

**STAYING DRY ON SPANISH WINE:  
THE REJECTION OF THE 1905  
SPANISH-ITALIAN TRADE AGREEMENT**

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Jacopo Timini

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Jacopo Timini (\*)

BANCO DE ESPAÑA

(\*) E-mail: jacopo.timini@bde.es. The views expressed in this paper are those of the author and do not necessarily represent the views of Banco de España or the Eurosystem. I would like to express my gratitude to Stefano Battilossi, Pilar Nogués-Marco, Giovanni Federico, Brian A'Hearn, Micheal Huberman, and Vicente Pinilla for their comments on early versions of this paper. I would also like to thank Raquel Carrasco, David Chilosì, David de la Croix, Daniel Tirado-Fabregat, Rodolfo Campos, Silvia Albrizio, Ángel Estrada, Pedro del Río and the other participants of the June 2018 Research Seminar at Banco de España, May 2019 IX Iberometrics meeting at University of Alcalá, and the May 2019 Joint Seventh CEPR Economic History Symposium and Fifth Banco de España Economic History Seminar. I wish to acknowledge funding from the People Programme (Marie-Curie Actions) of the European Union's Seventh Framework Programme FP7/2007-2013 under REA grant agreement no. 608129. All remaining errors are mine.

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## **Abstract**

After a long debate on wine import tariffs, the Italian Parliament failed to ratify the Spanish-Italian trade agreement on December 17th, 1905. This decision – an unusual episode for a country with relatively low level of protection – 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 manually assembled 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 no ratificó el acuerdo comercial entre España e Italia. Esta decisión, un episodio inusual para un país con un nivel relativamente bajo de protección, 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 base de datos construida manualmente 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 de la circunscripción 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

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, in terms of both trade policy related instruments (i.e. tariffs) and transport (Jacks, Meissner and Novy, 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 trade restrictiveness measures overestimated the Italian level of protection: Italy was, generally speaking, quite open. 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” (new treaties were signed with Austria-Hungary, Germany and Switzerland in 1904). Therefore, 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 final agreement, signed by the Italian government on 8 November 1905, included 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 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 reasons. 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 (1993) 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 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.<sup>1</sup> 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 perspectives, therefore this study adds to the vast literature analysing the course

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<sup>1</sup> 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.

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 the vote. If this is not the case, constituency interests should be orthogonal to the voting patterns. In doing so, I exploit a unique database, manually assembled from a variety of primary and secondary sources, to analyse a rare (if not unique) event: a double roll call vote on a failed attempt to ratify an international trade treaty lowering tariffs, and in particular tariffs on wine.

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 Section 6 concludes.

## **2 Literature review**

At least since Hobbes' most famous book, “Leviathan”, a buoyant part of the literature has developed around the study of the nature of public institutions, and their role in shaping and connecting the economic and political dimensions. The vision of the government as a benevolent maximizer of social welfare has been gradually giving way to alternative explanations of government (and other public institutions) actions, where “special interests” – related to rent-seeking, interest groups and constituency interest models (Baldwin and Magee, 2000; Malcolm, 2017) – influence the outcome, and the government (as any form of organization) may experience failures, deviating from possible social optima (see i.a. Grossman and Helpman, 2001; Laffont and Tirole, 1991; Williamson, 1996).

Within this context, a strand of the political economy literature 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). This literature advocates that what matters for the (geographical) distribution of public investment are i) the results of previous elections; ii) members of the Parliament's (MPs) experience and other personal features; iii) political parties membership and characteristics (see e.g. Golden and Picci, 2008; Maskin and Tirole, 2014; Rodriguez-Pose, Psycharis and Tselios, 2016; Limosani and Navarra, 2001; Fiva and Halse, 2016; Curto-Grau, Herranz-Loncán and Solé-Ollé, 2012; Bugarin and Marciniuk, 2017). Another strand focuses on the geographical differences in vote patterns, i.e. how constituencies differ on political sensitiveness to certain issues (e.g. Lampe and Sharp, 2014; Gawande and Krishna, 2003; Fernandez, 2016). Researchers exploited the polarization of the electoral debate on a single issue (very often trade, see Irwin, 1994; Mayda and Rodrik, 2005; Yu, 2009; Clarke et al., 2017; Lehmann, 2010; Lehmann and Volckart, 2011; Urbatsch, 2013; but occasionally



