.1). In particular, they are robust to lifting the experience restriction (columns (1)-(2)), to broadening the set of considered sectors to those where most injuries occur, i.e., mining and construction in addition to manufacturing (column 5), to lifting any sector restrictions (column 4), as well as to removing both restrictions on experience and sectors (column 3).

*< Include Tab. A.1 about here >*

### A.2 Different empirical specifications

The PPML estimator may be sensitive to large observations, i.e. to individuals experiencing many injuries. Hence, in Table A.2 we verify the robustness of our results to different empirical specifications addressing this potential concern. In column 1, we report the OLS, rather than PPML, estimates of our baseline specification. The estimated coefficient of the triple interaction is still positive and significant, and the results are remarkably similar to our baseline results. The net effects on immigrants are confirmed to be positive and significant. In column 2, we show that the results are also robust when replacing the count of injuries with a binary variable equal to one if the individual experienced any injuries over the spell. We also show our results' robustness to constrain the exposure coefficient to 1 (column 3), as is customary in the epidemiological literature. While common, this assumption is clearly rejected in our data: when allowed to vary, the coefficient of log exposure turns out to be significantly smaller than one. Nonetheless, if we follow the epidemiological practice, the results are robust. In column 4), we show that the results do not appear to be driven by new hires, either, as they are robust to removing shorter spells of less than 31 days.

*< Include Tab. A.2 about here >*

Another potential concern relating to our baseline specification may concern the presence of potential bad controls in our specification (Angrist and Pischke, 2009), such as immigration rates, small firms share, unemployment rates, and import competition. The literature considers these factors as drivers of populist preferences, but we cannot exclude that some of them are affected by the share of votes for populist parties (see, e.g., Barone et al., 2016). To address this concern, in Table A.3 we show the robustness of our results to excluding immigration rate (column 1), all province-level controls (columns 2-5), and to changing the set of included fixed effects. Specifically, in column 2 we do not control for province-level heterogeneity; in column 3 we include province-level fixed effects; in column 3 we allow the province-level fixed effects to vary by year; in column 4 we allow the full set of fixed effects (except for spells) to be time-varying. Despite the increasingly demanding specification, the results are very little affected, indicating that spell-level fixed effects actually capture most of the relevant variation in our outcome of interest. This interpretation is confirmed by the results in column 5, where we replace spell fixed effects with individual fixed effects. The coefficient of interest becomes

somewhat smaller but remains positive and significant, while the fit of the model slightly worsens compared with the baseline estimates. This supports our expectation that the main source of variation in injury rates is in the specific worker-firm match.

< *Include Tab. A.3 about here* >

### **A.3 All right-wing parties and left-wing placebo**

Recognizing that the Lega Nord was not the only right-wing populist party in Italy, even if it was the one with the clearest anti-immigrant stance at the time, in table A.7 we study the robustness of our results to using the electoral shares of a wider set of far-right-wing parties, i.e., including the share of votes gained by *Alleanza Nazionale* along with Lega Nord. The results are smaller in magnitude but still positive and significant, supporting our interpretation that the effect is driven by the votes for the Lega Nord.

< *Include Tab. A.7 about here* >

The availability of data on the share of votes gained by other parties also gives us the opportunity to run a placebo test. If our arguments apply, the share of votes gained by parties that do not promote xenophobic messages should not have significant effects on injury rates. Over our period of observation, this was the case for parties in the left-wing area. Hence, to run the placebo, we identify the most relevant left-wing parties over the period of observation<sup>22</sup> and add their shares by province and election. We report the results of the placebo test in Table A.8. They indicate that the share of parties whose public stances are opposing xenophobic positions do not drive any appreciable effects on injury rates, nor any differential effects of immigrant workers vs. native ones.

< *Include Tab. A.8 about here* >

### **A.4 An alternative measure of Lega: elections for province-level councils**

As a further robustness check, we construct our variable of interest based on the administrative elections leading to the appointment of the Provincial council, instead of national elections. We will refer to these as “province elections” for brevity. At the time that we consider, province elections received substantially less media attention than the national ones and can be expected to have a less powerful “revelation effect” than national-level elections. On the other hand, they should broadly reflect the preferences emerging in the national elections. The analysis, in this case, is run on a smaller sample of observations. Indeed, in the national case, we had the information about the electoral outcomes by the municipality of residence and, therefore, we could match the municipality 1:1 with a single province identifier. In this case, the data are aggregated at the province level. Hence, for those provinces that underwent administrative changes, we could not attribute a single province identifier. This has led to a small loss of information for about 1000 individuals. Moreover, due to the greater political stability at the province rather than the national level, the number of elections over which we split our sample is smaller. Province elections do not usually have the same timing as the national elections and the

