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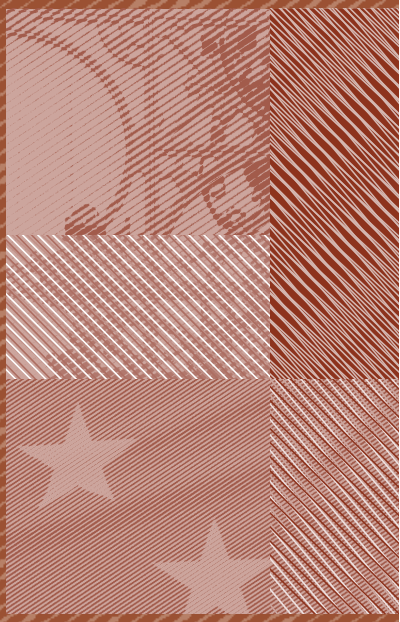

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BANCO DE ESPAÑA

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Abstract

After a long debate on wine import tariffs, the Italian Parliament rejected the Spanish-Italian trade agreement on 17 December 1905. This decision left Spain and Italy without a bilateral trade treaty for an entire decade. In the literature, broader political issues and local interests are alternatively indicated as the main drivers of the rejection. Based on a new database which collects economic and political variables (including MPs personal features) and using a probit model, this paper provides a quantitative analysis of the vote. Results show that constituency interests had a role in determining the result of the vote on the trade treaty. Moreover, constituency interests were also important for the "vote switchers", i.e. those MPs that supported the overall government policy stance in the first round, but opposed the Spanish-Italian trade agreement in the second.

Keywords: trade agreement, tariffs, wine, vote.

JEL classification: D72, F13, N43, N73.

Resumen

Después de un largo debate sobre los aranceles a la importación de vino, el 17 de diciembre de 1905 el Parlamento italiano rechazó el acuerdo comercial entre España e Italia. Esta decisión, dejó a España y a Italia sin un acuerdo comercial bilateral durante toda una década. En la literatura, cuestiones políticas más amplias e intereses locales se indican alternativamente como los principales impulsores del rechazo. Utilizando una nueva base de datos que recopila variables económicas y políticas, incluidas las características personales de los parlamentarios, y basándose en un modelo *probit,* este documento proporciona un análisis cuantitativo del voto. Los resultados muestran que los intereses locales desempeñaron un papel en la determinación del resultado de la votación del tratado comercial. Además, los intereses locales también fueron importantes para los «cambiadores de voto», es decir, aquellos parlamentarios que apoyaron la postura general de la política gubernamental en la primera ronda, pero se opusieron al acuerdo comercial español-italiano en la segunda.

Palabras clave: acuerdo comercial, aranceles, vino, votación.

Códigos JEL: D72, F13, N43, N73.

1 Introduction

Did constituency interests matter for the rejection of the 1905 trade agreement between Spain and Italy?

International trade is embedded in a dense network of multilateral and bilateral agreements whose aim is to promote economic integration beyond national borders. However, this phenomenon is related to a specific historical process and the development of a precise institutional context, which repeatedly overcame very diverse resistances, but it is not immutable (Newman et al., 2006). For example, during the first globalization – an episode of increasing economic integration during the 19th century, closely related to an extraordinary fall in trade costs (Jacks et al., 2010) – resistances did not take long to emerge. Relevant examples are the increases in tariffs for both agricultural and industrial goods in Germany (1879, the so-called "iron and rye" tariff) and Sweden (1888) (Simmons, 2006). In the first case, floating voters from the agricultural sector changed the balance in favour of protectionism (Lehmann, 2010). In the second, the largest farmers – later joined by smallholders and middling farmers – were the main supporters of tariff increases (Lehmann and Volckart, 2011).

In the case of Italy, Federico and Vasta (2015) suggest that the country was, generally speaking, quite open.[1] However, they also acknowledge the existence of some episodes where Italian policy makers were not acting following a "liberal spirit". The 1905 rejection of the Spanish-Italian trade agreement by the Italian Parliament can be one of them. The Italian authorities called for amending the 1892 *modus vivendi* with Spain in a context of a rapidly increasing bilateral trade deficit and a parallel wave of trade policy "modernization" (Italy had to face agricultural protectionism abroad). Following the rules agreed in the 1892 treaty, Italy announced its willingness to end the bilateral agreement, opening a six-month window for negotiations. Discussions between the two delegations were long. The major difference included in the final agreement, signed by the Italian government on 8 November 1905, was a drastic cut on tariffs for wine imports in Italy. The Italian Parliament had to vote on the agreement in a heated political and social climate. A double roll call vote on the general Government performance and on the trade treaty was held on 17 December 1905. While the Government won the former, it lost the latter. The trade treaty was rejected by the Italian Parliament.

The roll call nature of the votes is reflected in the minutes of the Parliament, where every MP's vote is recorded (differently from the usual sum of "in favour", "against", and "abstentions"). The double roll call vote allows both to empirically separate government support from the trade agreement support and to fully exploit the variation between the two votes.

The "Italian case" is important for several reason. First, it provides the first quantitative analysis ever on a roll-call vote in Italy during the first globalization, where detailed qualitative analysis is also limited: only Garcia Sanz (1994) reconstructed the Parliamentary debate within the wider perspective of the Spanish-Italian diplomatic relations. Other studies touch upon the issue: Lupo (1998) describes the event as the result of successful lobbying of constituency interests, namely those stakeholders associated with

1 Federico and Vasta (2015) estimate a "trade restrictiveness index" (in the spirit of Anderson and Neary, 2005, and Feenstra, 1995) that – differently from "ratio of custom revenues to the value of imports" (an indicator often used in the economic history literature due to the lack of more precise data) – is able to capture quantitative restrictions.

wine production. Orsina (2002) and Tomasoni (2011) highlight the importance of the wider political framework, such as the MPs interests in tumbling the Fortis' government.[2] Second, it helps to understand the drivers of an important public policy decision, leaving Spain and Italy without a trade agreement for almost a decade (until 1914). Third, it does so in a period (the beginning of 20th century) where organized interests, such as trade, business and industry associations, started to actively participate in the policy-making process. Finally, the "Italian case" has been studied from different perspective, therefore this study adds to the vast literature analysing the course of Italian tariffs (e.g. Coppa, 1970; Federico and Vasta, 2015; Tena Junguito, 2010a; Tena Junguito, 2010b; James and O' Rourke, 2011; Federico and Tena, 1998; Federico and Tena, 1999) providing an in-depth case study.

To summarize, in this paper I aim to empirically estimate whether constituency interests played a role in determining the result of a double roll call vote on the (failed) ratification of an international trade treaty lowering tariffs, and in particular tariffs on wine. If this is not the case, constituency interests should be orthogonal to the voting patterns. In doing so, I exploit a new database, assembled from a variety of primary and secondary sources.

Results show that constituency interests had a role in determining the result of the vote on the trade treaty. Moreover, constituency interests were also important for the "vote switchers", i.e. those MPs that supported the overall government policy stance in the first round, but opposed the Spanish-Italian trade agreement in the second.

The rest of the paper is organised as follow: Section 2 revises the literature on political economy and the determinants of (MPs) voting behaviours; Section 3 describes the historical context in which the rejection of the treaty matured; Section 4 details the data sources and the methodology used; Section 5 illustrates and interprets the results and provides a battery of robustness tests and extensions; and Section 6 concludes.

2 Literature review

Within the political economy literature, an important strand of research focuses on unfolding the determinants of Parliamentary voting patterns, which have been analysed in different geographical and historical contexts.[3] The literature has largely concentrated on the analysis of trade and trade policy (Hansen, 1990; Nollen and Iglars, 1990; Conybeare, 1991; Fordham and McKeown, 2003; Erlich, 2007;

2 Alessandro Fortis was the Italian "Prime Minister" (the official name is "President of the Council of Ministers") from 27 March 1905 to 8 February 1906.

3 One related strand deals with "pork-barrell politics" and the allocation of public investment (or social spending). In this theoretical framework, political economy incentives distort public investment from its optimal distribution, by the mean of targeting special interest groups (and/or constituents more broadly) (see e.g. Golden and Picci, 2008; Maskin and Tirole, 2014; Rodriguez-Pose et al., 2016; Limosani and Navarra, 2001; Fiva and Halse, 2016; Curto-Grau et al., 2012; Bugarin and Marciniuk, 2017). Another complementary strand focuses on political participation and voting patterns in elections (e.g. Lampe and Sharp, 2014; Gawande and Krishna, 2003; Fernandez, 2016). Here the researchers often exploit the polarization of the electoral debate on a single issue (for trade, see e.g. Irwin, 1994; Mayda and Rodrik; 2005; Yu, 2009; Clarke et al., 2017; Lehmann, 2010; Lehmann and Volckart, 2011; Urbatsch, 2013; for other wider economic and non-economic issues, see Dostie and Dupré, 2012; Gregor, 2015; Hodgson, 2012). Finally, a third analogous strand of the literature aims to understand the "do ut des" strategies within the corridors of the Parliaments: log-rolling (or "vote-trading") is suggested to be a constraint for politicians' voting behaviours (Coates and Munger, 1995). Nevertheless, the intrinsic difficulties in properly identifying "log-rolling" limited the number of empirical studies on this subject (Irwin, 1994; Irwin and Kroszner, 1996; Stratmann, 1992; Stratmann, 1995; Crombez, 2000; Esteves and Geisler-Mesevage, 2017).