also wider economic and non-economic issues, see Dostie and Dupré, 2012; Gregor, 2015; Hodgson, 2012) i) to extrapolate the economic, political and social determinants of electoral support; ii) to measure the intensity and role of electorate mobilization (new vs. floating voters); and iii) to capture the role of special interest groups in influencing election results and in shaping the composition of national legislative institutions accordingly. Another strand of research combines the two approaches described above and concentrates on the MPs' voting behaviour. This literature argues that the main explanatory variables for understanding MPs' voting patterns are: i) party affiliation; ii) MPs' ideology; iii) MPs' experience; iv) MPs' electoral support; v) the political, economic and social preferences of MPs' constituency; and vi) the strength of constituency interests (e.g. Hix and Noury, 2016; Russell and Cowley, 2015; Levitt, 1996; Dixit and Londregan, 1996).<sup>2</sup> As above, a consistent part of this literature relates to trade policy (e.g. Malcolm, 2017; Fordham and McKeown, 2003; Weller, 2009; Choi, 2015; Baldwin and Magee, 2000; Tosini and Tower, 1987; Schonhardt-Bailey, 2003; Schonhardt-Bailey, 1991; Erlich, 2007; Erlich, 2009; Xie, 2006; Galantucci, 2013; Willmann, 2003; Conybeare, 1991; Hansen, 1990; Marks, 1993; Nollen and Iglars, 1990; Nollen and Quinn, 1994; Kamdar and Gonzalez, 1998; Conconi, Facchini and Zanardi, 2014; Kalt, 1988; Boadu and Thompson, 1993; Kang and Greene, 1997; Rodrik, 2018; Van Dijck and Truyts, 2011) or "single-issue" politics (e.g. Poelmans *et al.*; 2018).

Contemporary studies are only able to identify rent-seeking actions related to special interest group pressures to the extent that direct industry contribution are legal in the country of the study and data are available (for example to political campaign of single MPs, see e.g. Grossman and Helpman, 1994; Gilbert and Oladi, 2012). However, historical studies usually face important data limitations on this issue, and often refer to "constituents' interests", "constituency interests", or "local (economic) interests" instead. Four historical studies are very close to this one, however they focus on Great Britain and Belgium, and their decisions to repeal the Corn Laws (i.e. to eliminate a series of restrictions on food imports), and Germany. Schonhardt-Bailey (1991; 2003) distinguishes the major drivers of the Great Britain repeal of the Corn Laws in party, ideology, and constituency interests, indicating 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 interests in the convergence of protectionist interests between landowners and industrialists in Imperial Germany. Van Dijck and Truyts (2011) analyse the case of Belgium. 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.<sup>3</sup>

In this line, I disentangle party, ideology, personal and constituency interests for the case of the rejection of the 1905 trade treaty between Spain and Italy.

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**2** Another related 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; Esteves and Geisler-Mesevage, 2017).

**3** 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, broadly similar to those included in other bilateral treaties (such as those concluded with Austria-Hungary and Germany in 1891 and Switzerland in 1892). However, both countries agreed to exclude automatic reduction in tariffs derived by other trade agreements signed with third parties, i.e. the Most Favoured Nation clause. For example, the reduction in tariffs for wine negotiated 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. 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 he 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)<sup>4</sup>

The government had the primary objective of avoiding “the interruption of trade relations” (Chamber of Deputies, 1892)<sup>5</sup> 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).

At the beginning of the 20<sup>th</sup> century, Italy updated its trade agreements with a handful of countries (e.g. new treaties were signed with Austria-Hungary, Germany and Switzerland in 1904). With that objective in mind, Italy called for amending the 1892 *modus vivendi* with Spain. Therefore, following the rules agreed in the 1892 treaty, Italy announced its willingness to end the bilateral agreement, opening a six-month window for negotiations. Differently from 1892, the (political) equilibrium reached between 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 liras. Despite the cut, however, the tariff still

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4 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.”