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<sup>22</sup>These were: Comunisti Italiani, Democratici di Sinistra, Federazione dei Verdi, L’Ulivo, Partito Democratico della Sinistra (PDS), Rifondazione Comunista.

date varies by province. Compared with the three national polls having occurred over our period of observation, there were usually 2 province elections over the same period. This implies that our time variable takes a maximum of 15 values in the sample with national elections, and 14 values in the sample with province elections, leading to a substantial reduction in the number of observations. Overall, our estimation sample for province elections amounts to 68,001 observations, referring to about 12000 individuals observed on average over 5 periods (as opposed to the 129,485 observations, referring to about 15500 individuals observed on average over 8 time periods). Accordingly, the results reported in Table A.5 confirm our main findings but are less precisely estimated.

*< Include Tab. A.5 about here >*

## **A.5 Focus on Northern regions only**

In our baseline specification, we include all Italian provinces. In particular, Southern provinces represent instances where import competition hits similarly but the votes for Lega Nord are substantially smaller, hence they act as a suitable control group for our analysis. Nonetheless, some relevant papers in the literature have focused on provinces exposed to Lega Nord only (e.g., Bracco et al., 2018). For this reason, in Table A.6, we estimate our model on workers located in the Centre-North Provinces only. The observations for which the share of Lega Nord is zero are 29,647, mainly relating to the first years in our sample and to Southern provinces. This reduces the sample size to 98,901, hence eroding statistical power. Nonetheless, the magnitude of the coefficient of interest is remarkably stable.

*< Include Tab. A.6 about here >*

## **A.6 Sensitivity to specific provinces, countries of origin, and sectors**

In this section, we study whether particular provinces, sectors, and countries drive our results. To this end, we re-run our estimates by removing, one by one, specific provinces, sectors, and countries. The coefficients obtained are reported in Figures A.1, A.2 and A.3, respectively.

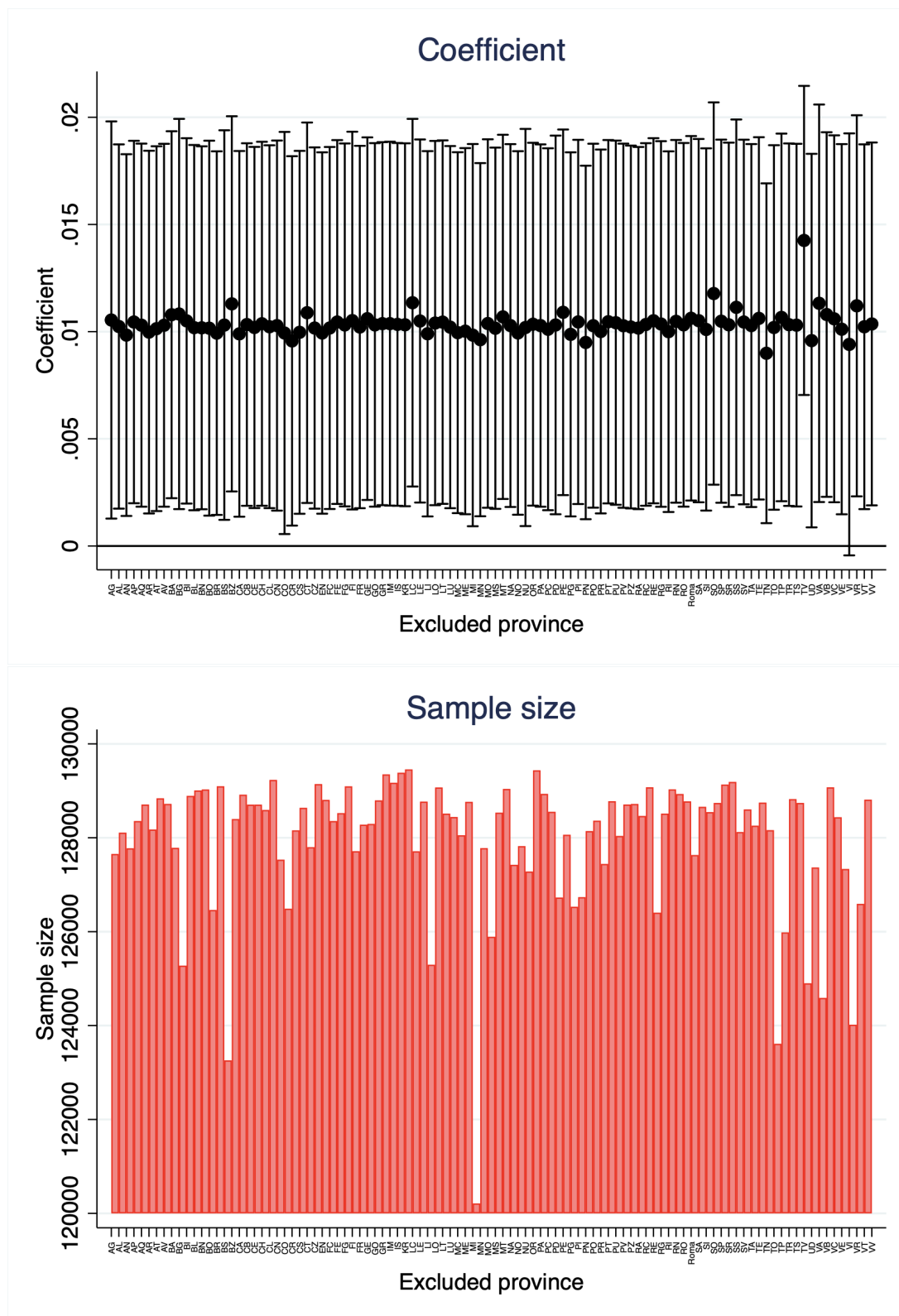
Consistent with the results in section A.2, the results are generally stable and do not seem very sensitive to removing particular provinces, except for the province of Vicenza (see Figure A.1). Over the time period that we consider, this province expressed strong consensus for populist parties and Lega Nord in particular. Its province governor Manuela dal Lago was even appointed as president of the self-declared “Provisional Padania Government” (“Governo provvisorio della Padania”) between 1998 and 1999. This province also hosts a relevant number of workers in our dataset. Removing this province from the sample slightly reduces the magnitude and precision of the estimates, leaving the qualitative results largely stable.