Weller, 2009; Conconi et al., 2014; Malcolm, 2017; Rodrik, 2018),[4] and "single-issue" policies (e.g. Poelmans et al., 2018). In this context, MPs' voting behaviours have been associated with MPs' personal – party affiliation, ideology and experience, and his/her electoral support – and constituency characteristics (economic and social indicators, constituency interests; see e.g. Hix and Noury, 2016; Russell and Cowley, 2016; Levitt, 1996; Dixit and Londregan, 1996). Contemporary studies, however, are only able to identify rent-seeking actions related to special interest group pressures to the extent that direct industry contributions are legal in the country under scrutiny (and therefore data are available, see, e.g., Grossman and Helpman, 1994, and Gilbert and Oladi, 2012, for research on the effects of campaign contributions on MPs voting patterns).

Other researchers adopted a wider perspective, and investigated whether MPs responded to broader "constituency interests" (also referred to as "constituents' interests" or "local interests"). In the trade policy literature, these usually correspond to economic interests and are proxied by the constituency economic structure. For example, Malcolm (2017) uses local exports to a destination country as a predictor of legislators' vote on free trade agreements. Historical studies adopted similar approaches, while dealing with limited (quantitative) information at the constituency level. Zissimos (2017) develops a model to show the role of trade policy in (and for) different institutional regimes (dictatorships and democracies), and provides an application of the model to early 19th century Britain and Prussia. Other historical studies use an empirical approach, while still focusing on "Northern" European countries (Britain, Belgium, and Germany). Schonhardt-Bailey (1991; 2003) seeks to evaluate the relative importance of the major drivers of the Great Britain repeal of the Corn Laws: party, ideology, and constituency interests. She indicates the latter as the main cause behind MPs switching vote in favour of the abolition of the Corn Laws. Additionally, Schonhardt-Bailey (1998) studies the role of parties and constituency interests in the convergence of protectionist interests between landowners and industrialists in Imperial Germany, suggesting they both exerted as mediating factors. Van Dijck and Truyts (2011) analyse the case of the Belgian Corn Law repeal instead. They first use a probit model to test whether party affiliation, personal and constituency economic interests had a role in the decision of liberalizing corn tariffs. Once these factors do not seem to matter (differently from the Great Britain case), they turn to a qualitative analysis and point to political strategies and ideas to be the drivers of the liberalization episode.[5]

In this context, the contribution of the paper to the literature is threefold. First, it clarifies the drivers of an important historical event, the rejection of the 1905 Spanish-Italian trade treaty (which left two Mediterranean countries without an agreement for almost a decade, until 1914) by the means of an in-depth quantitative analysis. Second, it contributes to unfold the determinants of MPs voting patterns in a Southern European country during the first globalization. By doing so, the paper delves into a historical period where organized interests, such as trade, business and industry associations, started to actively participate in the Italian policy-making process. Third, it provides a "case study" that may serve as a useful benchmark for the vast (and expanding) literature analysing the course of Italian tariffs.

4 Several contributions focus on specific sectors (e.g. Baldwin, 1988, includes information on agriculture, intermediate goods, automobile, aircrafts, and timber), or trade agreements and other related bills (e.g. Kang and Greene, 1997, analyze the NAFTA, Baldwin and Magee, 2000, US Congress votes on the GATT Uruguay Round, the concession of the MFN status to China, and the NAFTA; Xie, 2006, the Chinese trade policy; Choi, 2015, the US-Korea FTA; Marks, 1993, the Omnibus trade bill; Francois and Nelson, 2014, the European Union trade policy; Saha, 2019, the Indian trade policy; Aquilante, 2018, focuses on antidumping measures).

5 For those interested in the broader role of tariffs during the 19th century, the intertwinement of trade and fiscal policy in the rise of modern state, and the role of sector interests (and particularly alcohol producers) in other countries (mainly United Kingdom), I suggest Ashworth (2003), Nye (2007), and Inikori (2002).

3 Historical context: Trade with Spain and the Italian wine economy

At the beginning of 1905, trade relations between Spain and Italy were governed by a provisional trade agreement – a *modus vivendi* – signed and ratified in 1892. In the treaty, Italy granted to apply certain tariffs to the products imported from Spain, based on those included in other bilateral treaties (those concluded with Austria-Hungary and Germany in 1891 and Switzerland in 1892), i.e. to apply the Most Favoured Nation clause. However, both countries agreed to exclude automatic reduction in tariffs derived by other trade agreements signed with third parties at a later date. For example, the reduction in tariffs for wine negotiated by Italy in a separate clause with Austria-Hungary (slightly below 6 Italian lire per hectolitre, from the initial level of 20), or in another trade treaty with Greece (1899, down to 12 Italian lire), had no effects for Spanish products. On the other side, Spain agreed to grant to Italy its conventional tariff, without any further restriction, and all the benefits deriving from the bilateral treaties signed with the Netherlands, Norway, Sweden and Switzerland (again, the Most Favoured Nation clause, Ministry of Finance, 1911). The Italian parliamentary debate on the 1892 *modus vivendi* was concentrated on wine (Chamber of Deputies, 1892), exactly as it happened 13 years later, in 1905. Despite recognizing that Spanish wines had little chances to compete with Italian wines in Italy, most of the MPs interventions in the Parliamentary debate argued in favour of "maintaining prudence". Jannuzzi's speech (a MP elected in Apulia, where wine producers were especially hostile to the treaty) perfectly exemplify the Chamber's feelings:

> "I also pray the government to pay attention, when it will negotiate the trade treaty with Spain, to save us from any far danger related to the competition coming from Spanish wines. It is true that, few days ago, we have widely proven that there is no serious fear of competition in Italy including [for wines coming] from the Spanish side, but government prudence requires that, in renewing the treaty, all diligent precautions shall be used"
>
> (Jannuzzi, Chamber of Deputies, 1892)[6]

The government had the primary objective of avoiding "the interruption of trade relations" (Chamber of Deputies, 1892)[7] with Spain. Therefore, it excluded wine from the final version of the 1892 *modus vivendi*. From 1892, the agreement was extended three times, twice in 1893 and once in 1894 (Chamber of Deputies, 1893, 1894).

Ten years later (1904), in the context of a changing international environment, Italy had to update its trade agreements with Austria-Hungary, Germany and Switzerland. To contrast the upsurge in agricultural protectionism abroad, Italy was obliged to provide more tariff concessions in exchange of maintaining the access to foreign markets for its agricultural products (Fraschetti, 1916). The renewal of these old treaties also implied that the references of the Spanish-Italian 1892 *modus vivendi* were gone. In this context, Italy called for amending the agreement and, following the rules included in the 1892 treaty, announced its

6 Italian in the original: "Rivolgo anch'io la preghiera al Governo, di badare quando negozierà il trattato di commercio con la Spagna, di salvarci da qualsiasi lontano pericolo di concorrenza spagnuola pei vini. È vero che abbiamo, pochi giorni or sono, largamente dimostrato che pei vini non vi ha serio timore di concorrenza in Italia anche per parte della Spagna; ma prudenza di Governo esige che, nel rinnovare il trattato, si usino tutte le diligenti precauzioni."

7 The sentence was pronounced by Benedetto Brin, the Italian Ministry of Foreign Affairs at the time (1892), while discussing the approval of *modus vivendi*.

"willingness to end the bilateral agreement". This declaration opened a six-month window for negotiations. The basis of the agreement was largely similar: both countries agreed to apply the Most Favoured Nation clause (Ministry of Finance, 1911). However, differently from 1892, the governments of the two countries did not label wine as a "very sensible issue", and the agreement signed in November 1905 included a 40% cut in wine tariffs, passing from 20 to 12 lire. Despite the cut, however, the tariff still constituted the 60% of the average price for an imported wine (20 lire).

By the end of the month (28 November), the agreement was presented at the Chamber of Deputies, in a tense political and social climate, by Tommaso Tittoni, the Ministry of Foreign Affairs. Many MPs raised their doubts and concerns, and request "the greatest consideration and expedition" in the analysis of the bill, because:

> "there are both serious compromised interests and considerable upheavals in the provinces that *are or believe to be* most affected by the agreement with Spain."
>
> (Salandra, Chamber of Deputies, 1905)[8]

Even if wine flows between Spain and Italy were very low, both countries were highly competitive in the international wine market, and indeed they were competitors in third markets (Anderson and Pinilla, 2018; Pinilla and Ayuda, 2002). The press widely reported on the agreement. "La Stampa" – an important Italian newspapers published in Piedmont (Turin), a region where wine producers were among the most hostile groups to the agreement – dedicated almost an article a day to the issue for more than one month, since few days after the Government signature until the Parliamentary discussion. For example, on 26 November, the newspaper published at the centre of its cover page the article: "Rising tension against the *modus vivendi* with Spain".[9] If on one side the journalist describes as "sure" the approval of the agreement, on the other he provides prima facie evidence of rising social tensions, with street protests and organization of meetings, debates, conventions by Chambers of commerce, agricultural and other local associations.[10]

The parliamentary debate started on 11 December in a heated political climate, and lasted 7 days. Wine was undoubtedly the main subject, with many MPs describing the difficult situation of the European wine markets as a result of the discriminatory trade policy implemented by France at the end of the phylloxera plague in the 1890s when France favoured Algerian wine imports over the others, therefore reducing imports from both Spain and Italy (Meloni and Swinnen, 2018). Other MPs highlighted the success of Spanish exporters in third countries, such as Austria-Hungary and Switzerland, and argued that their achievements were at stake with the interests of Italian exporters: these dynamics contributed to fuel Italian fears.[11] Six days later, the debate came to an end. The Government had to face a confidence vote. The Italian Parliamentary rules authorize a confidence vote as a mean of requesting the Parliament to "critically examine and vote on Government conduct and actions", de facto binding Government survival to the result of the vote.