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

constituted the 60% of the average price for an imported wine (20 liras). On the other side, Italy obtained reductions on Spanish tariffs on a variety of agricultural and manufacturing goods.<sup>6</sup>

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)<sup>7</sup>

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”.<sup>8</sup> 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. Indeed, Federico and Martinelli (2018) provide a variety of data to prove that the wine industry represented an important part of Italian production at the turn of the 19<sup>th</sup> century, being the source of 22% of the gross value added of agricultural output, 8% of total GDP, and 11% of total private consumption.

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

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6 Tariff reductions were disseminated across a variety of products. This complicates the empirical estimation of the position of MPs from constituencies that would have benefitted from the trade agreement. Additionally, there was no major event in support of the approval of the trade agreement. The parliamentary debate was entirely focused on wine (see main text). Nevertheless, it is still legitimate to suspect that 1) Italian products that in 1905 were exported more to Spain would have benefit the most from the agreement; 2) producers of products that would have been harmed by the protectionist 1906 (Spanish) Salvador tariff reform (that was already under discussion at the end of 1905) are those that would have been more favorable to the approval of the trade agreement, to avoid (expected) sharper tariff increases. In 1905, more than one-third of Italian exports was constituted by products from the wood industry (mostly wooden staves and firewood). It corresponds to the industry that would have seen a major increase in tariffs with the approval of the 1906 tariff reform (Sabaté, 1995). Taking the industrial value added of the wood industry at the provincial level from Ciccarelli and Fenoltea (2010), I calculate the total, per capita and per square meter value added by province. Even if, as expected, the three measures are positively correlated with the vote in favour of the trade agreement, their coefficient and significance vary when inserted in a proper regression framework (replicating the approach used in section 4 with wine).

7 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 conia Spagna.”

8 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](http://hemeroteca.abc.es), for example the “The Spanish wines” article on 24 November 1905).

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.<sup>9</sup> Six days later, the debate came to an end. The Government was faced to a confidence vote. The Italian Parliamentary rules (as it happens in other countries) 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.

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 Italian products 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.<sup>10</sup>

The intrinsic importance of the trade agreement was reinforced by the Italian electoral system, which built a 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. An electoral system with this structure traditionally promotes the ties between the MP elected in a constituency and the constituents’ interests, as the election of the former is very likely to be influenced by the electoral choices of the latter (Finelli, 2000; Fruci and Finelli, 2000).<sup>11</sup>

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**9** For more details on the Parliamentary debate see Garcia Sanz (1993).

**10** The 1914 agreement was not an insignificant change in the trade relations for 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<sup>o</sup> – Trattati di commercio – Spagna”).

**11** In line with most of other countries of the time, the suffrage in Italy was limited to males above 21 years of age, with a primary school certificate or a certain level of census instead. This restricted the electorate to approximately 2.5 million people, only 7% of total population (ICSMC, 1946), but almost 30% of male population above 21 years of age (Ministry of Agriculture, Industry and Commerce, 1900). This was five times more the population with the right to vote when the Kingdom of Italy was created in 1861. As in early 20<sup>th</sup> century wine production in Italy was fragmented across a myriad of small farms (Federico and Martinelli, 2018), the expansion of political rights may have strengthened the influence of constituency interests, as wine producers may have gained the right to vote, initially even more restricted to the economic elites.