As regards the sectors, Figure A.2 shows that our main results are driven by NACE sectors DI and DN, i.e., manufacturing of non-metal minerals (e.g., glass, ceramics, cement, stones) and other manufacturing industries, including furniture manufacturing,

jewellery, sports articles, toys, and other manufacturing. These are relatively low-tech industries, which is consistent with a comparatively higher risk of injury. Instead, removing sector DJ, metal-mechanic manufacturing, the estimated coefficient increases despite the shrinking sample size, consistent with the more advanced and automatized manufacturing processes in this industry, mainly linked to the automotive sector.

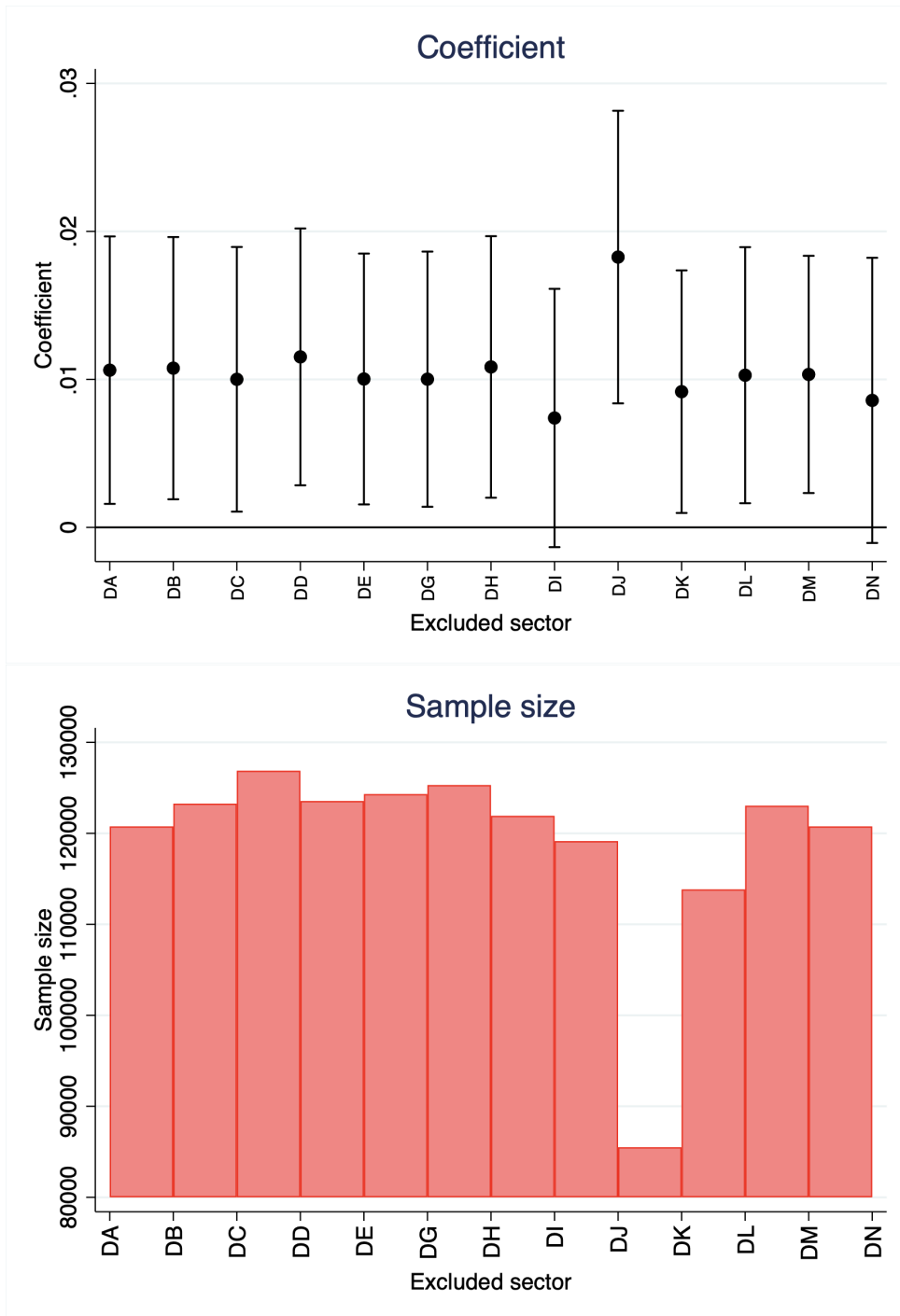
Concerning the countries of origin, Figure A.3 clearly shows that the results are driven by the injuries of Moroccan workers. This result is somewhat unsurprising given that workers from Morocco were by far the largest group of immigrants in Italy at the time that we consider, accounting for about 45% of all foreign workers in our dataset. Removing this group from the sample remarkably reduces the statistical power of our test, making the coefficient insignificant mainly due to an increase in the standard error of the estimate. Indeed, relative to the baseline estimates, excluding Moroccan workers the estimated coefficient shrinks by 18% while the standard error increases by 34%.

