The Political Legacy of Nazi Annexation*

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Abstract

This paper uses the case of Nazi Operational Zones (OZ) in Italy during WWII to shed light on the legacy of foreign state repression. While the rest of Northern Italy was placed under Fascist rule, the OZ were de facto annexed by Nazi Germany. Using a spatial regression discontinuity design, we show that the OZ experienced harsher political persecution and violence. After the war, OZ areas exhibited greater support for radical opposition and lower political participation. Voters in affected areas showed lower political trust and less support for laws suppressing dissent. Foreign repression, even if temporary, has enduring political consequences.

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Introduction

State repression can be defined as one-sided political violence by the government, resulting in the infringement of human rights (Besley and Persson, 2011). It may include "*harassment, surveillance/spying, bans, arrests, torture, and mass killing by government agents and/or affiliates within their territorial jurisdiction*" (Davenport, 2007) and is one of the defining features of wartime regimes and autocracies. As of 2012, 23% of the world's population lived in the 16 most repressive regimes in the world.[1] As with civil wars and interstate conflict, state repression may have lasting effects on institutional and political outcomes. However, despite a vast literature on the consequences of violence and war, our understanding of the medium- to long-run consequences of repressive regimes remains scant (Davenport, 2007; Blattman, 2009). Moreover, studying the heterogeneity of repressive regimes is particularly challenging given the limited exogenous variation in the degree of state repression and in the perpetrator identity.

We study the political repercussions of state repression by a foreign authoritarian regime during a period of forceful annexation.[2] In contrast to military occupation, in annexed territories, foreign powers are expected to be more repressive as they aim to eventually integrate the territory. The consequences of this harsher treatment are unclear. Anger and social disruption from past violent foreign repression may increase skepticism of the ruling class in general. Thus, political dissatisfaction and distrust may persist, even after annexation is reverted. On the other hand, since the perpetrator is foreign, there may be a broader mandate for the domestic establishment, or no effect at all. In this paper, we provide the first causal evidence on the political repercussions of forceful annexation and associated foreign state repression using a natural experiment with one of the harshest authoritarian regimes in history—Nazi Germany.

Specifically, we study the case of Nazi Operational Zones (OZ) in Northern Italy. Between September 1943 and the end of World War II in Europe, the OZ were de facto annexed by Nazi Germany. In these areas, Germans took full control of the administrative and security apparatus. At the same time, the rest of Northern Italy remained under a "puppet" fascist regime with the Nazis

[1] Freedom House, 2012: https://freedomhouse.org/sites/default/files/Worst%20of%20the%20Worst%202012%20final%20report.pdf

[2] Annexations, or "*forcible acquisitions of territory by one state at the expense of another state*" (Hofmann, 2013), have been common throughout history. This practice is unlawful under the United Nations Charter, but annexations are still occurring across various regions. Countries that have annexed territories in the postwar era include India (Goa); Indonesia (West Papua and East Timor); Israel (the Golan Heights); and Russia (the Crimean Peninsula).

in charge of military operations.

The main purpose of setting up the OZ was to return previous Austro-Hungarian possessions to the German Reich.[3] However, other areas were included for incidental reasons such as maintaining territorial contiguity between former possessions. As a result, a large fraction of the OZ border followed a quasi-exogenous path that partitioned areas with similar prewar demographic, economic, geographical, and political characteristics. Hence, we identify the effect of Nazi annexation using a spatial regression discontinuity (RD) design, whereby we compare municipalities barely inside the OZ with those barely outside them.

First, our estimates confirm that Nazi annexation led to greater foreign state repression, even when compared to areas occupied militarily by the Nazis. We find a sizable positive effect of annexation on the relative number of deportations to prison camps. Our estimate represents more than 0.75 standard deviations. The annexed territory also experienced more Nazi violence. Treated municipalities suffered from 1 standard deviation more episodes of Nazi violence and had 0.25 standard deviation more Nazi attack victims per capita. However, this stronger repression did not translate into greater civil conflict: we find no effect on partisan activity nor on the number of reprisals against the local population. Finally, there is no difference in the frequency or intensity of Allied bombing raids.

What could be the domestic consequences of this stronger foreign repression once annexation is reverted? On the one hand, foreign identity of the perpetrator may mean that domestic politics remain unaffected.[4] On the other hand, there are good reasons to believe that foreign state repression may lead to political disenchantment and distrust in political elites. Traumatic experiences with abuse of state power can lead to lasting anger and change voters' beliefs on the likelihood and consequences of such abuse (Chen and Yang, 2019; Lichter et al., 2020). Voters may then become easily discontent and have an extra incentive to keep the ruling class in check. Hence, one may expect an increase in support for more radical opposition forces at the expense of the current political establishment in former annexed areas. In our context, this could mean greater support for the Communist Party, the main opposition force to the status quo throughout the period of analysis.

[3]These were the current Italian provinces of Bolzano, Gorizia, Trento, and Trieste.

[4]Some of the political effects of violence identified in the conflict literature do not apply to foreign state repression. For example, the electoral revenge mechanism by Balcells (2012) implies rejection of the perpetrator, who, in the case of foreign repression, is by definition not involved in domestic politics after the war.

We also predict a rise in the vote share of fringe protest parties such as the neo-fascists. Finally, we expect voters to express lower trust in political elites and lower electoral support for laws expanding the state's capacity to suppress dissent.

Consistent with our hypothesis, we find evidence of greater support for more radical parties in national elections. Between 1946 and 1979, the vote share of extremist parties, which includes both communists and neo-fascists, increases by up to 4.2 percentage points. Looking at the extreme-left and extreme-right separately, the vote share of the Communist Party goes up by 3.5 percentage points and the vote share of the neo-fascists goes up by 0.7 percentage points. These magnitudes are sizable, corresponding to 0.24 and 0.38 standard deviations, respectively. These votes come at the expense of moderate Christian Democrats, whose vote share decreases by 2.9 percentage points. In addition, we find a negative effect on voter turnout of 1.4 percentage points, further indicating voters' disenchantment with the political process.

Leveraging the richness of historical Italian election data, we explore the persistence of these effects. Specifically, we estimate separate RD specifications for each of the nine national elections held between 1946 and 1979. We find that the effect on the extremist vote share is largely persistent over time—remaining positive, significant, and of a similar magnitude up until 1979, the end date of our panel. On the other hand, the decline in turnout is temporary, fading away by the 1960s. Hence, it appears that any feeling of political apathy and disengagement is ultimately channeled through greater support for more radical opposition forces.

We then show that the previous findings hold in local and European elections and, thus, represent a consistent change in political behavior. Using newly digitized data on municipal elections between 1951 and 1956, we observe a large (6.8-percentage-point) increase in extremist parties' vote share. However, in contrast to national elections, this increase is driven almost fully by communists. Nevertheless, the pattern of rejection of moderate forces is repeated: the increase in radicals' support comes at the expense of a 10.6-percentage-point drop in the vote share of independent candidates, who tend to be less ideological local leaders. We also find a sizable negative, though marginally statistically insignificant, effect on voter turnout (3.4 percentage points). Exploring data on the the first two European Parliamentary elections in 1979 and 1984, we find a 4.6-percentage-point increase in the vote share of extremist parties, further evidence on the enduring effects of the OZ experience on political preferences.

These changes in political behavior may reflect annexation-induced political dissatisfaction and emerging distrust in the government. We provide further evidence on this by analyzing the 1978 referendum. That year, voters were given an opportunity to repeal a law granting more power to the state to suppress dissent. We document a large and significant (3.8-percentage-point) increase in the vote share just inside the OZ border in favor of repealing the law. The result is in spite of Communist Party's support for the law. This finding implies that greater electoral success of the communists does not indicate support for repressive policies. We complement these results with suggestive survey evidence from 1968. We find that residents in former OZ provinces appeared to be more distrustful of the government relative to those in nearby non-OZ provinces. Together with our previous findings, these results point to a sizeable decline in trust in the state and the domestic ruling class among those subjected to higher levels of foreign state repression.