## 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**

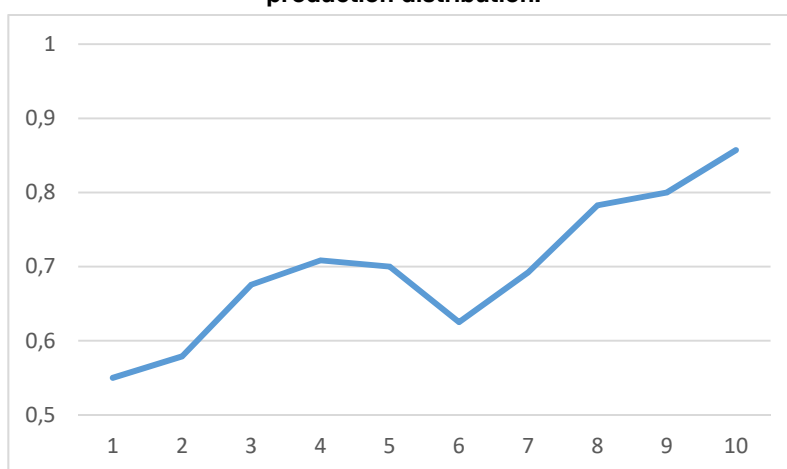
		Trade		Total Confidence
		"against"	"in favour"	
Confidence	"against"	183	4	190 (3)
	"in favour"	109	131	253 (13)
	Total trade	293 (1)	135	

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, this issue is taken into account in the robustness tests (see Section 5 for more details).

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<sup>12</sup> 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). 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.**



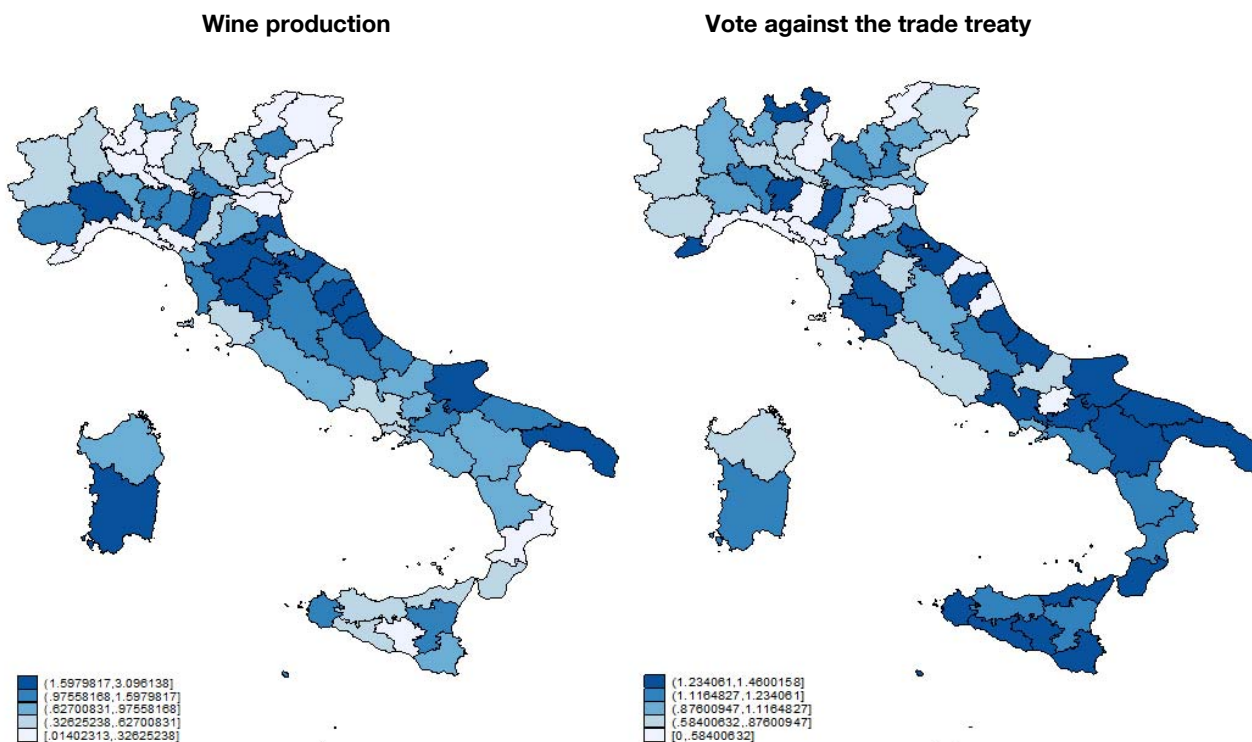
Source: Author's elaboration.