Figure A.1: Sensitivity of the estimated coefficient to removing particular provinces



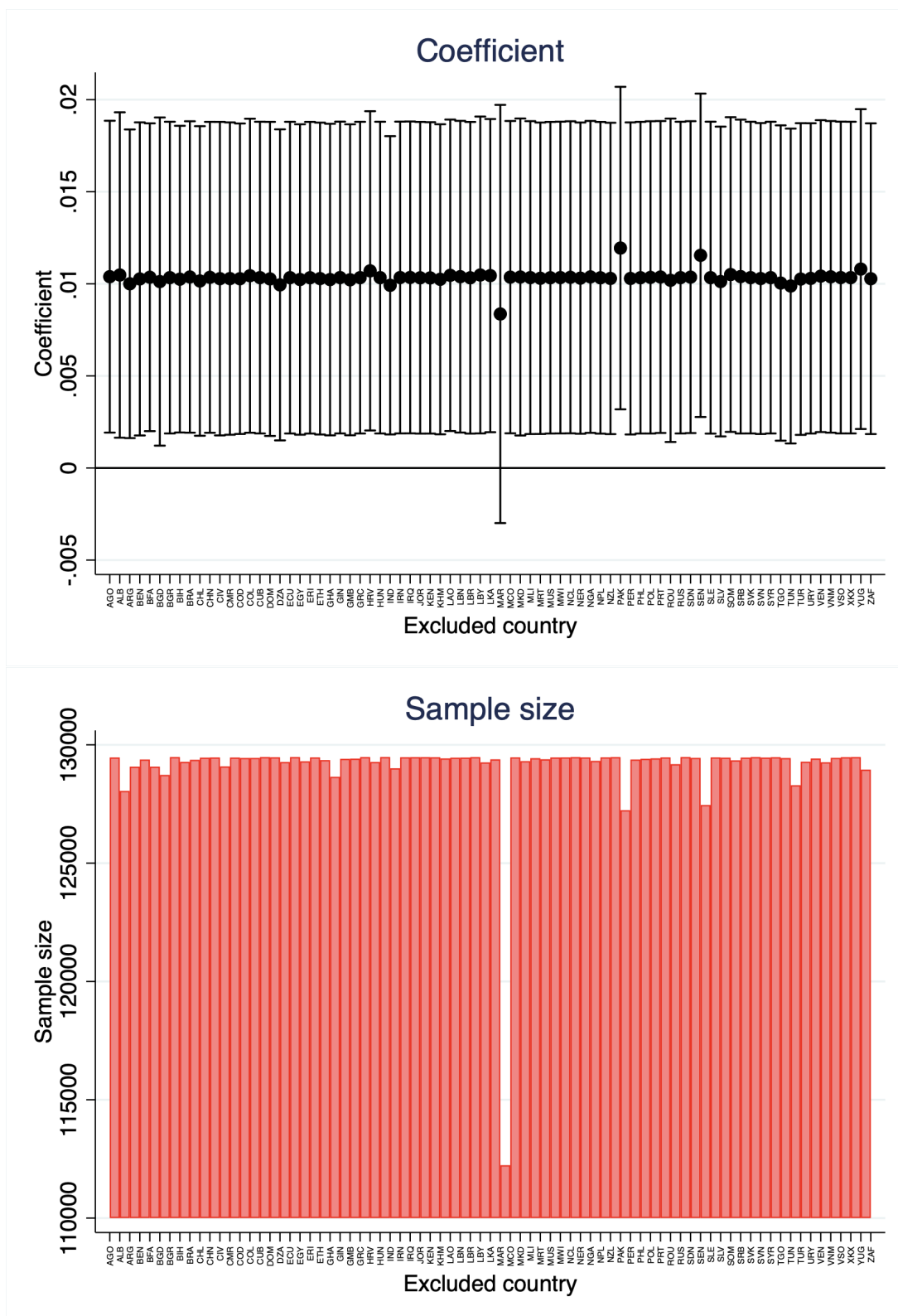
Upper panel: estimated coefficient of the triple interaction effect  $Foreign \times Below15 \times Lega\ high$  when province  $x$  is excluded from the sample. Lower panel: sample size when province  $x$  is excluded from the sample. The underlying regression is a PPML model with standard errors clustered at the province level. In addition to the triple interaction, all estimates include spell, province, time, and industry fixed effects, and the following variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition, a *Below15* dummy, a *Foreign* dummy, the continuous *Lega* variable, as well as all the binary interaction effects between them.