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8 Emphasis added. Italian in the original: "Le ragioni dello affrettarsi sono evidenti: sia perchè si tratta di gravi interessi compromessi, sia perchè vi è una notevole agitazione nelle Provincie che sono o si credono più colpite dall'accordo con la Spagna."

9 In Italian in the original: "La crescente agitazione contro il "*modus vivendi*" colla Spagna". In the Spanish newspapers the coverage of the issue was similar (see ABC archive, hemeroteca.abc.es, for example the "The Spanish wines" article on 24 November 1905).

10 The position of the "winners" of this agreement will be analyzed in Section 5.

11 For more details on the Parliamentary debate see Garcia Sanz (1994).

For our purposes, the most important characteristics of the December 1905 confidence vote are two: the first (which applies to all confidence votes) consists in the roll call nature of the voting procedure, i.e. the vote of each MP is public and recorded by MP name and surname. The second (specific to this vote) is its separation in two voting sessions. With the first vote, the Chamber was called to express its opinion on the following sentence: "The Chamber, confirming its confidence in the Government's policy". It was a confidence vote sensu stricto, i.e. a vote requesting the approval of the Government action in broad terms. The second vote focused on the trade agreement instead (the agenda reports the vote on "[the Parliament] moves on to the discussion of the article"). The government gained the confidence vote with 253 votes in favour and 190 against, whereas it lost the vote on the trade agreement with only 135 votes in favour and a total of 293 votes against (see next section for more details, particularly Table 1).

As a consequence, the bill that should have validated the Royal Decree n.548 (enacted on 18 November 1905) on the application of the provisional trade agreement between Italy and Spain was rejected on 17 December 1905. On one hand, since the following day, Spanish products entering the Italian territory were "subject to the [Italian] general tariff and forbidden to use free warehouses". On the other hand, following the Spanish Royal Order (20 December 1905), Italian products imported in Spain were subjected to the Spanish general tariff. The same Royal Order urged custom officers to "accurately check" the origin of products (examining the corresponding documents), notably mentioning those exempted from the "justification of origin" (i.e. those for which the importer/exporter did not have to provide a document proving the country of origin of the good). The aim was to avoid that Italian exporters continued to enjoy advantages conceded to other nations "by the means of a trade treaty" (Chamber of Commerce in Milan, 1907). This situation lasted for almost ten years, until 1914, when the two nations reached a new trade agreement, this time excluding wine.[12]

The intrinsic importance of the trade agreement was reinforced by some characteristics of the Italian economic and political context. On one side, wine was economically important: Federico and Martinelli (2018) provide a rich set of data to prove that the wine industry was an essential element of the Italian economy at the turn of the 19th century. It constituted the source of 22% of the gross value added of agricultural output, 8% of total GDP, and 11% of total private consumption. On the other side, the Italian electoral system provided a strong direct link between MPs and constituency interests: since the approval of the Law n. 210 (5 May 1891), Italy had a single-member constituency system. The literature emphasizes that the single-member constituency system, which by design provides a local basis of representation, tend to reinforce local ties (see, e.g., Stratmann and Baur, 2002; Scholl, 1986). The Italian historical context possibly strengthen those linkages even further,[13] as MPs did not have any compulsory party line to follow[14] and constituencies were rather small: the average constituency had between sixty and seventy thousand inhabitants, and from six to seven thousand voters. This difference between inhabitants and voters was due to some limitations in the suffrage. In line with most countries of the time, the suffrage in Italy was restricted to males above 21 years of age, with certain level of census or (alternatively) in possess of other qualifications. By census, an Italian citizen had the right to vote when paying direct annual taxes of 19.8 lire minimum (approximately the value of 50 litres of wine), renting agricultural land (minimum annual rent: 500

12 The 1914 agreement was a significant change in the trade relations between the two countries. As anecdotal evidence, the Milan Chamber of Commerce Archive contains various letters from different firms (for example, La "Cooperativa Aste Dorate", part of the firm "P.tro Presbitero & Figli", producing frames and other wood products) requesting – at some point during 1914 – information on whether or not the 1914 trade agreement had already entered into force (Section III, Box N. 178: "Commercio Estero – A – Trattati e Legislazione – I° – Trattati di commercio – Spagna").

13 For a detailed case study approach, see Finelli (2000).

lire; in case of shared rentals the minimum corresponded to properties with direct annual taxes of 80 lire), or being a tenant of factories, warehouses, etc. (minimum rent between 150 and 400 lire). Alternatively, his right to vote depended on other qualifications: being in possession of a primary school certificate or being able to prove to be literate, being a member of a Chamber of Commerce or a "Comizio agrario" (institutions dedicated to the diffusion of agricultural techniques and knowledge in Italy), being (or have been) a public employee (including officers and non-commissioned officers in the military), etc. (ICSMC, 1946). These requirements restricted the electorate to approximately 3.5 million people, or the 10% of the population (ICSMC, 1947), but almost 30% of male population above 21 years of age (Ministry of Agriculture, Industry and Commerce, 1900).[15] Most of wine producers were likely to fall in at least one of the census or "other qualifications" categories.[16] There is no reason to believe that the wine sector was organized differently from the broad agricultural sector: share tenancy contracts were largely prevalent in the central and southern Italy, whereas the northern regions had a larger share of owner operators and (often) wage labourers (Cohen and Galassi, 1990). Wine production operators were often (extended) family businesses, large landowners or wealthy upper class individuals, such as noblemen, professors, lawyers, (agricultural) engineers, etc. (Trentin, 1903; Ottavi and Marescalchi, 1903).

4 Methodology and Data

4.1 Methodology

The aim of the study is to capture the influence of constituency interests, alternatively measured by total, per capita and per square meter wine production, on the MPs' voting patterns.

As briefly mentioned in the previous section, approximately one-third of the MPs voted in favour of the trade treaty. However, among those, only four voted "yes" in the treaty vote and "no" in the confidence vote. Oppositely, over the two-thirds that voted against the treaty, more than one-third voted in favour of the confidence vote (see Table 1).

Table 1: Combinations of confidence vote and trade vote

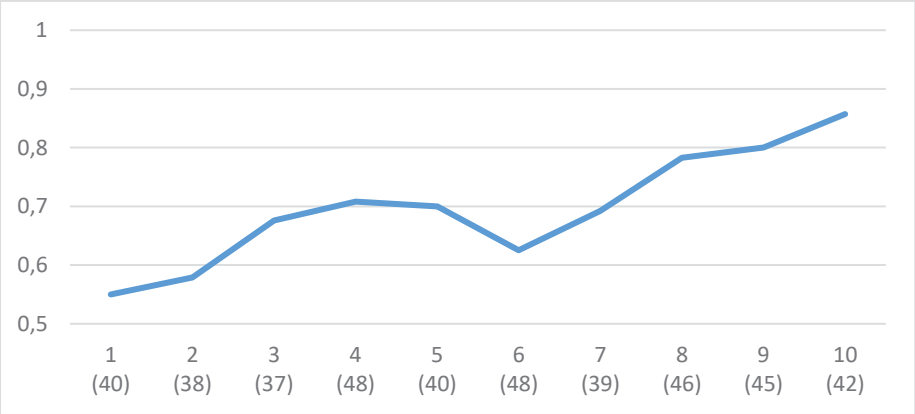
		Trade		
		"against"	"in favour"	Total Confidence
Confidence	"against"	183	4	190 (3)
	"in favour"	109	131	253 (13)
	Total trade	293 (1)	135	

Source: Author's elaboration.
Note: The difference between the sum of the two values reported in the cells "against" and "in favour" (shown in parenthesis in the table), and the main number reported in the cell "total" is given by MPs that abstained in one or both votes or participated only in one vote. Even if they represent only a very small share of the MPs' population, I take this issue into account in the robustness tests (see Section 5 for more details).

14 In particular, since 1880s, Italian governments did not rely on long-term majorities among any party line, but on ad-hoc majorities instead (the so-called "transformism", see Rogari, 1998, and Fruci and Finelli, 2000).
15 This was five times more the population with the right to vote when the Kingdom of Italy was created in 1861.
16 Perhaps, these limitations were excluding those very small scale producers that were producing wine for self-consumption only. However, the effects of the treaty for this specific category were also likely to be very limited, as they were not producing wine for selling it in the market.

The use of some simple descriptive statistics provides prima facie evidence that MPs may well have taken into account the importance of wine production of their respective constituency (province) when called to vote on the trade treaty with Spain. Indeed, ordering wine production[17] from low to high unveil an increasing trend in the share of MPs that voted against the trade treaty in each decile of the distribution (see Figure 1).[18] In other words, the higher the wine production in a certain area, the higher the share of MPs against the treaty. The difference is particularly relevant at the two extremes of the distribution (bottom 30% and top 30%).

Figure 1: Share of MPs against the treaty, by deciles of the per capita wine production distribution



Note: Distribution ordered from low production to high production. Number of observations (MPs) included in each decile is shown in parenthesis.
Source: Author's elaboration.