We address several concerns regarding the quasi-exogenous nature of the OZ border. First, we show continuity in prewar municipal characteristics and electoral outcomes around the border. Second, using data on taxpayer last names in 1933, we confirm that German and Slavic last names were infrequent and that their shares varied smoothly at the border. Third, we show that previous international borders do not coincide with our treatment boundary and that our results are not due to the legacy of the Austrian empire. Fourth, we conduct a falsification exercise generating random placebo treatment borders based on other provincial boundaries. We show that our estimates fall into the tails of the corresponding coefficient distribution. This suggests that provincial idiosyncrasies are not driving our findings. Together with historical accounts on the arbitrariness of the border-selection process and on the lack of importance of provincial boundaries, these checks attenuate selection concerns. Finally, we present a set of conventional RD robustness checks. Our baseline results remain unchanged when we vary the polynomial degree, use a different bandwidth selection approach, add relevant covariates, or add segment fixed effects. Thus, our estimates are not driven by specification choice.

This paper complements to the growing literature on state repression, first by providing causal evidence on the lasting domestic consequences of foreign repression and second by highlighting that the intensity of repression matters for future political behavior. Related studies have focused on the political consequences of such historical cases as repression during the former Soviet Union (Kapelko and Markevich, 2014; Rozenas et al., 2017; Zhukov and Talibova, 2018; Rozenas and

Zhukov, 2019), the persecution of Jews during WWII (Acemoglu et al., 2011b; Finkel, 2015; Charnysh and Finkel, 2017; Homola et al., 2020), and the Great Chinese Famine (Chen and Yang, 2019).[5] Others have studied the political effects of deportations of ethnic minorities (Lupu and Peisakhin, 2017) and the effect of state violence in autocracies after regime change (Bautista et al., 2020; Lichter et al., 2020).[6]

This paper also complements the literature on the consequences of foreign rule, first by showing that annexation leads to a harsher treatment of the local population, even when compared to military occupation, and second by documenting a persistent effect of foreign repression on political disenchantment and distrust. Most of this literature focuses on matters related to military occupation (Acemoglu et al., 2011a; Ferwerda and Miller, 2014; Fontana et al., 2018; Costalli and Ruggeri, 2019; Martinez et al., 2020).[7] Of particular relevance is Fontana et al. (2018), who study the consequences of civil war by comparing areas under Allied and German military occupation along the front line in Central Italy. The authors find that violence and partisan activity associated with this frontline led to a rise in communist support in formerly occupied territories. In contrast, we study one-sided foreign repression induced by annexation with no change in resistance and see an increase in support for radicals on both the left and the right, accompanied by declined political trust and turnout. Also related is the work by Dehdari and Gehring (2018), who find that long-term German annexation of Alsace-Lorraine in the late 19th and early 20th century led to a stronger regional identity. We argue that a short-lived annexation like the OZ is unlikely to lead to cultural transformation. Hence, cultural aspects are not the focus of this paper.[8]

[5] Also, see Toews and Vézina (2018); Naumenko (2019) for the economic consequences of state repression and Meng and Qian (2009); Becker et al. (2020) for the individual-level effects of famine and forced migration, respectively.

[6] This research is part of a broader literature on the political effects of violence and conflict. Among other topics, researchers have analyzed the consequences of conflict on political participation (Bellows and Miguel, 2009; Blattman, 2009; Costalli and Ruggeri, 2015) and strength of ethnic versus national identity (Besley and Reynal-Querol, 2014). Studies have also examined the effects of bombings on civic engagement and insurgency activities (Dell and Querubin, 2018), and the legacy of civil war on trust and social capital (Rohner et al., 2013; Cassar et al., 2013; Tur-Prats and Caicedo, 2020; Alacevich and Zejcirovic, 2020). We argue that state repression is distinct from other types of violence because it undermines trust in the state and the political establishment, and their ability to credibly constrain the monopoly on violence. We also contribute by analyzing the political effects of a particular type of conflict treatment—forceful annexation—that has so far been largely overlooked by the literature.

[7] See Kocher and Monteiro (2016) for the critique of the identification strategy in Ferwerda and Miller (2014). The border we explore does not coincide with railways or any other assets that may be useful for strategic purposes.

[8] Other, less related studies focus on the consequences of colonial rule, including but not limited to Acemoglu et al. (2001); Dell (2010); Dell and Olken (2020). Most closely related is Iyer (2010), who compares direct and indirect colonial rule and finds that direct colonial rule leads to worse outcomes. Colonial rule differs from annexation—the former implies a hierarchical, segmented relationship, while the latter implies full integration with the mainland.

The rest of the paper unfolds as follow. Section 1 describes how the OZ were established and administered. Section 2 describes our data sources and empirical strategy. Section 3 provides quantitative evidence on the wartime experience. Section 4 presents our main results. Section 5 concludes.

1 Background

Italy entered WWII in June 1940 on the Axis side. After German and Italian forces were defeated in Africa, Allied forces landed in Sicily in July 1943. Later that month, in the wake of military defeats, rampant inflation, and food shortages, Mussolini was deposed and arrested. The newly appointed government, while reassuring Hitler that their alliance would continue, started negotiating with the Allies. In September 1943, Italy agreed to the Armistice of Cassibile, and surrendered to the Allies, whose forces then proceeded to invade the southern mainland. After the agreement was announced, Germany set in motion Operation Achse, with the aim of swiftly disarming Italian troops and occupying Italy militarily. German troops easily dismantled the Italian state apparatus and started a military occupation of Northern and Central Italy.

Creation of the OZ

The administrative arrangement of the occupied areas, decided by Hitler and his inner circle, was influenced by Austrian irredentist aspirations, German annexation aims, and the need to show that the alliance between Fascism and Nazism remained intact (Collotti, 1963b, p. 20). Nazi authorities agreed on annexing the territory that had belonged to the Austrian Empire until 1918. However, no clear consensus emerged on what other areas to annex. Minister of Propaganda Joseph Goebbels wanted to extend German territory to the 1860 Austrian border, including the entire region of Veneto and the province of Mantua (Luciani, 2004).[9] However, pragmatic considerations, such as having a large-enough police force to control the new territories and maintaining Italian collaboration, led to a smaller area being annexed (Di Michele and Taiani, 2009, p. 52; Klinkhammer, 1993, p. 52). The final plan prescribed the creation of the *Repubblica Sociale Italiana* (RSI),

[9] "*We must not only obtain South Tyrol back, but the border line must be drawn southern than Veneto. Everything that was once an Austrian possession must return to our hands,*" Goebbels (1943), cited in Di Michele and Taiani (2009, p. 58)

an Italian fascist state led by Mussolini,[10] and two de facto annexed areas: the Operational Zone of the Alpine Foothills (*Operationszone Alpenvorland*, or OZAV) and the Operational Zone of the Adriatic Littoral (*Operationszone Adriatisches Küstenland*, or OZAK). Figure A1 shows the present-day Italian territory that was part of the OZ.

With the exception of the provinces of Belluno and Udine, the OZ included areas that Italy had incorporated after WWI.[11] In contrast, Belluno and Udine had been part of Italy since 1866, shortly after Italian unification in 1861, when the region of Veneto became part of the territory. These provinces had no sizable minorities.[12] Their inclusion as part of the OZ can be regarded as a historical natural experiment. Historical accounts indicate that Tarvisio Pass, an important passage to Austria, dictated inclusion of the entire Udine province, despite being situated in its northernmost point. Regarding Belluno, its inclusion allowed avoiding a territorial gap between the OZAV and the OZAK. Hence, the exact location of the frontier dividing the RSI and the Operational Zones followed plausibly quasi-exogenous Italian provincial borders that neither coincided with previous international borders nor followed any ethnic or religious boundary. Both before the war and throughout the period of analysis, provincial boundaries were otherwise largely irrelevant, an issue that we discuss in detail in Section 2.2.

Life in the OZ

The institutional arrangement and the population experience in the OZ were markedly different than in the RSI. The OZ were placed under full German administrative and military control. Each zone was ruled by a *Gauleiter,* who was appointed directly by Hitler.[13] The *Gauleiters* had absolute powers in legislative, executive, and judiciary fields, and were directly responsible to Hitler.

[10] Hitler's aim was to leverage Mussolini's personality to create consensus around a political structure that could act as the executing body of the German will in Italy. Immediately after Mussolini's deposition on July 25, Hitler had declared: "We need to immediately set up a provisional fascist government with full authority" (Klinkhammer, 1993, p. 48). Mussolini was put in power after having been rescued from his mountain prison on September 12.