Figure A.2: Sensitivity of the estimated coefficient to removing particular sectors



Upper panel: estimated coefficient of the triple interaction effect  $Foreign \times Below15 \times Lega\ high$  when industry  $x$  is excluded from the sample. Lower panel: sample size when industry  $x$  is excluded from the sample. The underlying regression is a PPML model with standard errors clustered at the province level. In addition to the triple interaction, all estimates include spell, province, time, and industry fixed effects, and the following variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition, a *Below15* dummy, a *Foreign* dummy, the continuous *Lega* variable, as well as all the binary interaction effects between them.

Figure A.3: Sensitivity of the estimated coefficient to removing particular immigrants' countries of origin



Upper panel: estimated coefficient of the triple interaction effect  $Foreign \times Below15 \times Lega\ high$  when industry  $x$  is excluded from the sample. Lower panel: sample size when industry  $x$  is excluded from the sample. The underlying regression is a PPML model with standard errors clustered at the province level. In addition to the triple interaction, all estimates include spell, province, time, and industry fixed effects, and the following variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition, a *Below15* dummy, a *Foreign* dummy, the continuous *Lega* variable, as well as all the binary interaction effects between them.

Table A.1: Lifting sample restrictions

	(1)	(2)	(3)	(4)	(5)
	No exper. restriction	Exper. > 1 yr	No restr.	No sector restr.	Manuf., Mining, Constr.
Below15	0.0742 (0.0493)	0.0598 (0.0500)	0.0633 (0.0425)	0.0411 (0.0422)	0.0497 (0.0513)
Immigration rate	0.0328*** (0.0065)	0.0381*** (0.0065)	0.0268*** (0.0051)	0.0450*** (0.0058)	0.0522*** (0.0074)
Share small firms	-0.6546 (0.5474)	-0.5632 (0.5347)	-0.5826 (0.5109)	-0.3910 (0.5336)	-0.4121 (0.5893)
Lega	0.0019 (0.0026)	0.0018 (0.0025)	0.0022 (0.0021)	0.0017 (0.0020)	0.0015 (0.0025)
Foreign × Lega	-0.0022* (0.0012)	-0.0014 (0.0013)	-0.0026** (0.0011)	-0.0012 (0.0013)	-0.0008 (0.0014)
Foreign × Below15	-0.1043 (0.0741)	-0.0791 (0.0781)	-0.1394* (0.0742)	-0.1063 (0.0863)	-0.0780 (0.0971)
Below15 × Lega	-0.0007 (0.0021)	-0.0011 (0.0022)	-0.0018 (0.0016)	-0.0019 (0.0016)	-0.0010 (0.0021)
Foreign × Below15 × Lega	0.0073*** (0.0028)	0.0075** (0.0031)	0.0084*** (0.0022)	0.0093*** (0.0026)	0.0090*** (0.0033)
N	191343	183765	257040	222255	165161
Net effect Lega	0.0063 (0.0027)	0.0068 (0.0027)	0.0062 (0.0021)	0.0079 (0.0023)	0.0088 (0.0028)
Standard error					
p-value	[0.0188]	[0.0101]	[0.0041]	[0.0005]	[0.0017]