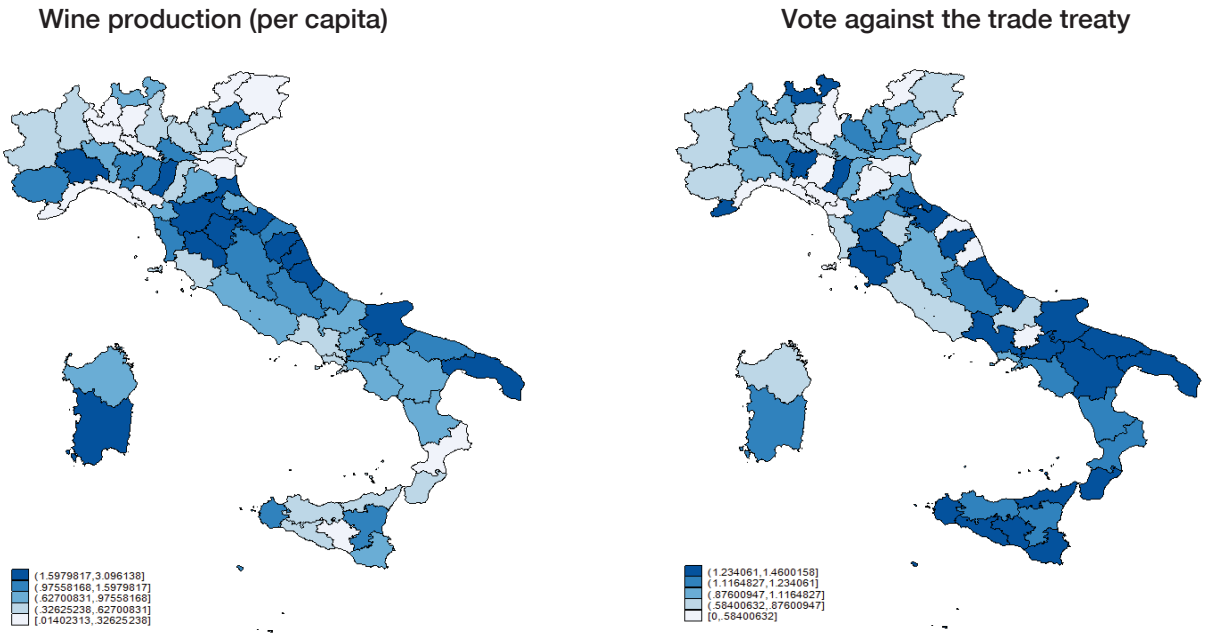
Similar results may be drawn by plotting wine production and the votes against the treaty. Figure 2 shows the map of Italy at the province level. The map on the left reports per capita wine production[19] with respect to the Italian mean. Therefore, numbers above 1 identify provinces where wine production is above the Italian mean. These provinces are portrayed in a darker blue. Values below 1 identify provinces where wine production is below the Italian mean. These provinces are portrayed in a lighter blue. The same applies to the map on the right, reporting the share of MPs voting against the treaty (with respect to the Italian mean). Even if there is no perfect overlap, very often provinces show similar colours in both maps.

Therefore, I test empirically the two following hypotheses:

Hypothesis 1: Those MPs elected in constituencies where constituency interests are stronger (i.e. where wine production – total, per capita or per square meter – is higher) are less likely to vote "yes" to the trade agreement

17 Figure 1 shows per capita wine production, but results are similar with total and per square meter wine production.
18 The fall in the share of MPs against the treaty in decile number six is largely driven by the presence of Rome province, which had a large number of MPs assigned.
19 Figure 2 shows per capita wine production, but results are similar with total and per square meter wine production.

Figure 2: Wine production and vote against the trade treaty by province



Source: Author's elaboration.
Note: Numbers above 1 identify provinces where per capita wine production or the share of votes against the trade treaty are above the Italian mean. Values below 1 identify provinces where per capita wine production or the share of votes against the trade treaty are below the Italian mean.

Hypothesis 2: Among those MPs that voted in favour of the government (i.e. "yes" in the confidence vote), those MPs elected in constituencies where constituency interests are stronger (i.e. where wine production – total, per capita or per square meter – is higher) are less likely to vote "yes" to the trade agreement

Thus, I follow and adapt Van Dijck and Truyts (2011), Malcolm (2017), and Poelmans et al. (2018), using a probit model to analyse MPs' voting pattern. Operationally, I estimate the two equations – corresponding to the hypotheses outlined above – through two probit models specified as follow:

$$Trade\_vote_i = \beta_0 + \beta_1 Wine_k + \gamma Z'_{ik} + \delta_{geo} + u_{ik} \qquad (1)$$

$$Switch\_vote_i = \beta_0 + \beta_1 Wine_k + \gamma Z'_{ik} + \delta_{geo} + \varepsilon_{ik} \qquad (2)$$

In the first equation, which corresponds to the first hypothesis, the dependent variable ("Trade_vote") is a dummy variable equal to one when the MP "i" voted "yes" in the trade vote, and zero otherwise.[20] In the second equation, which corresponds to the second hypothesis, the dependent variable "Switch_vote" is equal to one if MP "i" voted "yes" in the confidence vote and "no" in the trade vote, and it is equal to zero when MP "i" voted "yes" in both votes. Therefore, in this second case the sample is restricted to 240 MPs. The right hand side is the same for both equations: "Wine" is the main variable of interest. The aim is to capture the constituency interests. I proxy constituency interests using physical measures of production. In cases of incomplete information on prices and provincial production structures (which is often the case in historical studies), this has been used as a valid alternative, even in the case of

20 Only two MPs were present in the vote and abstained.

goods with heterogeneous quality (Poelmans et al., 2018)[21]. Therefore, I adopt three different measures (to check the robustness of the results): 1) total wine production (expressed in millions of hectolitres); 2) per capita wine production (hectolitres per person); 3) per square meter wine production (hundreds of hectolitres per square meter). As data for wine production, population and area is available at the provincial level only, I follow Golden and Picci (2008) in "propagating the values of variables available in larger units across the smaller subunits". In this case, I propagate provincial values to different constituencies.[22] The main reason for doing so is to avoid losing variance of the dependent variable (available at a smaller geographical level). Importantly, I also perform the opposite exercise in a set of robustness tests. There, I aggregate the dependent variable at the provincial level, calculated – in the spirit of Curto-Grau et al. (2012) – as percentage of MPs that voted in favour within each province. The "wine" variable is expected to be negatively associated with the "Trade_vote" variable, and positively associated with the "Switch_vote" variable. Indeed, I expect those MPs coming from districts where constituency interests (proxied by wine production) are stronger to be less likely to vote in favour of the trade agreement. I also expect, among those MPs that supported the government policy stance (sensu lato) in the first round, MPs coming from districts where constituency interests are stronger to be "vote switchers" with a higher likelihood.

Z' is a vector of control variables, containing a set of different MPs personal features and geographical economic characteristics. As in Van Dijck and Truyts (2011), I control for personal economic incentives including a dummy variable, "Agric_Prof" ("Agricultural Profession"), that identifies whether or not the MP's principal occupation outside the Parliament was related to agriculture (=1 in case the MP "i" profession was related to agriculture, e.g. landowner). In the spirit of Van Dijck and Truyts (2011) and Schonhardt-Bailey (2003), I control for the MP political affiliation. Particularly, I consider whether or not the MP belongs to the same party of the President of the Council of Ministers. I do so including in the regression "Pol_Aff" – "Political Affiliation" – a dummy which is equal to 1 in case of the "Prime Minister" and the MP were affiliated to the same party. In the affirmative case, it is likely that voting against government willingness implies higher political costs (even if, in the Kingdom of Italy before WWI, governments received support mostly from across-the-board majorities).[23] In line with Ito (2015), whose research shows that electoral competition affects MPs preferences on trade policy, I include an indicator of the MP political support within the constituency (Part_win). I combine the share of actual voters over the total electorate with the share of votes the candidate received, as the phenomenon of abstention was widespread (i.e. participation ranged 60%, ICSMC, 1947). The idea is that the lower the margins of victory, the more limited the room for an MP to support controverted issues, because lower is the number of votes the MP may afford to lose to regain next elections. Additionally, in line with Jackson et al. (1992), Levitt (1996), Burden et al. (2000) and Griffin (2008), I include a proxy for MP ideology. However, "ideology" is not easy to capture. The literature largely relies on an algorithm ("NOMINATE", see Poole and Rosenthal, 1985, 1997) that assign a score to each legislator on a liberal-conservative scale. This score is determined by the legislator's past voting pattern (and its similarity to the other legislators' pattern) and by the type of bill proposed. However, there is not sufficient information available for constructing a similar index for the Italian Parliament in the liberal era. Indeed, as previously mentioned, the great majority of votes were secret (i.e. only a very small minority were roll call votes). As an alternative, I use the roll call vote on the Parliament's approval of the

21 Poelmans et al. (2018) studies the case of the 1933 "beer bill", legalizing the sales and consumption of beer with alcohol content. Other historical analysis and official documents of the US Federal Trade Commission show that beer consumption was distributed among beers of different price and quality (see Colli, 1998; USFTC, 1977). However, in Section 5 I will also provide robustness tests taking into account the (limited) available information on prices and the provincial production structures.