Note: Distribution ordered from low production to high production.

<sup>12</sup> Figure 1 shows per capita wine production, but results are similar with total and per square meter wine production.

Similar results may be drawn by plotting the values of wine production and the votes against the treaty. Figure 2 shows the map of Italy at the province level. In the map on the left, wine production values with respect to the Italian mean are reported. Therefore, numbers above 1 identify provinces where the values of wine production are above the Italian mean. These provinces are portrayed in a darker blue. Values below 1 identify provinces where the values of wine production are 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).

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



Source: Author's elaboration.

Note: Numbers above 1 identify provinces where the values of wine production or the share of votes against the trade treaty are above the Italian mean. Values below 1 identify provinces where the values of wine production or the share of votes against the trade treaty are below the Italian mean.

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.

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:

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

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

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.<sup>13</sup> 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. In line with the previous literature (e.g. Poelmans *et al.*, 2018), 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. The main reason for doing so is to avoid losing variance of the dependent variable (available at a smaller geographical level). However, I also perform a set of robustness tests aggregating the dependent variable at the provincial level, calculating, in the spirit of Curto-Grau *et al.* (2012), the 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) were 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 were stronger to be “vote switchers” with a higher likelihood.

Z' is a vector of control variables. It includes MPs personal features such as 1) “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), to control for personal economic incentives; 2) “Pol\_Aff” (“Political Affiliation”), a dummy that reflects whether or not the MP belongs to the same party of the President of the Council of Ministers (=1 in case of 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),<sup>14</sup> and 3) his 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, I include a proxy for MP ideology, a relevant issue in the literature, and in line with Jackson *et al.* (1992), Levitt (1996), Burden *et al.* (2000) and Griffin (2008). However, “ideology” is not easy to capture. The literature largely relies on an algorithm (“NOMINATE”,

<sup>13</sup> Only two MPs were present in the vote and abstained.

<sup>14</sup> For further details on this issue, see Banti (1989), Banti (1996), Fruci (2000), Fruci (2002), Lupo (1998).

Poole and Rosenthal, 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 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").<sup>15</sup> 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 Truys, 2011).

Finally, I control for the MPs experience in government, coding the number of times MPs have been appointed for any role in the government, and for the change in GDP per capita (1881-1901): MPs from regions that grew more during a period of increasing economic integration are expected to be more supportive to trade liberalization.

## 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](http://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,<sup>16</sup> 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 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.

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<sup>15</sup> 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).

<sup>16</sup> 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.



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. 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](http://storia.camera.it)). Data on other confidence votes used in the main regression (1905 vote on the “support of a liberal government”, as a proxy for “Ideology”) or in the robustness tests (1906 vote on the second Fortis government) 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 <sub>i</sub> voted “yes” in the confidence vote ( <i>Atti Parlamentari, 1905</i> )	427	0.562	0.497	0	1
Trade_vote	Dummy variable, =1 if MP <sub>i</sub> voted “yes” in the trade vote ( <i>Atti Parlamentari, 1905</i> )	427	0.316	0.466	0	1
Switch_vote	Dummy variable, =1 if MP <sub>i</sub> voted “yes” in the confidence vote and “no” in the trade vote, and =0 if MP <sub>i</sub>	240	0.454	0.499	0	1
Wine	Wine production in province k, millions of hl, average 1901-1905 ( <i>Istat, 1908</i> )	427	0.664	0.572	0.026	2.522
Wine_pc	Wine production in province k, hl/pc, average 1901-1905 ( <i>Istat, 1908</i> )	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 ( <i>Istat, 1908</i> )	427	1.697	1.641	0.081	7.412
Agric_Prof	Dummy variable, =1 if MP <sub>i</sub> “outside-the-Parliament” profession was related to agriculture ( <i>Italian Parliament official website</i> )	427	0.065	0.248	0	1
ΔGDPpc	Real GDP per capita growth rate (1881-1901) ( <i>Felice, 2009</i> )	427	0.121	0.119	-0.257	0.312
Gov_Exp	Government experience, number of times MP <sub>i</sub> has been appointed for any role in the government ( <i>Italian Parliament official website</i> )	427	0.592	1.575	0	15
Pol_aff	Political affiliation, dummy variable =1 if MP <sub>i</sub> was affiliated to the same party of the Prime Minister ( <i>Corbetta and Piretti, 2009</i> )	427	0.700	0.459	0	1
Lib_vote	See text ( <i>Atti Parlamentari, 1905</i> )	427	0.541	0.499	0	1
Part_win	Political support, participation*vote received by the winner ( <i>Corbetta and Piretti, 2009</i> )	427	42.89	9.395	21.10	80.78