PPML estimates of the baseline model on different samples. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Column 1: Sample of manufacturing workers with any labor market experience. Column 2: Sample of manufacturing workers with more than one year of labor market experience. Column 3: Full sample with no experience nor sector restriction. Column 4: Sample of workers with at least two years of labour market experience in any sectors. Column 5: Sample of workers with at least two years of labour market experience in the sectors with most injuries: Manufacturing, Mining, Construction. All estimates include spell, province, time, and industry fixed effects, and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate, log employees, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees.

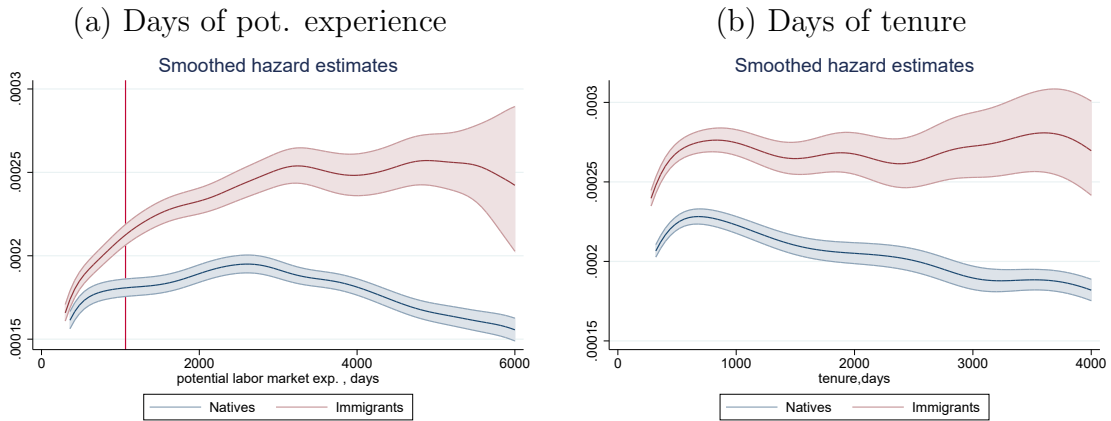


Table A.2: Different empirical specifications

	(1)	(2)	(3)	(4)
<i>Dep. var.:</i>	Count injuries	Any injuries	Count injuries	Count injuries
Below15	0.0076 (0.0099)	0.0044 (0.0092)	0.0439 (0.0652)	0.0197 (0.0625)
Immigration rate	0.0142*** (0.0019)	0.0125*** (0.0017)	0.0735*** (0.0083)	0.0745*** (0.0083)
Lega	0.0002 (0.0004)	0.0002 (0.0004)	0.0017 (0.0028)	0.0012 (0.0027)
Foreign × Lega	0.0000 (0.0003)	-0.0000 (0.0003)	-0.0002 (0.0014)	-0.0000 (0.0014)
Foreign × Below15	-0.0157 (0.0217)	-0.0068 (0.0194)	-0.0352 (0.1003)	-0.0529 (0.1000)
Below15 × Lega	-0.0002 (0.0005)	-0.0001 (0.0005)	-0.0003 (0.0031)	-0.0004 (0.0030)
Foreign × Below15 × Lega	0.0022*** (0.0008)	0.0018** (0.0007)	0.0099** (0.0044)	0.0105** (0.0043)
N	129485	129485	129485	129477
Net effect Lega	0.0022 (0.0005)	0.0018 (0.0005)	0.0110 (0.0032)	0.0113 (0.0031)
Standard error				
p-value	[0.0001]	[0.0002]	[0.0006]	[0.0002]

Estimates of the baseline model with different empirical specifications. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Column 1: OLS estimates of the baseline model. Column 2: OLS estimates of the probability to have any injuries over the job spell. Column 3 PPML estimates, with the log exposure coefficient constrained to 1. Column 4, where the sample is restricted to spells with duration of 31 days or longer. All estimates include job spell, province, time and industry fixed effects and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province share of small firms, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees.

Figure A.4: Injury hazard rates by potential experience and tenure



Note: Panel a shows the Kaplan-Meier hazard computed with time variable equal to days of potential labor market experience, i.e., days since the first entry. The vertical red line is at three years of potential labor market experience. Panel b shows the Kaplan-Meier hazard computed with time variable equal to days of tenure.