22 On average, there are 7 constituencies per province.

23 For further details on this issue, see Banti (1989), Banti (1996), Fruci (2000), Fruci (2002), Lupo (1998).

inauguration of the Tommaso Tittoni's government (in 1904). Tittoni was preceded by Giovanni Giolitti's government, who suddenly resigned, adducing health problems. The government led by Giolitti was expression of a liberal approach to key issues such as social conflict, strike and other workers' rights, etc.. The vote on the Tittoni's government was divided in two. The first part asked the Parliament whether or not it was supporting the government (160 votes "in favour", 281 "against"). However, the second part asked the Parliament whether or not it was supporting the "liberal ideology" promoted in the "manifesto" of the last general elections (273 "in favour", 88 "against").[24] I use therefore the result of this second vote to determine the "liberal" ideology of each MPs (dummy equal to one if the MP voted "yes" to the second part of the agenda). Far from replicating the Poole and Rosenthal's algorithm, this strategy nevertheless allows to account for ideology taking into account the challenges of measuring "ideology" and "ideas" in a context of limited data availability (as argued also by Van Dijck and Truyts, 2011). Additionally, in line with Curto-Grau et al. (2012), I control for the MPs experience in government, coding the number of times MPs have been appointed for any role in the government. Finally, I also account for the change in GDP per capita (1881-1901)[25]: MPs from regions that grew more during a period of increasing economic integration are expected to be more supportive to trade liberalization. δ_{geo} are macro-region (North-West, North-East, Centre, and South and Islands) fixed effects, that serves to control for any other differences along these geographical areas (GDP per capita levels, agricultural ownership structure and other institutional features,[26] education, etc.). Robust standard error are adjusted for clustering at the regional level to control for potential serial and spatial autocorrelation (in line with Luca and Rodriguez-Pose, 2015; Luca, 2016; and Luca and Rodriguez-Pose, 2019).[27]

4.2 Data

The database has been assembled from a variety of sources. Nominal votes on both the confidence vote on the Italian Government and the 1905 Spanish-Italian trade agreement have been manually retrieved from the Atti Parlamentari (Camera dei Deputati) – Discussioni, a collection of the Italian Parliament's work including detailed shorthand reports on the Parliamentary debates and votes. Thanks to an impressive effort of the Italian institutions, these documents have recently been digitalized and are available to be consulted online on the historical section of the Italian Parliament official website (storia.camera.it). To be noted that MPs were elected in constituencies, i.e. geographical units smaller than provinces and only used for electoral purposes. I exploit this variation in my identification strategy and robustness tests. Data on wine production at the provincial level have been collected from the Italian Statistical Yearbook for the years 1905-1907, edited in 1908 by the Directorate General for Statistics at the Ministry of Agriculture, Industry and Trade. The Italian Statistical Yearbook reports data collected directly by Directorate General of Agriculture, within the Ministry of Agriculture, Industry and Trade. Indeed, since the Italian unification, and to compensate for the lack of a land registry,[28] the Ministry decided to set up a collaborative system for statistical collection. In the first years after unification, the Ministry tried to collect data on a variety of

24 In Italian in the original: "La Camera affermando che si deve continuare l'indirizzo di politica liberale che costituì il programma delle ultime elezioni generali ed ebbe anche sanzioni dalla maggioranza di questa assemblea passa all'ordine del giorno" (Atti Parlamentari, 24 March 1905, p.1674).
25 I prefer GDP per capita in change rather than in level as macro-region (North-West, North-East, Centre, and South and Islands) fixed effects are already included in two specifications. These fixed effects absorb spatial differences in GDP per capita levels that, at the time, were following mostly a North-South dichotomy.
26 See Section 3 and Cohen and Galassi (1990). They explain that differences were following mostly a North versus Centre-South dichotomy.
27 As a robustness test, I clustered standard errors at the provincial level instead. There is no change in the main results. Tables are not reported for the sake of simplicity.
28 The first complete Italian land registry was completed only in 1929, well after the beginning of the spreading phylloxera epidemic (that started around the 1910s, for more details see Federico and Martinelli, 2018). The first project concerning the creation of a land registry, started in 1910, but was not completed for a variety of reasons, including budgetary constraints due to World War I.

products. However, it soon realized that the means at its disposal were "too unequal to the purpose" and decided to focus on a selected range of important products, among them wine. The Ministry benefited from the extended network of a collaborative system. The system involved Prefects, trade associations, chambers of commerce, and the directors of schools of agriculture, agricultural chemistry laboratories, and agricultural stations, as well as other minor stakeholders. Therefore, these are the best available data on agricultural production.[29] Population data, used to calculate per capita wine production, are available at the provincial level from the 1901 census. GDP figures (at the regional level) are from Felice (2009). MPs political affiliation and electoral support (electoral participation and results) are from Corbetta and Piretti (2009). MPs personal features, such as their profession, and the responsibilities in the government have been manually collected from the detailed profiles available in the historical section of the Italian Parliament official website (storia.camera.it). Data on other confidence votes used in the regression (e.g. 1905 vote on the "support of a liberal government", as a proxy for "Ideology") have also been manually retrieved from the relevant volumes of the Atti Parlamentari (Camera dei Deputati) – Discussioni. Table 2 contains the summary statistics.

Table 2: Summary statistics

VARIABLES	Sources	N	mean	sd	min	max
Confidence_vote	Dummy variable, =1 if MP_i voted "yes" in the confidence vote *(Atti Parlamentari, 1905)*	427	0.562	0.497	0	1
Trade_vote	Dummy variable, =1 if MP_i voted "yes" in the trade vote *(Atti Parlamentari, 1905)*	427	0.316	0.466	0	1
Switch_vote	Dummy variable, =1 if MP_i voted "yes" in the confidence vote and "no" in the trade vote, and =0 if MP_i	240	0.454	0.499	0	1
Wine	Wine production in province k, millions of hl, average 1901-1905 *(see text)*	427	0.664	0.572	0.026	2.522
Wine_pc	Wine production in province k, hl/pc, average 1901-1905 *(see text)*	427	1.219	0.942	0.018	3.934
Wine_psqm	Wine per square meter production in province k, hundreds of hl/psqm, average 1901-1905 *(see text)*	427	1.697	1.641	0.081	7.412
Agric_Prof	Dummy variable, =1 if MP_i "outside-the-Parliament" profession was related to agriculture *(Italian Parliament official website)*	427	0.065	0.248	0	1
ΔGDPpc	Real GDP per capita growth rate (1881-1901) *(Felice, 2009)*	427	0.121	0.119	-0.257	0.312
Gov_Exp	Government experience, number of times MP_i has been appointed for any role in the government *(Italian Parliament official website)*	427	0.592	1.575	0	15
Pol_aff	Political affiliation, dummy variable =1 if MP_i was affiliated to the same party of the Prime Minister *(Corbetta and Piretti, 2009)*	427	0.700	0.459	0	1
Lib_vote	See text *(Atti Parlamentari, 1905)*	427	0.541	0.499	0	1
Part_win	Political support, participation*vote received by the winner *(Corbetta and Piretti, 2009)*	427	42.89	9.395	21.10	80.78

Source: Author's elaboration.

29 As explained in the main text, the data for wine production were collected in absence of a land registry. Despite the effort put by the Ministry and the rest of stakeholders involved in the "collaborative system", they may not be perfect. However, as also noted by Cohen and Galassi (1990) while using the 1901 census data compiled by the Italian National Institute of Statistics (Istat), "there is no reason to believe that errors and omissions in the series are in any way related to provincial boundaries".

5 Results

This section presents the main results of the two probit models. The first model aims to clarify whether constituency interests played a role in determining the result of the vote on the trade treaty ("Trade_vote", Table 3), whereas the second is dedicated to explain the role of constituency interests in explaining the behaviour of "vote switchers" ("Switch_vote"), i.e. those MPs that supported the overall government policy stance in the first round, but opposed the Spanish-Italian trade agreement in the second (Table 7). This section presents also a series of robustness tests (respectively Table 4, 5 and 6 for "Trade_vote"; and Table 8, 9, and 10 for "Switch_vote"), including a set of placebo tests using data available for other agricultural products.

Table 3 shows the results of the main regressions concerning the vote on the trade treaty, i.e. testing whether those MPs elected in constituencies where constituency interests are stronger (i.e. where wine production – total, per capita or per square meter – is higher) are less likely to vote "yes" to the trade agreement (first hypothesis). I use three different proxies for identifying constituency interests: total wine production (Column 1 to 3), per capita wine production (Column 4 to 6), and per square meter wine production (Column 7 to 9). For each of these proxies, I first run a parsimonious specification (Column 1, 4, and 7 respectively), where I only include the variable of interest, i.e. the proxy capturing constituency interests. Secondly, I add macro-region fixed effects (Column 2, 5, and 8 respectively). Macro-regions correspond to North-West, North-East, Centre and South. Their inclusion is motivated by the aim of capturing the effects related to eventual economic, cultural and social differences, as well as broad wine quality differences (the literature usually argues that wines in the South were of lower quality with respect of those in the North). Finally, I implement a full-fledged model with all the variable of interests included in the regression (Column 3, 6, and 9 respectively). The average marginal effect (dy/dx) of constituency interests on voting in favour of the trade treaty is negative: the higher the wine production (in total, per capita or per square meter terms), the lower the probability of supporting the trade treaty. The result is consistent (i.e. the sign does not change) and significant across all specifications.[30] In the main full-fledged regressions, one standard deviation difference in the proxy identifying constituency interests explains from 6 to 12 percent of the likelihood to vote against the trade agreement. Additionally, results show that party interests also influenced the MPs vote choice, i.e. if an MP belonged to the same party of the President of the Council of Ministers was more likely to vote in favour of the agreement. Ideology is also positively correlated with supporting the trade agreement. Here, it is important to remember the intrinsic difficulty faced in measuring ideology (not only related to data availability), and therefore treat this latter result with caution. The coefficient of personal interests (MP's principal occupation outside the Parliament related to agriculture, including landowners) is negative and significant. However, only a limited number of MPs had direct agricultural interests, as the great majority of MPs were lawyers, civil servants, and university professors.

In the first set of robustness test (Table 4), I include the results of the vote on the "Fortis II" government (which took place few months after the trade vote; Column 1, 2, and 3). Indeed, by the end of December 1905, Fortis resigned. Nevertheless, he was reappointed by Vittorio Emanuele III (the King of

30 In the case of using wine produced per square meter and adding the rest of control variables, the "wine" coefficient turns not significant in the main regression. However, the p-value remains close to the 0.1 threshold (0.13). In practically the entire set of robustness tests (both at the constituency and at the province level) the coefficient is negative and significant even in the regressions with control variables.