[11] Bolzano, Gorizia, Pola (the Istrian Peninsula), Trento and Trieste were annexed at the end of WWI in 1918. Fiume (currently Rijeka in Croatia) became part of Italy in 1924, and Ljubljana (currently Slovenia) was incorporated in May 1941, when Yugoslavia was invaded by the Axis armies. The areas that contained linguistic minorities underwent policies of forced Italianization during fascism. In Südtirol, part of the population was German; in Istria and, to some extent, in Venezia Giulia, Croatian and Slovene minorities were conspicuous.

[12] Belluno and Udine were mainly Italian: according to the 1931 Census, 0.04% and 0.14% of population were foreigners, respectively. We show balance in minority population in Table 1 using surname ethnicity in 1933.

[13] A *Gauleiter* was the head of a *Reichsgau*, an administrative subdivision created in areas annexed by Nazi Germany between 1938 and 1945.

Although the Operational Zones were not de jure annexed to the Reich, there is consensus among historians that they were *de facto* annexed and were considered as part of the future Reich (Collotti, 1963a, p. 30; Fogar, 1968, p. 521).[14] In contrast, the RSI was an Italian Fascist state (Bresadola, 2004; Klinkhammer, 1993).[15] While Germans had control of military operations, Mussolini was entrusted with management of the administration and public apparatus. Germans wanted to present the RSI to the public as the legitimate successor of the Italian state, obtaining diplomatic recognition from the eight Axis states.

In the OZ, the *Gauleiters* created special courts which applied the law of the neighboring German *Reichsgau* (Radice, 1959, p. 12) instead of Italian law.[16] They ruled over magistrates, lawyers, notaries, courts, and prosecutors, and could invalidate decisions of the judicial authority. Moreover, the state security apparatus differed from that of the RSI. Special police corps were created and Italian police forces were put in a state of subjugation.[17] German commanders were solely responsible for military conscription, and draftees were assigned mostly to German armed forces.[18] Control of the territory and fighting against partisan brigades were sole responsibility of German police and armed forces. RSI military divisions could not enter OZ territory without German authorization. The few troops who were admitted were deprived of operational autonomy (Di Giusto and Chiussi, 2017, p. 9). In addition, movement of civilians was largely prohibited, and a special permit was required to cross the border (Radice, 1959, p.10).

Military units known for their cruelty were deployed to the OZ. Austrian war criminal Odilo Globocnik and his group of around 100 men were assigned to the OZAK, operating in the region

[14] Partisan accounts support this view. Giorgio Vicchi, a former partisan, stated, "*In the spring, we were up in the Lagorai range, located just west of Belluno[...] These were hard times for us, because that was Reich territory and the Germans were much more ferocious on their turf than in Veneto*" (De Nardi, 2015). Various bills and discussions in the Italian Parliament also confirm the de facto annexation (e.g. Disegno di Legge 1263, V Legislatura, Senato della Repubblica).

[15] *"The fascists were neither few nor powerless. Not even their condition was a puppet. There was a government, a dozen ministries and a fairly intact administration with thousands of officials"* (Klinkhammer, 1993, p. 110). The RSI's status has been compared to that of Vichy France under General Pétain and Norway under Quisling (Collotti, 1963b, p. 18).

[16] Detailed information on the modus operandi of the courts is scant: Germans torched most of the court documents during their retreat in May 1945 (Di Giusto and Chiussi, 2017, p. 4).

[17] In the OZAV, two police bodies were created (*Sudtirorel Polizei* and *Trientiner Sicherungsverband*), while in the OZAK, one was created (*Guardia Civica del Litorale Adriatico*). In Belluno and Udine, Italian police forces did not carry weapons and were effectively substituted by the German *Feldgendarmerie*. In Bolzano, the Italian police force was dissolved and substituted with German nationals (Radice, 1959, p. 12).

[18] 73% of the draftees in the OZ were assigned to German forces, 22% were assigned to the local police, and only 5% were integrated into the RSI army. For more information, see Rapporto riservato alla persona del Duce (1945).

throughout the annexation period.[19] Globocnik was entrusted with making the region "*Judenfrei*" (free from Jews), fighting partisans, and carrying out reprisals against civilians. In Trieste, the OZAK's capital, Nazi occupation forces instituted the only extermination camp in Italy, Risiera di San Sabba. The site was used to torture and kill members of the Resistance (Italians, Slovenians, and Croats), hostages captured during roundups, and civilians suspected of collaborating with partisans.[20]

In the OZ, the Nazi regime also used repression to implement policies aimed at marginalizing Italians, including fascists. The Fascist party was given a secondary role in the OZAK, but was forbidden in the OZAV.[21] The *Gauletiers* excluded Italian authorities from the RSI and radically changed the staff employed in local administrations, substituting Italians with trusted Austrian and German nationals (Di Michele and Taiani, 2009, p. 96, Luciani, 2004, p. 637).[22] The long-term aim of Nazi policy was permanent annexation and the construction of a new German order (Di Giusto and Chiussi, 2017, p. 9; Fogar, 1968, p. 50).

Postwar Political System

From the Allied invasion of Sicily in July 1943 to the end of WWII, Allied forces fought Germans and Italian fascists as they advanced across the Italian peninsula. At the same time, in Northern and Central Italy, tens of thousands of soldiers and civilians with different political ideologies, united by the common objective of liberation, organized the resistance movement. They formed partisan brigades, engaging opposing forces directly or conducting sabotage. The National Liberation

[19] Globocnik was appointed Higher SS and Police Leader of the Adriatic Coastal Region on September 13, 1943. Other war criminals such as Dietrich Allers, Kurt Franz, Joseph Oberhauser, Otto Stadie, Franz Stang, and Christian Wirth were among Globocnik's collaborators. Globocnik's unit helped organize and supervise the killing of more than 1.7 million Jews in death camps in the framework of Aktion Reinhard between autumn 1941 and late summer 1943, and had participated in the Aktion T4 program, which led to the killing of 70,000 mentally ill and disabled people in Germany during 1940 and 1941 (Di Giusto and Chiussi, 2017).

[20] Risiera di San Sabba was not intended for exterminating Jews. Rather, it was a staging point for Jews who were later sent to other extermination camps. According to recent estimates, around 1,450 Jews passed through it (Di Giusto and Chiussi, 2017, p.32). The estimated number of people killed in the compound is between 2,000 and 5,000 (Di Giusto and Chiussi, 2017, p.32).

[21] This prohibition and the de facto annexation of the OZ were a source of shame for Mussolini (Di Michele and Taiani, 2009, p. 59). On several occasions, he and his ministers asked Hitler to restore their sovereignty over the OZ but their requests were either ignored or denied. In a February 1945 letter, Mussolini told the German Foreign Minister that he was disappointed with the German administration for carrying out a "*Slavophile, Austrophile, and anti-Italian policy*" (Luciani, 2004, p. 636).

[22] In areas close to the previous Austrian border, *Gauletiers* committed to revert fascist Italianization policies.

Committee (NLC) served as the political arm of the resistance. It was a coalition of parties from a broad range of the political spectrum, including the moderate Christian Democrats (DC) and the Italian Communist Party (PCI).[23] The NLC and the resistance movement grew as a response to the disintegration of the Italian state and the inability of the monarch and its government to defend Italy's sovereignty and its people.

After German (and RSI) capitulation, a provisional government made up of NLC parties was installed. In June 1946, Italians were asked to vote on whether they wanted to keep the monarchy or set up a republic, and on a constituent assembly to draft a new constitution.[24] A majority (54.3%) of voters favored the republic, which was proclaimed a few days after the vote. The new Republican Constitution went into effect on January 1, 1948. The first nationwide election to elect the first parliament took place three months later.

Throughout our period of analysis, the political system was dominated by the DC. The party led the ruling coalition until 1994. It aimed at uniting Catholic voters from various political factions and rejected communist ideas. The DC promoted a social market economy, advocated programs ranging from land to social reform, and promoted traditional family values. The main opposing force to the DC was the PCI. Italian communists were the largest and best-organized Communist party in Europe, consistently obtaining at least 20% of the national vote. The PCI never joined government, though it supported the ruling coalition in certain votes and gave external support to the 1976 government. Most of the party's support came from urban workers and farmers, particularly in the regions of Emilia-Romagna, Marche, Tuscany, and Umbria. The party also garnered support from those who wanted to limit the influence of DC-led coalitions. At the opposite end of the ideological spectrum was the Italian Social Movement (MSI), a neo-fascist party. Founded in December 1946 by former members of the fascist regime and fascists veterans, the MSI was a relatively minor political force, gaining around 5% of the vote in most elections. The party garnered support from voters who supported traditional values but also from those who wanted to protest against the political establishment (Chiarini, 1989).