Table A.3: Changing province-level covariates and fixed effects

	(1)	(2)	(3)	(4)	(5)	(6)
	No immigration	No prov controls	No prov controls	No prov controls	No prov controls	Individual FE
Foreign × Lega	-0.0001 (0.0014)	0.0003 (0.0015)	-0.0001 (0.0014)	-0.0002 (0.0015)	-0.0000 (0.0016)	0.0003 (0.0014)
Foreign × Below15	-0.0509 (0.1000)	-0.0614 (0.1007)	-0.0497 (0.1003)	-0.0503 (0.1028)	-0.0596 (0.1006)	-0.0359 (0.0746)
Below15 × Lega	-0.0005 (0.0030)	-0.0013 (0.0030)	-0.0005 (0.0030)	-0.0001 (0.0031)	0.0016 (0.0033)	0.0001 (0.0028)
Foreign × Below15 × Lega	0.0104** (0.0043)	0.0110** (0.0044)	0.0104** (0.0043)	0.0101** (0.0044)	0.0102** (0.0044)	0.0076** (0.0037)
N	129,485	129,485	129,485	128,697	128,697	129,485
Pseudo-R <sup>2</sup>	0.1151	0.1142	0.1150	0.1235	0.1250	0.1099
Province-level controls	All but immigration rate	No	No	No	No	Yes
Spell FE	Yes	Yes	Yes	Yes	Yes	No
Individual FE	No	No	No	No	No	Yes
province FE	Yes	No	Yes	No	No	Yes
sector FE	Yes	Yes	Yes	Yes	No	Yes
firmsize FE	Yes	Yes	Yes	Yes	No	Yes
year FE	Yes	Yes	Yes	Yes	No	Yes
province-time FE	No	No	No	Yes	Yes	No
sector-time FE	No	No	No	No	Yes	No
firm size-time FE	No	No	No	No	Yes	No

PPML estimates of the baseline model changing province-level covariates and fixed effects. Column 1: list of province-level covariates excludes immigration rate. Column 2: all province-level covariates and fixed effects excluded. Column 3: Province covariates excluded, full list of fixed effects included. Column 4: all province-level covariates excluded, province × time effects included. Column 5: Province covariates excluded, all fixed effects (except spell fixed effects) are time-varying. Column 6: Province covariates included, individual instead of spell fixed effects included. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Besides the indicated fixed effects, all estimates include the following individual and firm-level controls: log exposure, intensity, apprenticeship dummy, tenure, and tenure squared. Where present, the list of province-level controls includes: province unemployment rate, log employees, province share of small firms, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition.

Table A.4: Province elections

<i>Dep.var.: Count injuries</i>	(1)	(2)
	Log exposure	Short exposure
1.dfsize	-0.0560*** (0.0134)	0.0121*** (0.0041)
Immigration rate	-0.0010 (0.0030)	0.0014* (0.0007)
Lega	-0.0011** (0.0004)	0.0002* (0.0001)
Foreign $\times$ Lega	0.0004 (0.0006)	-0.0002* (0.0001)
Foreign $\times$ Below15	-0.0334 (0.0224)	0.0032 (0.0076)
Below15 $\times$ Lega	0.0007 (0.0005)	-0.0004*** (0.0001)
Foreign $\times$ Below15 $\times$ Lega	0.0007 (0.0010)	0.0001 (0.0003)
N	129485.0000	129485.0000
Net effect Lega	0.0007	-0.0003
Standard error	(0.0008)	(0.0002)
p-value	[0.3695]	[0.2387]

OLS estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Column 1: Dependent variable is *log exposure*; Column 2: Dependent variable is a dummy *Short exposure* equal to one if the exposure is shorter than 60 days. All estimates include job spell, province, time and industry fixed effects and the following control variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province share of small firms, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. Share of Lega computed on the basis of province, rather than national elections. Column 1 reports the net effect (i.e. coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Column 2 reports the net effect of Lega for foreign workers in firms below 15 employees.

Table A.5: Province elections

<i>Dep.var.: Count injuries</i>	(1)	(2)
	All injuries	All injuries
Below15	0.0314 (0.0654)	0.0170 (0.0716)
Immigration rate	-2.2399 (1.6691)	-2.2677 (1.6909)
Share small firms	-0.4035 (0.8048)	-0.4108 (0.8054)
Share Lega	-0.0021 (0.0020)	-0.0016 (0.0022)
Foreign $\times$ Lega	0.0029** (0.0013)	0.0008 (0.0018)
Foreign $\times$ Below15		-0.0099 (0.1170)
Below15 $\times$ Lega		-0.0027 (0.0030)
Foreign $\times$ Below15 $\times$ Lega		0.0094* (0.0048)
N	68,001	68,001
Net effect Lega	0.0008	0.0060
Standard error	(0.0024)	(0.0033)
p-value	[0.7275]	[0.0665]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time and industry fixed effects and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province share of small firms, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. Share of Lega computed on the basis of province, rather than national elections. Column 1 reports the net effect (i.e. coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Column 2 reports the net effect of Lega for foreign workers in firms below 15 employees.