Italy) to form a new government, as the King considered that the favourable confidence vote granted to Fortis the necessary legitimacy to form a new government. The MPs, however, rejected the confidence vote on the new government (February 1906). From a theoretical standpoint, it is possible to exploit this episode to further relax the hypothesis that the MPs separated political and trade considerations in the two 1905 votes (confidence vote and "trade" vote analysed in the main regressions; however, I recall that considering both the trade vote results and the "switchers" also help in this direction). Indeed, using ex-post information, I am able to capture the MPs "political considerations" by looking at their choice of supporting (again) Fortis (in the same role of President of the Council of Ministers). From the empirical standpoint, similarly to the approach used for codifying "ideology", I rely on the results of the confidence vote on the "Fortis II" government to determine the MPs stance on the issue (dummy equal to one if the MP voted "yes" in the "Fortis II" confidence vote). In Column 4 to 6, I use data for 1905 wine production only, instead of the 1901-1905 average. In Column 7 to 9, I alleviate the hypothesis that absences among MPs during the vote followed a random distribution (i.e. in the main regressions I codify absent MPs as "missing"), and I assume that MPs that did not show up for the vote were against the trade treaty (i.e. I codify absent MPs with a "0"). In Table 5, following Curto-Grau et al. (2012), I run a set of regressions aggregating the dependent variable at the provincial level, calculating the percentage of MPs that voted in favour of the trade treaty within each province. I first estimate the regression using OLS (Column 1 to 3). Then, I run the same regressions using fractional probit (Column 4 to 6), and tobit (Column 7 to 9) estimators. These alternative approaches are better suited for cases where the range of possible values of the dependent variable is limited between 0 and 1, as they avoid model misspecification and restrict predictions to fall within this interval (Papke and Wooldridge, 1996). Results are in line with those of the main specifications. Finally, in Table 6 I run four placebo tests, using data available at the provincial level for other four agricultural products: wheat, rice, corn and oil (Ministry of Agriculture, 1908). Results show that the production of wheat, rice, corn, and oil does not explain the MPs vote, no matter what proxy is chosen (total, per capita or per square meter production).

Table 7 includes the main results of the regressions including "Switch_vote" as dependent variable, i.e. testing whether among those MPs that vote in favour of the government (i.e. "yes" in the confidence vote), those MPs elected in constituencies where constituency interests are stronger (i.e. where wine production – total, per capita or per square meter – is higher) are more likely to be "vote switchers", i.e. to vote "no" to the trade agreement ("Hypothesis 2"). The average marginal effect (dy/dx) of constituency interests on "vote switchers" is positive: the higher the wine production (in total, per capita or per square meter terms), the higher the probability that an MP that supported the government policy stance (sensu lato) in the first round, opposed the Spanish-Italian trade agreement in the second. In the main full-fledged regressions, a one standard deviation difference in the proxy identifying constituency interests explains from 6 to 13 percent of the likelihood of being a "vote switcher". Differently from when I consider the trade vote only, party interests and ideology do not explain "vote switchers". Finally, the change in GDP per capita (1881-1901) matters: MPs from regions that grew more during a period of increasing economic integration were less likely to become "vote switchers". The robustness tests replicate the structure of those performed for the previous hypothesis.[31] Results are robust to all the alternative specifications, the aggregation of data at the provincial level and the placebo tests.

31 Additionally, I also run a bivariate probit model to include the choice of voting in the confidence vote *and* in the trade vote within the same system of equations. Results are in line with those reported in the text.

Table 3: Main results (Trade_vote)

	(1) Wine "Parsimonious"	(2) Wine "Pars.+FE"	(3) Wine "Full-fledged"	(4) Wine PC "Parsimonious"	(5) Wine PC "Pars.+FE"	(6) Wine PC "Full-fledged"	(7) Wine PSQM "Parsimonious"	(8) Wine PSQM "Pars.+FE"	(9) Wine PSQM "Full-fledged"
Wine	-0.162**	-0.151***	-0.168***						
	(0.082)	(0.050)	(0.049)						
Wine_pc				-0.114***	-0.119***	-0.130***			
				(0.039)	(0.029)	(0.032)			
Wine_psqm							-0.047*	-0.032	-0.039
							(0.025)	(0.030)	(0.027)
Agric_Prof			-0.145**			-0.119*			-0.140**
			(0.060)			(0.062)			(0.062)
ΔGDPpc			0.471			0.757**			0.839**
			(0.359)			(0.324)			(0.346)
Gov_Exp			0.0193			0.0155			0.020
			(0.014)			(0.014)			(0.015)
Pol_aff			0.256***			0.256***			0.237***
			(0.066)			(0.068)			(0.063)
Lib_vote			0.229***			0.239***			0.250***
			(0.069)			(0.072)			(0.071)
Part_win			0.002			0.002			0.001
			(0.002)			(0.002)			(0.002)
Macro-region FE	NO	YES	YES	NO	YES	YES	NO	YES	YES
Observations	427	427	427	427	427	427	427	427	427

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 4: Robustness tests (Trade_vote)

	(1) Fortis Ex-post	(2) Fortis Ex-post	(3) Fortis Ex-post	(4) 1905(only) data	(5) 1905(only) data	(6) 1905(only) data	(7) Absent MPs=0	(8) Absent MPs=0	(9) Absent MPs=0
Wine	-0.173***			-0.184***			-0.117***		
	(0.044)			(0.056)			(0.037)		
Wine_pc		-0.128***			-0.130***			-0.094***	
		(0.032)			(0.034)			(0.021)	
Wine_psqm			-0.044*			-0.051*			-0.027
			(0.026)			(0.031)			(0.022)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	427	427	427	427	427	427	508	508	508

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 5: Robustness tests, province level (Trade_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wine	-0.147**			-0.181**			-0.147***		
	(0.056)			(0.076)			(0.052)		
Wine_pc		-0.106***			-0.128***			-0.106***	
		(0.035)			(0.042)			(0.031)	
Wine_psqm			-0.068***			-0.074***			-0.068***
			(0.026)			(0.028)			(0.024)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	69	69	69	69	69	69	69	69	69

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 6: Placebo (robusteness) tests (Trade_vote)

	(1) Rice	(2) Rice	(3) Rice	(4) Corn	(5) Corn	(6) Corn	(7) Wheat	(8) Wheat	(9) Wheat	(10) Oil	(11) Oil	(12) Oil
Total	-0.036			0.060			-0.016			-0.159		
	(0.029)			(0.081)			(0.048)			(0.488)		
Per capita		-0.034			0.018			-0.031			-0.235	
		(0.022)			(0.039)			(0.024)			(0.244)	
Psqm			-0.019			0.008			-0.016			-0.194
			(0.013)			(0.021)			(0.019)			(0.206)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	427	427	427	427	427	427	427	427	427	427	427	427

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 7: Main results (Switch_vote)

	(1) Wine "Parsimonious"	(2) Wine "Pars.+FE"	(3) Wine "Full-fledged"	(4) Wine PC "Parsimonious"	(5) Wine PC "Pars.+FE"	(6) Wine PC "Full-fledged"	(7) Wine PSQM "Parsimonious"	(8) Wine PSQM "Pars.+FE"	(9) Wine PSQM "Full-fledged"
Wine	0.199**	0.214***	0.180***						
	(0.100)	(0.056)	(0.053)						
Wine_pc				0.134***	0.150***	0.140***			
				(0.047)	(0.038)	(0.034)			
Wine_psqm							0.0536**	0.0328	0.0391
							(0.026)	(0.037)	(0.028)
Agric_Prof			0.161			0.118			0.159
			(0.103)			(0.103)			(0.103)
ΔGDPpc			-2.091***			-2.372***			-2.418***
			(0.475)			(0.468)			(0.537)
Gov_Exp			-0.0731*			-0.0691*			-0.0772**
			(0.037)			(0.041)			(0.037)
Pol_aff			-0.171			-0.169			-0.149
			(0.124)			(0.137)			(0.118)
Lib_vote			-0.0359			-0.0542			-0.0736
			(0.089)			(0.095)			(0.094)
Part_win			-0.0015			-0.0014			0.0003
			(0.003)			(0.003)			(0.002)
Macro-region FE	NO	YES	YES	NO	YES	YES	NO	YES	YES
Observations	240	240	240	240	240	240	240	240	240

Note: All regressions include a constant, and show average marginal effects (dy/dx) on switching vote (defined as in the text). Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 8: Robustness tests (Switch_vote)

	(1) Fortis Ex-post	(2) Fortis Ex-post	(3) Fortis Ex-post	(4) 1905(only) data	(5) 1905(only) data	(6) 1905(only) data	(7) Absent MPs=0	(8) Absent MPs=0	(9) Absent MPs=0
Wine	0.183***			0.174***			0.180***		
	(0.052)			(0.067)			(0.053)		
Wine_pc		0.139***			0.131***			0.140***	
		(0.034)			(0.047)			(0.034)	
Wine_psqm			0.043			0.048			0.039
			(0.028)			(0.033)			(0.028)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	240	240	240	240	240	240	240	240	240

Note: All regressions include a constant, and show average marginal effects (dy/dx) on switching vote (defined as in the text). All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 9: Robustness tests, province level (Switch_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wine	0.121*			0.141*			0.121**		
	(0.062)			(0.078)			(0.057)		
Wine_pc		0.114**			0.147***			0.114***	
		(0.040)			(0.056)			(0.037)	
Wine_psqm			0.063*			0.080**			0.063**
			(0.029)			(0.033)			(0.027)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	61	61	61	61	61	61	61	61	61

Note: All regressions include a constant, and show average marginal effects (dy/dx) on switching vote (defined as in the text). All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 10: Placebo (robusteness) tests (Switch_vote)

	(1) Rice	(2) Rice	(3) Rice	(4) Corn	(5) Corn	(6) Corn	(7) Wheat	(8) Wheat	(9) Wheat	(10) Oil	(11) Oil	(12) Oil
Total	0.030			0.030			-0.004			-0.337		
	(0.026)			(0.143)			(0.064)			(0.552)		
Per capita		0.017			-0.008			-0.010			0.059	
		(0.014)			(0.076)			(0.042)			(0.231)	
Psqm			0.014			0.016			-0.023			0.071
			(0.014)			(0.038)			(0.027)			(0.205)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	240	240	240	240	240	240	240	240	240	240	240	240

Note: All regressions include a constant, and show average marginal effects (dy/dx) on switching vote (defined as in the text). All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Further robustness tests and extensions

This subsection deals with three important aspects of the analysis that deserve further attention. First, the indicator(s) chosen as a proxy for constituency interests. Second, the share of the economy dedicated to viticulture and the size of producers, as these may also be significant features for capturing the importance of wine interests in a certain constituency. Third, the position of the "winners" of this agreement.