[23] The other parties were the socially liberal Action Party (PdA), the classic-liberal Italian Liberal Party (PLI), the socialist Italian Socialist Party of Proletarian Unity (PSIUP), and the social-democratic Democratic Labor Party (DL).

[24] These were the first elections held under universal suffrage.

2 Data and Method

2.1 Data

In this paper, we assemble a time-consistent panel of more than 4,000 Northern Italian municipalities (*comuni*) spanning seven decades.[25] To build a consistent sample, we take the municipal boundaries of 1991 as our baseline and track the creation, dissolution, merger, and partition of municipalities over time.[26] We construct our panel by combining existing datasets and several newly digitized data sources. In this section, we describe these sources and the main variables of interest.

Operational Zones. We use a 1991 map of Italy to construct the OZ boundary, as the provincial boundaries of frontier provinces have not changed since. We then calculate the distance from the centroid of each municipality to the closest boundary point.

Prewar Variables. To test for the idiosyncratic nature of the OZ border, we obtain data on municipal socioeconomic characteristics from the 1921 and 1936 Italian censuses. We observe population by gender and literacy rate in 1921, and total population, employment rate, and the composition of the workforce by sector in 1936. We also obtain data for the last free elections before the rise of Fascism (held in 1919 and 1921) from Corbetta and Piretti (2009).[27] Since the data is marred by missing observations, we predict missing values using 1921 covariates.[28]

To test for differences in ethnic composition, we use data on surnames from Gabbuti (2020), who digitized the 1933 tax declarations in provinces around the OZ border: Belluno, Padova, Treviso, Venezia, Verona, Vicenza, and Udine.[29] We then predict the individual's country of origin, relying on the machine-learning algorithms provided by Forebears, the largest geospatial genealogical service.[30] We consider a surname German if its most likely European country of origin is either

[25] The panel is composed of all municipalities in the regions of Emilia-Romagna, Friuli-Venezia Giulia, Liguria, Lombardy, Piedmont, and Veneto. This area roughly coincides with the area north of the Gothic line, the last major German defense line in Italy, which was liberated in the last few weeks of the war.

[26] For the adjustments, we consulted www.elesh.it, which records all the territorial and administrative variations, following Giuliano and Matranga (2020).

[27] The 1924 elections took place amid a climate of violence: at the ballots and during the election campaign, fascist squads intimidated their opponents with a series of attacks. Shortly after the elections, Giacomo Matteotti denounced in Parliament the fraud and intimidation. Ten days later, he was killed by a fascist mob. Mussolini took full responsibility for Matteotti's homicide.

[28] A similar exercise is carried out by Fontana et al. (2018) to address this issue.

[29] These records include data 92,277 citizens who had to file an income declaration by law, such as traders, professionals, business owners, tenants, and people employed in the agricultural sector.

[30] For further documentation, see `www.forebears.io/about/name-distribution-and-demographics`.

Germany or Austria; Slavic if its most likely European country of origin is Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia, or Slovenia; and Italian if its most likely European country of origin is either Italy or San Marino. On average, in our provinces of interest, 89.7% of surnames were predicted to be Italian, 1.1% German, and 1% Slavic, with some heterogeneity across municipalities.

War Variables. We obtain information on the episodes of violence perpetuated by German soldiers and soldiers of the RSI from the *Atlas of Nazi and Fascist massacres in Italy* (ANPI-INSMLI, 2019). This includes all murders of civilians and resistance fighters between September 8, 1943, and the end of WWII. We geocode each episode at the municipal level and aggregate the data to construct a variable counting the number of attacks per 1,000 inhabitants and number of victims per 1,000 inhabitants, using the 1936 municipal population. Since the data contain information on the identity of the perpetrators, we can further distinguish whether Nazi troops were leading the actions. We use these measures to quantify the intensity of the violence and whether the repression was foreign or domestic.

Deportations represented an important component of Nazi repression. Hence, we obtain the biographies of individuals deported for political reasons (opponents and dissidents) to Nazi concentration camps between 1943 and 1945 from Mantelli and Tranfaglia (2013). The records include the biographies of 23,826 individuals from across Italy. We parse this data to extract the birthplace of each individual and use it as a proxy for place of residence.[31] We use this information to calculate the number of deportees per 1,000 inhabitants. In addition, to distinguish between Jews and political deportees, we obtain the surnames of Jewish families in Italy from Schaerf (1925).[32]

We also obtain data on the location of partisan brigades in 1944 and 1945 from Costalli and Ruggeri (2015), who geocoded the location of armed partisan bands from Baldissara (2000). We construct a dummy indicator for whether a partisan brigade was present in each municipality, and we compute the distance between each municipality and the closest partisan band in its respective occupation zone (i.e., OZ or RSI). We assign a distance of zero to municipalities with armed parti-

[31]The individual's birthplace is preferable to the place of arrest, since individuals may have been captured on the run or near resistance hideouts, and for data-availability reasons. We have information on birthplace for 20,111 individuals, while place of arrest is available for only 8,012 deportees. Individuals deported to the Bolzano transit camp or the Risiera di San Sabba concentration camp are not included in the volumes. This works against us finding a positive effect on deportations, since, per historical accounts, individuals deported to these camps were mainly from the OZ.

[32]The list contains 1,636 Jewish surnames. Some examples are Coen, Levi, and Modigliani.

san bands present. These outcomes allow us to study differences in the reaction to state repression.

Finally, we use information on Allied bombings collected by the Theatre History of Operations Reports (THOR) from digitized Allied mission reports. We match each Allied air raid in Italy between 1943 and 1945 to its target municipality and calculate the number of raids, and the amount of bombs dropped in each.

Postwar Variables. To explore the effect of the OZ on political attitudes, we obtain election results for the Italian lower chamber from the Italian Ministry of Home Affairs. For each observation (election-municipality), we observe the number of citizens eligible to vote, the number of citizens who cast a ballot and the number of votes for each party. The main variables of interest are the vote share of extremist parties (i.e., communists and neo-fascists), the vote share for the main ruling party (the DC), and turnout.[33]

To check the consistency of our results, we digitize data for the municipal elections of 1951 and 1956 and include the results from the first two European Parliamentary elections (1979 and 1984). We also digitized novel data on the 1978 Referendum, which asked voters whether they wanted to repeal the Reale Laws on public order and police powers enacted in 1975. The results of this referendum allow us to directly gauge support for curbing state power to repress dissent and explore the state trust channel behind our findings.

We obtain municipal data on population, employment rate, and the composition of the workforce from the 1951 census. To assess the economic legacy of the OZ, we integrate the previously available records with newly digitized ones from the same census (ISTAT, 1955). Specifically, we obtain information on the availability of services in private homes such as bathroom, electricity, kitchen, gas, and potable water.

Finally, for additional evidence on political trust, we obtain data from the Italian National Election Study (ITANES), a series of electoral surveys conducted on a representative sample of the Italian population in every election year. Due to poor coverage of the OZ provinces in later years, we restrict our attention to the 1968 survey.

Geographic Variables. We obtain data on the minimum and maximum altitude in each munic-

[33]Communists include the *Italian Communist Party* (PCI) and minor extreme-left parties which branched out from the PCI in the 1970s such as *Democrazia Proletaria*, *Il Manifesto*, *Nuova Sinistra Unita*, and *Partito Comunista Internazionalista*. Neo-fascists include the *Movimento Sociale Italiano* (MSI) and *Movimento Sociale Italiano - Destra Nazionale* (MSI-DN).

ipality from ISTAT. We obtain historical climatic data, such as precipitations, average, minimum, and maximum temperature from WorldClim.[34] This data is defined on a 1 km^2 grid covering the entire planet. We derive municipal-level variables by calculating the average value of these outcomes across every cell contained within the municipal boundaries.

Table A1 provides basic descriptive statistics for the main outcome variables and past covariates described above.