Table A.6: Centre-North provinces only

<i>Dep.var.: Count injuries</i>	(1)	(2)
	All injuries	All injuries
Below15	0.0521 (0.0634)	0.0418 (0.0735)
Immigration rate	0.0707*** (0.0092)	0.0704*** (0.0091)
Share small firms	0.2136 (0.9875)	0.2055 (0.9879)
Lega	0.0031 (0.0027)	0.0032 (0.0028)
Foreign $\times$ Lega	0.0001 (0.0017)	-0.0027 (0.0019)
Foreign $\times$ Below15		-0.1144 (0.1203)
Below15 $\times$ Lega		-0.0007 (0.0042)
Foreign $\times$ Below15 $\times$ Lega		0.0118* (0.0064)
N	98901	98901
Nef effect Lega	0.0031	0.0116
Standard error	(0.0027)	(0.0039)
p-value	[0.2543]	[0.0030]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time and industry fixed effects and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province share of small firms, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. Share of Lega computed on the basis of province, rather than national elections. Sample restricted to the provinces in the Centre-North. Column 1 reports the net effect (i.e. coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Column 2 reports the net effect of Lega for foreign workers in firms below 15 employees.

Table A.7: Effect of all right-wing parties

<i>Dep.var.: Count injuries</i>	(1)	(2)
	All injuries	All injuries
Below15	0.0447 (0.0565)	0.0418 (0.0725)
Immigration rate	0.0745*** (0.0084)	0.0740*** (0.0083)
Share small firms	-0.2643 (0.6860)	-0.2707 (0.6852)
Share Right	0.0008 (0.0012)	0.0009 (0.0013)
Foreign $\times$ Right	0.0011* (0.0007)	-0.0003 (0.0007)
Foreign $\times$ Below15		-0.1294 (0.1156)
Below15 $\times$ Right		-0.0009 (0.0017)
Foreign $\times$ Below15 $\times$ Right		0.0059** (0.0023)
N	129485	129485
Net effect Lega	0.0019	0.0057
Standard error	(0.0011)	(0.0015)
p-value	[0.1014]	[0.0001]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time and industry fixed effects and the following control variables: intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province immigration rate. Share of votes for the Right computed as the sum of the shares gained by Lega and Alleanza Nazionale. Column 1 reports the net effect (i.e. coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Column 2 reports the net effect of Lega for foreign workers in firms below 15 employees.

Table A.8: Placebo test: Effect of left-wing parties

<i>Dep.var.: Count injuries</i>	(1)	(2)
	All injuries	All injuries
Below15	0.0447 (0.0564)	0.0761 (0.0970)
Immigration rate	0.0744*** (0.0084)	0.0742*** (0.0084)
Share small firms	-0.2015 (0.6903)	-0.2098 (0.6899)
Share Left	-0.2770 (0.3703)	-0.2316 (0.3772)
Foreign $\times$ Share Left	-0.0498 (0.2063)	-0.0344 (0.2062)
Foreign $\times$ Below15		0.0767 (0.1489)
Below15 $\times$ Share Left		-0.2075 (0.2406)
Foreign $\times$ Below15 $\times$ Share Left		-0.0231 (0.3773)
N	129485	129485
Net effect Lega	-0.3268	-0.4966
Standard error	(0.4189)	(0.5521)
p-value	[0.4353]	[0.3684]

PPML estimates. Standard errors clustered at the province level in parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . All estimates include job spell, province, time and industry fixed effects and the following control variables: log exposure, intensity, apprenticeship dummy, tenure, tenure squared, province unemployment rate, log employees, province share of small firms, province immigration rate, the share of small firms in the region, sector-specific and province-level aggregate import competition. The net effect represents the impact of Lega (i.e. the Lega coefficient plus interactions) on foreign workers in firms below 15 employees. Share of Lega computed on the basis of province, rather than national elections. Share of votes for the Left computed as the sum of the shares gained by Comunisti Italiani, Democratici di Sinistra, Federazione dei Verdi, L'Ulivo, Partito Democratico della Sinistra (PDS), Rifondazione Comunista. Column 1 reports the net effect (i.e. coefficient plus interaction) of Lega for foreign workers (i.e. both in small and large firms). Column 2 reports the net effect of Lega for foreign workers in firms below 15 employees.