First, in the main regressions I use physical measures of production as proxies for constituency interests. When information on prices and local production structures is incomplete (as often occurs in historical studies), these measures have been used as valid alternatives in the case of goods with heterogeneous quality (Poelmans et al., 2018). Nevertheless, particularly in cross-sectoral studies (such as those using exports as a proxy for constituency interests favouring free trade, see e.g. Malcolm, 2017), the value (rather than the quantity) of goods has also been utilized, as it allows to express (and sum) the importance of different products with the same (comparable) metrics. Additionally, using wine value – instead of the quantity of wine produced – allows to take into account eventual quality differences among provinces. Unfortunately, there is no information on wine prices at the province level in 1905. However, Trentin (1903) provides data for the average price of wine (per hectolitre) between 1882 and 1891 in 23 provincial markets. At the national level, average prices for the decade 1882-91 are very close to 1901[32] average national price. To avoid losing information on approximately half of the provinces, I assume that the price level of a province with no data is the same that the closest province with data. In practically all cases, the closest province shares a border with the "no data province". As in the main regressions, I adopt three different measures of constituency interests expressed in value: 1) total value of wine production (expressed in hundred millions of lire); 2) per capita value (hundred lire); 3) per square meter value (hundred thousands of lire).

In the regressions included in Table 11 ("Trade_vote") and Table 13 ("Switch_vote"), I replicate the approach used in the two sets of main regressions. The only change is that I now use wine value (instead of quantity) to proxy for constituency interests. Table 12 ("Trade_vote") and Table 14 ("Switch_vote") show the results for the regressions using as dependent variable the MPs vote share aggregated at the province level.[33] Results are very close to those of the main specifications in terms of both sign and size. One standard deviation difference in the proxy identifying constituency interests explains from 6 to 11 percent of the likelihood to vote against the trade agreement, and from 6 to 13 percent of the likelihood of being a "vote switcher".

Second, constituency interests may also be influenced by other aspects apart from the size (or the value) of wine production, such as the share of the economy dedicated to viticulture and the size of producers. I expect that the larger the share of the economy dedicated to wine, the stronger the incentives for the MPs to vote against the treaty (or to be a vote-switcher). Moreover, I expect the average producer size in a province to be negatively associated with the propensity of voting in favour of the trade agreement, and positively with being a vote-switcher, as "larger firms are more likely to lobby" (Bombardini, 2008).

32 1901 is the year closest to 1905 (the year of the treaty rejection) for which Trentin (1903) reports information on provincial prices.
33 I also replicated the rest of robustness tests. These results do not differ from those in the main regressions, therefore are not reported for the sake of simplicity.

Table 11: Wine value (Trade_vote)

	(1) Wine "Parsimonious"	(2) Wine "Pars.+FE"	(3) Wine "Full-fledged"	(4) Wine PC "Parsimonious"	(5) Wine PC "Pars.+FE"	(6) Wine PC "Full-fledged"	(7) Wine PSQM "Parsimonious"	(8) Wine PSQM "Pars.+FE"	(9) Wine PSQM "Full-fledged"
Wine	-0.269***	-0.336***	-0.370***						
	(0.121)	(0.123)	(0.121)						
Wine_pc				-0.256**	-0.321***	-0.343***			
				(0.117)	(0.088)	(0.088)			
Wine_psqm							-0.099*	-0.087	-0.099
							(0.058)	(0.076)	(0.070)
Macro-region FE	NO	YES	YES	NO	YES	YES	NO	YES	YES
Observations	427	427	427	427	427	427	427	427	427

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 12: Wine value, province level (Trade_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wine	-0.405**			-0.430**			-0.405***		
	(0.154)			(0.184)			(0.142)		
Wine_pc		-0.317***			-0.360***			-0.317***	
		(0.092)			(0.110)			(0.085)	
Wine_psqm			-0.189**			-0.199***			-0.189***
			(0.069)			(0.075)			(0.064)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	69	69	69	69	69	69	69	69	69

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 13: Wine value (Switch_vote)

	(1) Wine "Parsimonious"	(2) Wine "Pars.+FE"	(3) Wine "Full-fledged"	(4) Wine PC "Parsimonious"	(5) Wine PC "Pars.+FE"	(6) Wine PC "Full-fledged"	(7) Wine PSQM "Parsimonious"	(8) Wine PSQM "Pars.+FE"	(9) Wine PSQM "Full-fledged"
Wine	0.295*	0.469***	0.366**						
	(0.154)	(0.142)	(0.147)						
Wine_pc				0.266*	0.380***	0.344***			
				(0.145)	(0.098)	(0.094)			
Wine_psqm							0.104*	0.082	0.095
							(0.062)	(0.096)	(0.072)
Macro-region FE	NO	YES	YES	NO	YES	YES	NO	YES	YES
Observations	240	240	240	240	240	240	240	240	240

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 14: Wine value, province level (Switch_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wine	0.367*			0.438**			0.367**		
	(0.189)			(0.183)			(0.174)		
Wine_pc		0.303**			0.385***			0.303***	
		(0.107)			(0.146)			(0.097)	
Wine_psqm			0.158**			0.198**			0.158**
			(0.073)			(0.081)			(0.067)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	61	61	61	61	61	61	61	61	61

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

To include the share of the economy dedicated to viticulture, I obtained the share of land destined to viticulture from Ottavi and Marescalchi (1903) and Trentin (1903), independently from being land destined to mixed or exclusive cultivation (the two main ways of growing wine in Italy at the time). In the absence of a detailed land registry, it is impossible to ascertain the share of mixed cultivation dedicated to wine. Therefore, I acknowledge the limitations of the variable, but unfortunately there is no better alternative given the existing data. To account for the size of producers, I rely on Ottavi and Marescalchi (1903).[34] They enumerate by name the list of producers active in each town within a province. In this way, having the number of producers and the quantity of wine produced per province, I am able to obtain the average producer size (i.e. the average quantity produced).

As in the case above, I replicated the approach used in the main regressions adding these two variables of interest. Table 15 ("Trade_vote") and Table 16 ("Switch_vote") show the results using the constituency level dependent variables, whereas Table 17 ("Trade_vote") and Table 18 ("Switch_vote") display the results for the province level dependent variables. [35]

Results are very close to those of the main specifications in terms of both sign and size. In most cases, the variable measuring average producer size enters the trade vote regressions with a negative coefficient, and the "switch vote" regressions with a positive coefficient. MPs in provinces with a larger average producer size are more likely to vote against the trade treaty or to be vote switchers. This is in line with Bombardini (2008), which argues that "larger firms are more likely to lobby". Differently, the variable used as a proxy for the share of the economy dedicated to the wine sector is not significant. This latter result may be related to data limitations (as outlined above).

Third, I investigate further the position of the "winners" of this agreement: did they also exert pressures on the MPs? In other words, do MPs voting patterns respond to constituency interests that were in favour of the treaty approval? As discussed in Section 3 ("Historical context"), the entire Parliamentary debate was focused on the reduction of the tariff on wine imports. The attention of the press, the Chambers of Commerce and other local associations was also concentrated on wine. Nevertheless, the losses of rejecting the treaty were diffuse: approximately 95% of Italian goods would have seen an increase in the correspondent tariff category (García Sanz, 1994). In 1905, however, Spain was already discussing to reform its tariff scheme in a protectionist fashion. The tariff reform (commonly known as "arancel Salvador") will be approved in 1906, therefore it is legitimate to think that Italian exporters were already internalizing the risks associated to the reform, and to argue that those that would have been harmed the most by the tariff reform would have more at stake with the rejection of the Spanish-Italian trade treaty. Among the industries with high potential of being seriously harmed by the Spanish tariff reform there was the Italian wood industry (Sabaté, 1995). Wood and wood products (mostly wooden staves and firewood) also constituted more than one-third of total Italian exports to Spain. For this combination of characteristics (product "at risk" of facing high tariffs in case of rejection of the treaty and important Italian export to Spain) the wood industry is the ideal candidate to check whether MPs voting patterns are associated to the constituency interests of the potential "winners" of the treaty. To proxy constituency interests, I use the

34 Even if the data reported is very detailed, most likely, it may not be perfect. However, I have no reason to believe that errors and omissions are in any way related to provincial boundaries.
35 I also replicated the other robustness tests. These results do not differ from those in the main regressions, therefore are not reported for the sake of simplicity.