2.2 Empirical Strategy

In evaluating the impact of forceful annexation, we face several major identification challenges. First, the foreign power may annex an area that is systematically different from the rest of the country. For example, the annexed region may be more productive, or be culturally and ethnically similar to the foreign power than the territories that were not chosen to be annexed. Second, the foreign power may set the border in such a way to better protect its new possessions, taking advantage of natural boundaries which may be relevant for future outcomes.

To overcome these challenges, we exploit the fact that a large segment of the OZ border was set in a quasi-exogenous manner (see Section 1). This border did not follow relevant political or natural boundaries. We claim that our treatment boundary partitioned a homogeneous area in terms of demographic, economic, geographic, and political characteristics. Later in the section, we provide empirical support for this claim and discuss the main identification concerns.

We estimate the treatment effect using a sharp geographic RD design. We define the treatment assignment variable d_i as the minimum distance between the municipality i's centroid and the OZ border. The RD estimand is then defined as:

$$\tau_{RD} = \lim_{d_i \downarrow 0} E\left[Y_{it} | OZ_i = 1, d_i\right] - \lim_{d_i \uparrow 0} E\left[Y_{it} | OZ_i = 0, d_i\right], \tag{1}$$

where Y_{it} is the observed outcome of municipality i in period t and OZ_i takes the value of one if municipality i was inside the OZ and zero otherwise.

We estimate τ_{RD} using local linear regressions. Our baseline estimates use the robust bias-corrected estimator with a data-driven bandwidth selector proposed by Calonico et al. (2014b).

[34] www.worldclim.org.

Following Calonico et al. (2014a), we report the conventional estimate of τ^{RD} and standard errors but present the robust bias-corrected p-value levels.

For the panel RD estimates, we account for autocorrelation by using the nearest-neighbor standard errors estimation, which is the default option in Calonico et al. (2014b). This method assumes heteroskedastic standard errors by the value of the running variable. In our setting, municipalities do not change the value of their running variable across years, as their distance to the OZ border is fixed. Hence, for the panel RD estimation, we use the nearest-neighbor standard errors with the number of nearest neighbors equal to the number of years in the panel.[35]

The identifying assumption behind our design is that conditional expectations of potential outcomes, $E(Y_i(0)|d_i)$ and $E(Y_i(1)|d_i)$, are continuous in d_i. This assumption may not hold if the exact placement of the boundary was endogenous to the municipal-level characteristics, which may affect postwar outcomes. We address the potential concerns with this assumption in the following four ways: (i) we restrict our attention to the quasi-exogenous part of the OZ border, (ii) we quantitatively confirm continuity in baseline characteristics along that part of the OZ border, (iii) we qualitatively argue that provincial borders were irrelevant at the time, and (iv) we make sure that the part of the OZ border we focus on did not coincide with other historical borders. We provide details for each of these steps below.

Treatment definition. To alleviate the identification concerns, we focus on the quasi-exogenous part of the OZ border and exclude the provinces of Bolzano and Trento from our analysis. These provinces were incorporated into Italy only at the end of WWI and retained a large German population. Thus, the continuity assumption at the OZ border would be debatable in their case.[36] The areas that belong to the treatment and control groups are shown in Figure 1. The total area of our study, i.e., treatment and control areas combined, roughly coincides with the Italian territory north of the Gothic line and was liberated at approximately the same time, in the last weeks of the war.

[35] Note that our results are very similar if we instead estimate an RD specification using OLS and cluster standard errors at the municipal level, which is another common way of allowing for clustered standard errors in panel RD (e.g., see Martinez et al., 2020).

[36] The inclusion of Gorizia and Trieste, which were also incorporated after WWI, is not problematic for identification, as they are farther from the OZ border.

Baseline continuity. We explore the validity of our design by checking for balance in prewar electoral outcomes, as well as socioeconomic and geographic characteristics. Table 1 reports the results of our balance tests.We find no discontinuities in past electoral outcomes such as turnout, or vote share of Catholic parties (the main political force at the time) in 1919 and 1921, and the communist vote share in 1921.[37] Moreover, the coefficient on the communist vote share is negative, which means that, if anything, the pattern of preexisting political preferences goes against our results on increased political extremism. In addition, there are no significant differences in demographic, economic, and geographic characteristics, such as population growth, population density, illiteracy rate, ethnic composition, employment rates, division of labor across sectors, rainfall, temperature, and altitude.

Provincial Borders. Since the boundary between the OZ and the RSI was based on province-level borders, a potential concern is that our results may be driven by idiosyncratic differences between provinces. However, Italian provinces did not become relevant administrative units until the 1990s, when a push for decentralization began.[38] The national government's provincial representative, the prefetto, was of limited relevance until the 1980s (Cassese, 1983, p.1050).[39] Another potential concern related to provincial boundaries is that Italian media markets may have aligned with provincial borders after the war, which may have led to different electoral outcomes (Snyder Jr and Strömberg, 2010). We argue that this is not the case—Italian media markets were never divided based on provincial borders (Monteleone, 1992).[40] Finally, to further address this concern, in Section 4.4, we generate random placebo borders based on provincial boundaries and show that our results lie at the top of the simulated coefficient distribution.

[37] The Communist Party of Italy did not exist before 1921.

[38] In the debates for the new Republican constitution, the creation of provinces was a contested issue (Ballini, 2010, pp.105–112). Ultimately, it was decided that provinces could continue to exist with restricted operational autonomy. The limited role of provinces, before and after the war, is discussed at length in Aimo (2017, pp.57–85).

[39] In the public-order domain, of particular relevance for the 1978 Referendum result, the role of the prefetto as a public-security authority was recognized only in 1981.

[40] A 1925 decree established the Italian state's monopoly on wireless communications. The public broadcasting company, URI (*Unione Radiofonica Italiana*), which became EIAR (*Ente Italiano Audizioni Radiofoniche*) in 1928, served as the official radio of the fascist regime. At the end of the war, its name was changed to RAI (*Radio Audizioni Italiane* until 1953, then *Radiotelevisione Italiana*); it also had a monopoly on television public broadcasting. The situation remain unchanged until 1974, when the Constitutional Court ruled that the cable monopoly was illegal, allowing private broadcasters to enter the market for the first time.

Historical Borders and Ethnic Differences. The literature has shown that European imperial borders have persistent effects on economics and political outcomes (Grosfeld and Zhuravskaya, 2015; Becker et al., 2016; Bukowski, 2019). Hence, if our border was based on previous imperial boundaries, our estimates may be confounded. In Section 1, we describe how the OZ border was set in a quasi-exogenous manner. In particular, we note that the border does not coincide with that of the Austro-Hungarian Empire at the time of Italian reunification.[41]

While we argue that the OZ border is quasi-exogenous, it may still be possible that, since the area was a border region, the presence of German and Slav minorities changed discontinuously at the border. This may confound our results, as cultural traits can affect our main outcomes. However, as shown in Table 1, we find no evidence that areas around the OZ border differed in their ethnic composition. For instance, we find no difference in the share of German and Slav last names based on the 1933 tax registry. Figure A3 displays the share of German surnames for municipalities in selected provinces, illustrating the balance in ethnic composition around the OZ border. The result is not surprising, given that the provinces along the treatment boundary were incorporated into Italy at the same time during Italian reunification.

3 Wartime Experience and Expected Legacy

Section 1 summarizes how the wartime experience differed for those living in the OZ relative to those inside the RSI. In this section, we provide quantitative evidence on the differences in foreign state repression, partisan resistance, and Allied bombings between the two areas. Based on this evidence, we hypothesize on the effects of Nazi annexation on postwar outcomes.

Table 2 presents the effects of Nazi annexation on wartime violence. Panel A confirms an increase in foreign state repression in the OZ. Specifically, we find a sizable and statistically significant effect of Nazi annexation on the relative rate of deportations, which includes mainly political prisoners.[42] The estimate of 0.82 per 1,000 inhabitants represents more than 0.75 standard deviations. Figure 2 illustrates the increase in the number of deportations (bottom-right graph).

We also find a positive and sizeable, although marginally statistically insignificant (p-value $= 0.119$), effect on the number of violent episodes relative to the prewar population. These are

[41] Nor does the border coincide with that of the Italian frontlines in 1917, during WWI.