Source: Author’s elaboration

## 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 show the results for the main specifications for the 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.<sup>17</sup> In the main full-fledged regressions, a 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 to supporting the trade agreement. Here, it is important to remember the extreme 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) to control for the political drivers beyond the trade vote (Column 1, 2, and 3). As sometimes argued in the qualitative literature, some MPs would have act by having as main objective to tumble the Fortis’ government. In this way, I can control – using ex-post information – the MPs choice of supporting (again) Fortis for the President of the Council of Ministers role. 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 the spirit of 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. Respectively, I estimate the regression using OLS (Column 1 to 3), fractional probit (Column 4 to 6), and tobit (Column 7 to 9),

<sup>17</sup> 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.

as the range of possible values for the dependent variable is limited between 0 and 1. Results are in line with 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 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 more likely to be “vote switchers”, i.e. to vote “no” to the trade agreement (second hypothesis). 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.<sup>18</sup> Results are robust to all the alternative specifications, the aggregation of data at the provincial level and the placebo tests.

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<sup>18</sup> 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 and are available upon request.

**Table 3: Main results (Trade\_vote)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
WINE	-0.162* (0.083)	-0.151*** (0.052)	-0.168*** (0.054)						
WINE_PC				-0.114*** (0.038)	-0.119*** (0.029)	-0.130*** (0.029)			
WINE_PSQM							-0.047*** (0.025)	-0.032 (0.028)	-0.039 (0.026)
AGRIC_PROF			-0.145** (0.063)			-0.119* (0.063)			-0.140** (0.065)
ΔGDPPC			0.471 (0.316)			0.757** (0.298)			0.839*** (0.306)
GOV_EXP			0.0193 (0.014)			0.0155 (0.014)			0.020 (0.015)
POL_AFF			0.256*** (0.065)			0.256*** (0.067)			0.237*** (0.063)
LIB_VOTE			0.229*** (0.069)			0.239*** (0.073)			0.250*** (0.073)
PART_WIN			0.002 (0.003)			0.002 (0.003)			0.001 (0.003)
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)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FORTIS EX-POST	FORTIS EX-POST	FORTIS EX-POST	1905 (ONLY) DATA	1905(ONLY) DATA	1905(ONLY) DATA	ABSENT MPS=0	ABSENT MPS=0	ABSENT MPS=0
WINE	-0.167*** (0.051)			-0.184*** (0.062)			-0.117*** (0.042)		
WINE_PC		-0.126*** (0.027)			-0.130*** (0.028)			-0.094*** (0.019)	
WINE_PSQM			-0.044** (0.024)			-0.051* (0.031)			-0.027 (0.021)
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 5: Robustness tests, province level (Trade\_vote)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	OLS	OLS	OLS	Fractional Probit	Fractional Probit	Fractional Probit	Tobit	Tobit	Tobit
Wine	-0.140** (0.067)			-0.194** (0.097)			-0.140** (0.069)		
Wine_pc		-0.104*** (0.038)			-0.130*** (0.047)			-0.104*** (0.036)	
Wine_psqm			-0.078*** (0.021)			-0.089*** (0.027)			-0.078* (0.026)
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. Robust standard errors clustered by region in parentheses. \*\*\* p<0.01; \*\* p<0.05, \* p<0.1.