Table 15: Considering the importance of wine in the local economy and size of producers (Trade_vote)

	(1) Wine "Parsimonious"	(2) Wine "Pars.+FE"	(3) Wine "Full-fledged"	(4) Wine PC "Parsimonious"	(5) Wine PC "Pars.+FE"	(6) Wine PC "Full-fledged"	(7) Wine PSQM "Parsimonious"	(8) Wine PSQM "Pars.+FE"	(9) Wine PSQM "Full-fledged"
Wine	-0.165**	-0.144***	-0.157***						
	(0.084)	(0.048)	(0.046)						
Wine_pc				-0.124***	-0.114***	-0.121***			
				(0.039)	(0.028)	(0.030)			
Wine_psqm									
Av. size	0.022	-0.039**	-0.072**	0.036	-0.025	-0.056**	0.013	-0.041**	-0.077**
	(0.029)	(0.019)	(0.032)	(0.031)	(0.016)	(0.025)	(0.027)	(0.021)	(0.032)
Share loc. ec.	-0.011	-0.039	0.105	0.061	0.006	0.123	0.239*	0.066	0.273*
	(0.119)	(0.125)	(0.136)	(0.131)	(0.09)	(0.108)	(0.135)	(0.089)	(0.156)
Macro-region FE	NO	YES	YES	NO	YES	YES	NO	YES	YES
Observations	427	427	427	427	427	427	427	427	427

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 16: Considering the importance of wine in the local economy and size of producers, province level (Trade_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wine	-0.114**			-0.130**			-0.114**		
	(0.043)			(0.062)			(0.039)		
Wine_pc		-0.082***			-0.096**			-0.082***	
		(0.028)			(0.044)			(0.025)	
Wine_psqm			-0.062***			-0.068***			-0.062***
			(0.020)			(0.026)			(0.018)
Av. size	-0.089*	-0.067	-0.077*	-0.106**	-0.080*	-0.097**	-0.089**	-0.067*	-0.077**
	(0.048)	(0.041)	(0.042)	(0.042)	(0.046)	(0.045)	(0.044)	(0.037)	(0.038)
Share loc. ec.	0.040	0.049	0.213	0.115	0.113	0.291	0.040	0.049	0.213
	(0.184)	(0.187)	(0.187)	(0.187)	(0.190)	(0.209)	(0.167)	(0.170)	(0.170)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	69	69	69	69	69	69	69	69	69

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 17: Considering the importance of wine in the local economy and size of producers (Switch_vote)

	(1) Wine "Parsimonious"	(2) Wine "Pars.+FE"	(3) Wine "Full-fledged"	(4) Wine PC "Parsimonious"	(5) Wine PC "Pars.+FE"	(6) Wine PC "Full-fledged"	(7) Wine PSQM "Parsimonious"	(8) Wine PSQM "Pars.+FE"	(9) Wine PSQM "Full-fledged"
Wine	0.235**	0.237***	0.170***						
	(0.108)	(0.070)	(0.060)						
Wine_pc				0.179***	0.164***	0.126***			
				(0.058)	(0.055)	(0.039)			
Wine_psqm							0.156***	0.102	0.092
							(0.054)	(0.062)	(0.06)
Av. size	-0.058	0.089*	0.171***	-0.069	0.076	0.160***	0.007	0.114**	0.192***
	(0.061)	(0.048)	(0.043)	(0.066)	(0.047)	(0.039)	(0.065)	(0.053)	(0.054)
Share loc. ec.	-0.459	-0.473	-0.223	-0.641	-0.499*	-0.233	-1.824***	-1.343**	-1.097
	(0.313)	(0.309)	(0.257)	(0.484)	(0.299)	(0.239)	(0.511)	(0.593)	(0.708)
Macro-region FE	NO	YES	YES	NO	YES	YES	NO	YES	YES
Observations	240	240	240	240	240	240	240	240	240

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 18: Considering the importance of wine in the local economy and size of producers, province level (Switch_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wine	0.154*			0.222***			0.154**		
	(0.079)			(0.084)			(0.071)		
Wine_pc		0.086***			0.103**			0.086***	
		(0.028)			(0.047)			(0.025)	
Wine_psqm			0.069***			0.135***			0.069***
			(0.023)			(0.040)			(0.020)
Av. size	0.073	0.108*	0.123**	0.129**	0.163**	0.201***	0.073*	0.108**	0.123**
	(0.048)	(0.053)	(0.053)	(0.061)	(0.063)	(0.062)	(0.043)	(0.047)	(0.048)
Share loc. ec.	-0.458*	-0.346	-0.588**	-0.805**	-0.473	-1.599**	-0.458**	-0.346*	-0.588**
	(0.248)	(0.210)	(0.272)	(0.361)	(0.435)	(0.710)	(0.224)	(0.188)	(0.243)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	61	61	61	61	61	61	61	61	61

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 19: Wood industry tests (Trade_vote)

	(1) Wood "Parsimonious"	(2) Wood "Pars.+FE"	(3) Wood "Full-fledged"	(4) Wood PC "Parsimonious"	(5) Wood PC "Pars.+FE"	(6) Wood PC "Full-fledged"	(7) Wood PSQM "Parsimonious"	(8) Wood PSQM "Pars.+FE"	(9) Wood PSQM "Full-fledged"
Wood	0.094*	0.012	0.044						
	(0.056)	(0.039)	(0.042)						
Wood_pc				0.165	-0.039	0.019			
				(0.102)	(0.079)	(0.085)			
Wood_psqm							0.037	0.077**	0.072*
							(0.088)	(0.039)	(0.042)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	427	427	427	427	427	427	508	508	508

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 20: Wood industry tests, province level (Trade_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wood	0.023			0.049			0.023		
	(0.087)			(0.070)			(0.080)		
Wood_pc		0.060			0.094			0.060	
		(0.118)			(0.128)			(0.109)	
Wood_psqm			0.034			0.059			0.034
			(0.144)			(0.125)			(0.133)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	69	69	69	69	69	69	69	69	69

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 21: Wood industry tests (Switch_vote)

	(1) Wood "Parsimonious"	(2) Wood "Pars.+FE"	(3) Wood "Full-fledged"	(4) Wood PC "Parsimonious"	(5) Wood PC "Pars.+FE"	(6) Wood PC "Full-fledged"	(7) Wood PSQM "Parsimonious"	(8) Wood PSQM "Pars.+FE"	(9) Wood PSQM "Full-fledged"
Wood	-0.101	-0.031	0.015						
	(0.090)	(0.071)	(0.085)						
Wood_pc				-0.306*	-0.041	0.065			
				(0.169)	(0.136)	(0.109)			
Wood_psqm							-0.026	-0.143**	-0.026
							(0.117)	(0.058)	(0.046)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	427	427	427	427	427	427	508	508	508

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

Table 22: Wood industry tests, province level (Switch_vote)

	(1) OLS	(2) OLS	(3) OLS	(4) Fractional Probit	(5) Fractional Probit	(6) Fractional Probit	(7) Tobit	(8) Tobit	(9) Tobit
Wood	-0.084			-0.104			-0.084		
	(0.130)			(0.127)			(0.119)		
Wood_pc		-0.050			-0.078			-0.050	
		(0.139)			(0.156)			(0.127)	
Wood_psqm			0.012			0.070			0.012
			(0.130)			(0.117)			(0.119)
Macro-region FE	YES	YES	YES	YES	YES	YES	YES	YES	YES
Observations	69	69	69	69	69	69	69	69	69

Note: All regressions include a constant, and show average marginal effects (dy/dx) on voting "yes" to the trade agreement. All regressions correspond to full-fledged models, but coefficients of the control variables are not reported for simplicity. Robust standard errors clustered by region in parentheses. *** p<0.01; ** p<0.05, * p<0.1.

industrial value added of the wood industry from Ciccarelli and Fenoltea (2010). I calculate the total, per capita and per square meter value added at the province level. As expected, the three measures are positively correlated with being in favour of the treaty (up to +0.18) and negatively correlated with "vote-switchers" (up to -0.25). However, when inserted in a proper regression framework (see Table 19 to Table 22), the "wood industry" coefficients do not show a clear pattern of association with MPs votes: the "wood industry" coefficient is not significantly different from zero in most cases. When significant, the variable enters the regression with the expected sign. This test does not provide solid enough evidence in favour of the hypothesis of an association between MP voting patterns and constituency interests of the "winners".

6 Conclusions

This paper contributes to clarify the debate on the drivers of the rejection of the 1905 Spanish-Italian trade agreement by the Italian Parliament, an important public policy decision that left Spain and Italy without a trade agreement for almost a decade. Particular attention is devoted to understand whether constituency interests played a role in determining the outcome of the vote, as the literature has been divided in describing the event either as the result of successful lobbying of constituency interests, namely those stakeholders associated with wine production, or as the by-product of a wider political context. The paper provides the first quantitative analysis ever on a roll-call vote in Italy during the first globalization, a period where organized interests, such as trade, business and industry associations, started to actively participate in the policy-making process.

Based on a new database, assembled from a variety of primary and secondary sources, and probit model regressions, my analysis show, on one side, that those MPs elected in constituencies where constituency interests are stronger (i.e. where wine production – total, per capita or per square meter – is higher) are less likely to vote "yes" to the trade agreement. Additionally, party interests and ideology show positive association with the support to the trade agreement. On the other side, results illustrate that among those MPs that voted in favour of the government (i.e. "yes" in the confidence vote), those MPs elected in constituencies where constituency interests are stronger are more likely to be "vote switchers", i.e. to vote "no" to the trade agreement. In other words, the higher the wine production (in total, per capita or per square meter terms), the higher the probability that an MP that supported the overall government policy stance in the first round, opposed the Spanish-Italian trade agreement in the second. Differently from when I consider the trade vote only, party interests and ideology do not explain "vote switchers". Finally, the change in GDP per capita (1881-1901) matters: MPs from regions that grew more during a period of increasing economic integration were less likely to become "vote switchers".

Further research is needed to fully understand the dynamics of lobbying activities and lobbyists, and the "sensitivity of Italian decision makers to their efforts" (Federico and Tena, 1999).

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