[42] Deportations of Jews account for less than 10% of the total.

episodes of state repression (e.g., reprisals, shooting, torture) by Fascists and Nazi forces against both civilians and partisans. Most important, we document a shift in the average perpetrator identity. Inside the OZ, there is a significant increase in the number of attacks involving Nazi forces.[43] On the other hand, there is a marginally insignificant decrease in Fascist-led violence. A similar pattern holds for the relative number of victims. Nazi annexation led to 1.3 more victims from Nazi episodes per 1,000 inhabitants, corresponding to 0.25 standard deviations. Figure 2 illustrates the jump in the number of violent incidents and the number of those involving Nazi troops at the treatment cutoff. It also highlights the harshness of these violent incidents by displaying a sharp increase in the number of firing squad executions. Taken together, these results point to higher levels of foreign state repression inside the annexed areas.

It is plausible that greater foreign repression might have led or has been a response to greater popular resistance. However, we find no evidence of an effect of forced annexation on the presence of partisan brigades in the municipality (Panel B of Table 2). Moreover, there is no impact on the distance between the municipality and the closest partisan brigade operating in their respective occupation area.[44] The lack of an effect can be seen in Figure A4. A further measure for the level of partisan activity is the number of reprisals against the local population. The estimate (last row of Panel B of Table 2) supports the lack of difference in resistance.[45]

Finally, we analyze the effect of annexation on Allied bombing raids. Allied commanders may have increased the frequency and intensity of bombing raids in the OZ if there were targets of greater military value in the area (e.g., key infrastructure, factories, military stockpiles).[46] The results in Panel C of Table 2 show no evidence of an impact on the number of raids nor the amount of bombs dropped. Figure A4 illustrates this null result for the total number of bombings. This suggests that the OZ population did not experience more frequent and intense raids. In addition, the findings further support our identifying assumption that the border was set in a quasi-random manner and that it did not follow strategic military considerations.

[43] We categorize as Nazi-led episodes those incidents carried out by only Nazi forces and those carried out by both Fascist and Nazi troops. This follows from the fact that Italian forces typically followed Nazi command in joint operations.

[44] That is, for treated municipalities, we consider only partisan brigades operating in treatment areas and similarly for the control municipalities. Otherwise, the effect will be mechanically close to zero.

[45] Note that the lack of an effect on partisan resistance implicitly suggests balance in terms of Allied media broadcasting during the war (Gagliarducci et al., 2020).

[46] The bombing may have affected on regime support on its own, as has been shown by Adena et al. (2020). For a discussion on Allied bombings in Italy during WWII, see Bianchi and Giorcelli (2018).

Overall, our results show that Nazi annexation implied a significantly different treatment than Nazi military occupation. Annexation led to a harsher wartime experience. In particular, the OZ population suffered greater foreign repression in terms of deportation and violence relative to RSI inhabitants. Contrary to what may be expected, more repression did not lead to an increase in partisan activity. Hence, there was no counterbalance to this greater state violence.

3.1 Expected Effect on Postwar Outcomes

What are the expected consequences of foreign repression once annexation is reverted? On the one hand, as the perpetrator is a foreign entity, the domestic environment may not change. On the other hand, state repression, either foreign or domestic, can have significant lasting effects on institutional and political outcomes. In particular, areas that experienced it may see a rise in political disenchantment and distrust in the ruling class. Evidence from other contexts supports this hypothesis. For example, Acemoglu et al. (2011b) find a positive correlation between severity of Nazi persecution against Jews and support for communist candidates in post-Soviet Russia. Zhukov and Talibova (2018) show that state violence during Stalin's regime lowers present-day turnout in both Russia and Ukraine. Other forms of repression can also have meaningful social consequences. For example, Lichter et al. (2020) find that a higher intensity of East German government surveillance has a negative effect on interpersonal and institutional trust in modern-day Germany.

Nazi annexation implied both more deportations and greater state violence. Community leaders were more likely to be persecuted, and previous social ties were more likely to be uprooted. This, together with the anger stemming from oppression, can make voters prone to discontent with the ruling political class and to give electoral support to a radical opposition. In particular, voters may be drawn to political movements that are perceived as the direct opposite of the initial aggressor (Rozenas et al., 2017). Hence, we expect the vote share of the Communist Party (PCI), the main opposition force to the DC-ruling coalitions, to be higher in the OZ.[47] We also expect an increase in support for the neo-fascist party (MSI). The MSI attracted antiestablishment and protest votes. Hence, though the party can be linked to the original aggressor, voters may cast a ballot for it to

[47]Note that this mechanism differs from that in Fontana et al. (2018) and Costalli and Ruggeri (2019). They argue that greater support for communists in the former RSI may be due to the presence of partisan brigades, which later became grass-root movements for the PCI. In contrast, as documented in Table 2, we observe no discontinuities in partisan activity across the OZ border.

express opposition to the current political establishment.[48]

The same mechanism suggests that we could observe an increase in indicators of political dissatisfaction and distrust in the government. First, we may observe a negative effect on voter turnout. Moreover, we expect citizens to report lower levels of trust in government institutions and a desire to limit the state's capacity to suppress dissent. The latter effect would also indicate that voters are not drawn to radical political forces due to their repressive policies, but rather due to their stronger opposition to established leaders.

In Section 1, we note the lack of historical evidence suggesting that the Nazi annexation treatment had a differential effect on local economic fundamentals. Quantitatively, we do not find that the OZ areas experienced greater war violence, e.g., we find no effect on Allied bombing raids. Therefore, we do not expect more destruction of physical capital in the OZ. Overall, we expect local development outcomes to be similar across the border, at least in the short run.

Since the treatment was relatively short-lived compared to other annexation episodes, we hypothesize that any results are unlikely to be due to a change in the OZ population's cultural identity. A less-than-two-year treatment is unlikely to cause a drastic shift in the local population's allegiance or basic social norms from Italian to German. Hence, we argue that foreign state repression is the distinctive characteristic of our treatment.

4 The Legacy of Foreign Repression

In this section, we examine the political legacy of repressive annexation. We show how those induced political disenchantment, radicalism, and distrust in the established political class. We start by examining the effects on support for radical opposition parties (i.e., communists and neo-fascists) and turnout in national, local, and European elections. We then present evidence of lower support (in a nationwide referendum) for increasing state power to repress dissent and lower levels of political trust, using contemporaneous survey data. We then show that differences in economic development do not explain the results and present an argument for why migration is unlikely to drive our results. We conclude by presenting a series of robustness checks.

[48] Proximity to Nazi repression against Jews may also have led to an increase in support for far-right parties (e.g., see Charnysh and Finkel, 2017; Hoerner et al., 2019; Homola et al., 2020).

4.1 Electoral Results

National Elections. Table 3 reports the results of a panel RD specification that pools data for the whole period of analysis. We observe a positive and highly statistically significant (4.2-percentage-point) increase in the support for extremist parties. This effect can be roughly decomposed into a 3.6-percentage-point increase in the vote share of communists and a 0.7-percentage-point increase in the vote share of neo-fascists. While the former effect is larger than the latter in absolute terms, support for neo-fascists grew bigger in relative terms—0.38 as opposed to 0.24 standard deviations, respectively. The results for other parties suggest that the increased extremist support came, at least in part, at the expense of the Christian Democrats (DC), the main moderate political force at the time. Their vote share went down by 2.9 percentage points. Finally, we observe a negative and significant effect of annexation on turnout of 1.3 percentage points, or 0.27 standard deviations.

Figure 3 illustrates these results. The plots display a clear discontinuity at the treatment cutoff in support for communists, neo-fascists, and the two parties pooled together. A noticeable drop in the DC vote share is also visible. The size of the discontinuities is very close in magnitude to the estimates presented in Table 3.

Table A2 breaks down the results by decade. The effect on the vote share of extremist parties is persistent. It remains positive and statistically significant up until the end of our election panel. Figure A5 displays the year-by-year coefficients estimated in separate yearly RD specifications. The plot confirms that the effect on extremist parties remained relatively consistent across elections. In fact, the effect does not decline lower than 3 percentage points after the first two postwar elections.