**Table 6: Placebo (robustness) tests (Trade\_vote)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RICE	RICE	RICE	CORN	CORN	CORN	WHEAT	WHEAT	WHEAT	OIL	OIL	OIL
TOTAL	-0.036 (0.029)			0.060 (0.071)			-0.016 (0.051)			-0.159 (0.488)		
PER CAPITA		-0.034 (0.022)			0.018 (0.039)			-0.031 (0.021)			-0.235 (0.247)	
PSQM			-0.019 (0.013)			0.008 (0.020)			-0.016 (0.019)			-0.194 (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. Robust standard errors clustered by region in parentheses. \*\*\* p<0.01; \*\* p<0.05, \* p<0.1.

**Table 7: Main results (Switch\_vote)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
WINE	0.199** (0.100)	0.214*** (0.061)	0.180*** (0.061)						
WINE_PC				0.134*** (0.046)	0.150*** (0.036)	0.140*** (0.026)			
WINE_PSQM							0.0536** (0.026)	0.0328 (0.035)	0.0391 (0.026)
AGRIC_PROF			0.161 (0.114)			0.118 (0.111)			0.159 (0.112)
ΔGDPPC			-2.091*** (0.429)			-2.372*** (0.451)			-2.418*** (0.499)
GOV_EXP			-0.0731** (0.034)			-0.0691* (0.036)			-0.0772** (0.034)
POL_AFF			-0.171 (0.126)			-0.169 (0.137)			-0.149 (0.117)
LIB_VOTE			-0.0359 (0.091)			-0.0542 (0.098)			-0.0736 (0.096)
PART_WIN			-0.0015 (0.004)			-0.0014 (0.004)			0.0003 (0.004)
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)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FORTIS EX- POST	FORTIS EX- POST	FORTIS EX- POST	1905(ONLY) DATA	1905(ONLY) DATA	1905(ONLY) DATA	ABSENT MPS=0	ABSENT MPS=0	ABSENT MPS=0
WINE	0.168*** (0.061)			0.174** (0.076)			0.180*** (0.061)		
WINE_PC		0.133*** (0.026)			0.131*** (0.036)			0.140*** (0.026)	
WINE_PSQM			0.041 (0.025)			0.048 (0.033)			0.039 (0.026)
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). 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)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	OLS	OLS	OLS	FRACTIONAL PROBIT	FRACTIONAL PROBIT	FRACTIONAL PROBIT	TOBIT	TOBIT	TOBIT
WINE	0.186** (0.073)			0.245*** (0.0937)			0.186** (0.075)		
WINE_PC		0.142*** (0.047)			0.199*** (0.059)			0.142*** (0.038)	
WINE_PSQM			0.0715** (0.034)			0.119*** (0.043)			0.0715** (0.028)
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). Robust standard errors clustered by region in parentheses. \*\*\* p<0.01; \*\* p<0.05, \* p<0.1.

**Table 10: Placebo (robustness) tests (Switch\_vote)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RICE	RICE	RICE	CORN	CORN	CORN	WHEAT	WHEAT	WHEAT	OIL	OIL	OIL
TOTAL	0.030 (0.026)			0.030 (0.111)			-0.004 (0.070)			-0.337 (0.548)		
PER CAPITA		0.017 (0.014)			-0.008 (0.071)			-0.010 (0.038)			0.059 (0.233)	
PSQM			0.014 (0.014)			0.016 (0.034)			-0.023 (0.025)			0.071 (0.204)
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). Robust standard errors clustered by region in parentheses. \*\*\* p<0.01; \*\* p<0.05, \* p<0.1.

## 6 Conclusions

This paper contributes to clarify the debate on the drivers of the rejection of the 1905 Spanish-Italian trade agreement perpetrated 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 (i.e. the MPs willingness to tumble the Fortis' government). 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, manually assembled from a variety of primary and secondary sources, results show, on one side, that those MPs elected in constituencies where constituency interests are stronger 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 (including the collection of product-level tariff data from primary sources) 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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