The lower effect in these first two elections is explained by the peculiar characteristics of these elections, supporting our hypothesis. The 1946 vote was not a national parliamentary election, but rather one to elect a constituent assembly to draft a new constitution. In 1948, the first vote for the new republican parliament took place. The election saw communists running together with socialists as part of a left-wing front. Given this context, we argue that the emerging political establishment was not yet clearly defined in the 1946 and 1948 votes. Moreover, since the new republic had just been formed, voters may have been more willing to give power and time to the new ruling class. We expect political disenchantment and antiestablishment voting to be stronger after some years of rule by the new consolidated political class. Other factors also need to be considered. First, the 1946 election implied a different set of considerations for voters. It is plausible that

voters were willing to challenge the establishment by voting for a more radical opposition party without wanting those radical ideas in the new constitution. Second, the left-wing front that ran in 1948 makes it difficult to disentangle whether this bloc's voters were supporting a more extreme opposition or stating a preference for a left-wing government.

Contrary to the previous results, the negative effect on turnout is strong only for the elections that took place in the 1940 and 1950s, reaching -2.8 percentage points in the 1950s and then converging back to statistical zero. The short-term pattern is also confirmed by the bottom two graphs of Figure 3. Figure A6 further breaks down the dynamics into yearly effects, showing that the effect's magnitude peaks in absolute terms in 1953. Hence, it appears that, as the DC consolidated as the dominant ruling class, voters transitioned to expressing any feeling of political apathy and disengagement via support for more radical opposition forces.

Local and European Elections. Does the pattern documented for national elections hold in local and European elections? We answer this question in Table 4.

Panel A reports the results for local elections.[49] As with national elections, we find a strong, positive impact on the vote share of extremist parties of 6.8 percentage points or 0.35 standard deviations. In this case, however, the effect is fully driven by the communists as the effect on the neo-fascists' vote share is statistically indistinguishable from zero. Nevertheless, there is still evidence of increased political disenchantment: the vote share of independent candidates, who tend to be local leaders, decreases by around 10.6 percentage points. The vote share of the DC goes up by 3.8 percentage points. This result is not entirely surprising, as, unlike in the national case, the DC was not always the party in power. Moreover, we observe a negative and sizeable, though marginally statistically insignificant (p-value $= 0.108$), effect on turnout of around 3.4 percentage points. Taken together, these results suggest that political apathy and increased willingness to keep political establishment accountable were not limited to national matters.

Panel B reports the results for the the first two European Parliamentary elections, held in 1979 and 1984, more than 30 years after the end of the OZ. The pattern of results is almost identical to that of national elections. Specifically, we observe a strong and positive effect on the vote share of

[49] Due to data availability, our local elections panel is limited to elections held between 1951 and 1956. 1951 is the first year for which the data is available. To our knowledge, we are the first to digitize these data and use them in academic research.

extremist parties of 4.6 percentage points, or 0.35 standard deviations. On the other hand, the vote share of the DC decreases by a similar magnitude. This further supports the persistent effect of the OZ experience on political discontent and distrust in the ruling establishment. The coefficient on turnout is statistically insignificant, confirming that the decrease in political participation faded away starting about 15 years after the war.

Overall, we observe a consistent change in local and European election results. As in the case of national elections, voters are drawn to less moderate and more radical parties. This supports the claim that our results on political disenchantment are not driven by the idiosyncrasies of national elections (e.g., electoral constituencies, candidate selection, propaganda). Figure 4 illustrates the discontinuous change (or lack thereof) in communist vote share and turnout at the treatment cutoff for both local and European Parliamentary elections. The graphs are visibly similar to the ones in Figure 3. They confirm that the effects are part of a more general and systematic pattern.

4.2 Trust

The previous results are consistent with the hypothesis that foreign repression leads to greater distrust of the state and, as a result, greater willingness of the local population to keep the political establishment in check. To further investigate this channel, we study the results of the 1978 Referendum, the first legislative referendum on state security issues (and the second legislative referendum in the history of the Italian Republic). After years of political violence in Northern Italy (colloquially known as the *Years of Lead*), Italians were asked whether they wanted to repeal the Reale law, which gave the central government substantial power to repress dissent. The law expanded the set of circumstances under which police forces could use weapons for law enforcement, search and detain suspects, as well as engage during riots or simple street protests. Opponents of the law viewed it as a stepping stone for the formation of a more repressive government regime.[50]

Figure 5 displays a clear discontinuity in the vote share in favor of repealing the law. The magnitude of the coefficient is sizeable. The RD coefficient implies that municipalities inside the OZ territory had a 3.8-percentage-point, or 0.67 standard deviation, higher vote share in favor or repealing the Reale law relative to municipalities that were just outside the annexed area.[51] The

[50] E.g., *Stampa Sera,* June 9, 1978, p.5: *"This is the first step towards the establishment of a police regime, in which, gradually, all the freedoms enshrined and guaranteed by the Constitution will be suppressed."*

[51] On the same ballot, voters were also asked whether they wanted to maintain public financing of political parties.

result is in spite the PCI's support for the law. The findings suggest that annexed areas became and remained more skeptical of the ruling class' ability to constrain its monopoly on violence three decades after the end of the war. Moreover, this evidence points against voters supporting extremist parties because of their plausible authoritarian nature.

While the 1978 referendum result is stark, one may worry that it was idiosyncratic. To further explore the political-distrust hypothesis, we provide additional suggestive results on the political attitudes from the Italian National Election Survey (ITANES) carried out in 1968.[52] We estimate OLS regressions on a sample composed of respondents in the former OZ and the neighboring provinces.[53] Specifically, we regress survey outcomes on an OZ-province indicator controlling for individual-level characteristics, such as age, educational attainment, and sex. Table A3 presents the results. Respondents from the OZ provinces exhibit lower political trust (columns 1 and 2) and are more likely to believe that people in the government are dishonest (columns 3 and 4) relative to respondents in the neighboring provinces. Reassuringly, the results on political extremism are also confirmed (columns 5 to 10), as citizens from the OZ provinces were perceived by the interviewer to be more likely to vote for neo-fascist and communist parties.[54] While only suggestive, these results paint a strikingly similar picture to our main RD results.

Taken together, the two sets of results provide consistent evidence of decreased trust in the ruling political class in former OZ areas.

4.3 Economic Development

Next, we investigate whether economic factors played a role in shifting political preferences in the former OZ territories. We focus our attention on the 1951 Census, which is closest in time to the OZ experience, allowing us to better assess the economic legacy of the war and the OZ.

Table A4 shows no border discontinuities in access to services in private homes across the

For this question, we do not have a specific prediction. Reassuringly, the coefficient is statistically insignificant and much lower in magnitude.

[52] Subsequent waves of ITANES surveyed too few respondents from the former OZ provinces, so we were forced to restrict our analysis to the 1968 survey.

[53] The control group consists of the rest of the Veneto provinces, i.e., Padova, Rovigo, Treviso, Venezia, Verona, and Vicenza. Due to the small sample size and the fact that the survey contains only the respondent's province of origin but not the municipality, we are unable to estimate our baseline RD specification.

[54] This particular survey wave did not contain a direct question about voting intent. Interviewers were basing their judgement on respondents' answers to a series of questions regarding their political and policy preferences.

two areas. Specifically, we do not observe significant RD effects on access to drinkable water and electricity, or on the presence of a latrine in private homes. These results confirm that municipalities just inside the OZ border experienced neither better nor worse provision of public goods and did not suffer from greater destruction of physical capital relative to municipalities just outside of the OZ. This is consistent with results on bombings presented in Table 2 and the general idea that the violence accompanying this episode of Nazi annexation was primarily associated with repression and not destruction of property. In rows 4 and 5, we find no significant differences in labor-market outcomes. In the last four rows, we report no significant differences in workforce composition. We conclude that wealth, workforce composition, and differing trajectories of economic development cannot account for the observed discontinuities in political outcomes.

Migration. A natural question that typically arises in spatial RD designs is whether selective migration could be driving our main results. Unfortunately, we do not possess the data necessary to provide a conclusive answer. However, we can still argue why it is unlikely to be the case. First, we noted in Section 1 that Italian troop movement across the OZ border during WWII was restricted. Movement of civilians was also negligible, as a special permit was required to cross the border (Radice, 1959, p.10). Second, it is unlikely that supporters of the political establishment selectively fled the treated area in the decades after the war. Our results in Table A4 support this argument by showing balance in the socioeconomic characteristics of the population. We find no differences in access to public goods, which may motivate selective economic migration. Moreover, the industrial composition of the postwar workforce appears to be well-balanced. Thus, selective out-migration during or after the war is unlikely to drive our estimates.[55]

4.4 Robustness

Nazi annexation left a political scar: affected areas exhibit more political extremism and lower trust in the state. These results are robust to the use of alternative specifications.

[55] We document a differential effect on deportations, but we argue that this is not a confound but rather a mechanism behind the impact of foreign repression. For example, forceful out-migration of community and political leaders may cause anger and disrupt social networks. This could in itself explain why people in treated areas draw their support away from the moderate ruling coalition and into more radical opposition forces. As the balance tests in Table A4 show, this effect does not appear to go through changes in socioeconomic composition.

The results of our robustness checks are shown in Table A5. First, our results are robust to an increase in the order of the running variable polynomial (column 2). The main difference with respect to our baseline results is that our results on wartime outcomes are less precise and no longer statistically significant, though the estimates are sizable and similar in magnitude. Second, we check for changes when covariates are included. In particular, we include a second-order polynomial of the municipality's latitude and longitude (column 3) and a dummy that controls for which OZ the municipality is closest to (i.e., OZAK or OZAV; column 4). The former allows us to capture the effect of geographical characteristics or other covariates that vary smoothly with location. The latter allows us to account for municipalities being different based on the segment of the boundary nearest to them. As expected, given the balance in the sample around the treatment discontinuity, the results are similar to those in our baseline specification. Third, we check whether the results are robust to changes in the regression bandwidth. Our baseline specification uses the default option in Calonico et al. (2014b), which selects a mean squared error optimal bandwidth. We repeat our analysis using a 25-km and 50-km bandwidth (columns 5 and 6, respectively) and the estimates remain similar to those from the baseline bandwidth. Below, we discuss other concerns regarding our empirical strategy.

In addition to detailing historical evidence in Section 2, we performed a simulation exercise to further assuage the concern on the importance of provincial borders. We randomly split our sample of 37 Northern Italian provinces into a treatment group and a control group.[56] We then compute the distance between each municipality and the closest municipality in the opposite group, then repeat our RD analysis using this placebo distance as the running variable. We repeated this exercise 200 times to compute a simulated p-value for our estimates based on the distribution of placebo estimates. Column 7 of Table A5 shows the results. All of our main results are significant at the 95% level, except for the vote shares of extremists and communists, which are significant at the 90% level. Thus, the simulated p-values show that the magnitude of our estimates is sufficiently large compared to random average provincial effects, indicating that our results are unlikely to be driven by provincial differences arising after the war.

Overall, these estimates, together with the balance checks, strongly suggest that the overlap of OZ and provincial borders do not drive our results.

[56] 18 provinces in the treatment group and 19 in the control group.

5 Conclusion

This paper studies the political consequences of foreign state repression during a period of autocratic annexation, focusing on the Nazi OZ in Northern Italy. This area was de facto annexed by Nazi Germany and subjected to full German administrative and military rule. Since a large segment of the OZ border was set in a quasi-random manner, we use a spatial RD design to identify the effects of this type of foreign rule.

Our results show that OZ municipalities experienced greater foreign repression relative to those that remained governed by Mussolini's puppet fascist regime, under Nazi military occupation. In particular, we find a sizable positive effect of Nazi annexation on the relative number of deportations, the number of episodes of violence involving Nazi forces, and the number of victims of Nazi attacks. Violence in the area remained one-sided. Stronger repression did not lead to greater partisan activity or more Allied air raids.

We hypothesize that foreign state repression may have increased political discontent and mistrust in the established ruling class after WWII ended. Consistent with this hypothesis, we find evidence of increased in support for more radical opposition forces in national elections. This effect is driven largely by greater support for the Communist Party. These votes came at the expense of more moderate political forces. A similar pattern of results holds for local and European Parliamentary elections. Our argument is also supported by the finding that voters from the former OZ are more distrustful of the state and are less likely to support granting the central government powers to repress dissent.

These findings shed light on the lasting political consequences of repressive regimes, which have been common throughout history. They show how historical experiences can spur political extremism and distrust in the state that persist in the future. They also highlight how foreign state repression can affect domestic democratic development. This conclusion is relevant for emerging economies that have experienced foreign repression and have faced difficulties in generating support for established institutions. Moreover, our results are important for understanding the legacy of Nazi Germany, which is of broad interest to economists, historians, and political scientists.

We acknowledge that our analysis faces limitations. First, the control group is a militarily occupied territory: we can contrast repressive annexation with military occupation, but we cannot

estimate the effect of foreign repression relative to no foreign involvement at all. Second, we focus on Nazi annexation, not on other episodes of repressive annexation.[57] Hence, while we believe our results are informative about other cases of foreign repression, caution should be exercised when extending the validity of our findings. We hope that our conclusions foster interest in studying similar historical settings.

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[57] Not all annexations are necessarily by a power than is unambiguously foreign, as is the case here. Annexations may have different effects depending on the foreignness, and hence harshness, of the annexer.

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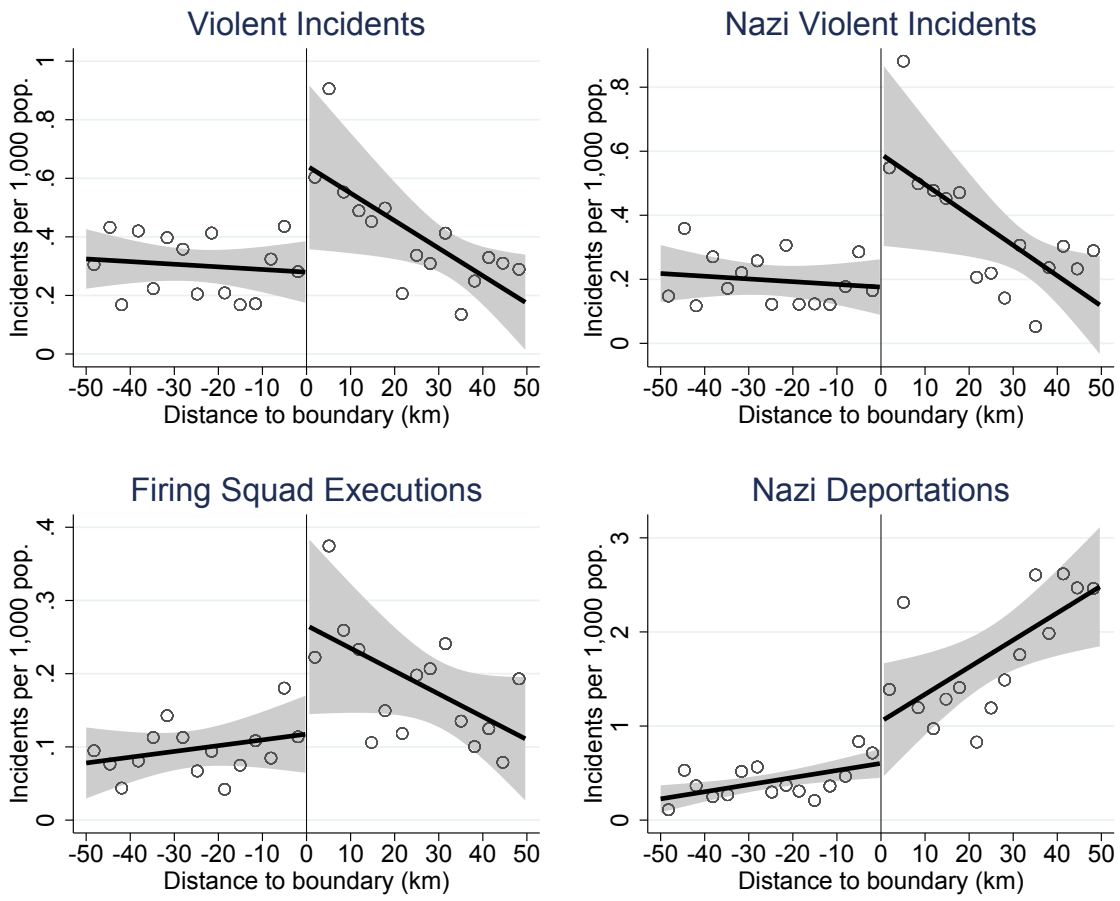
Figures and Tables

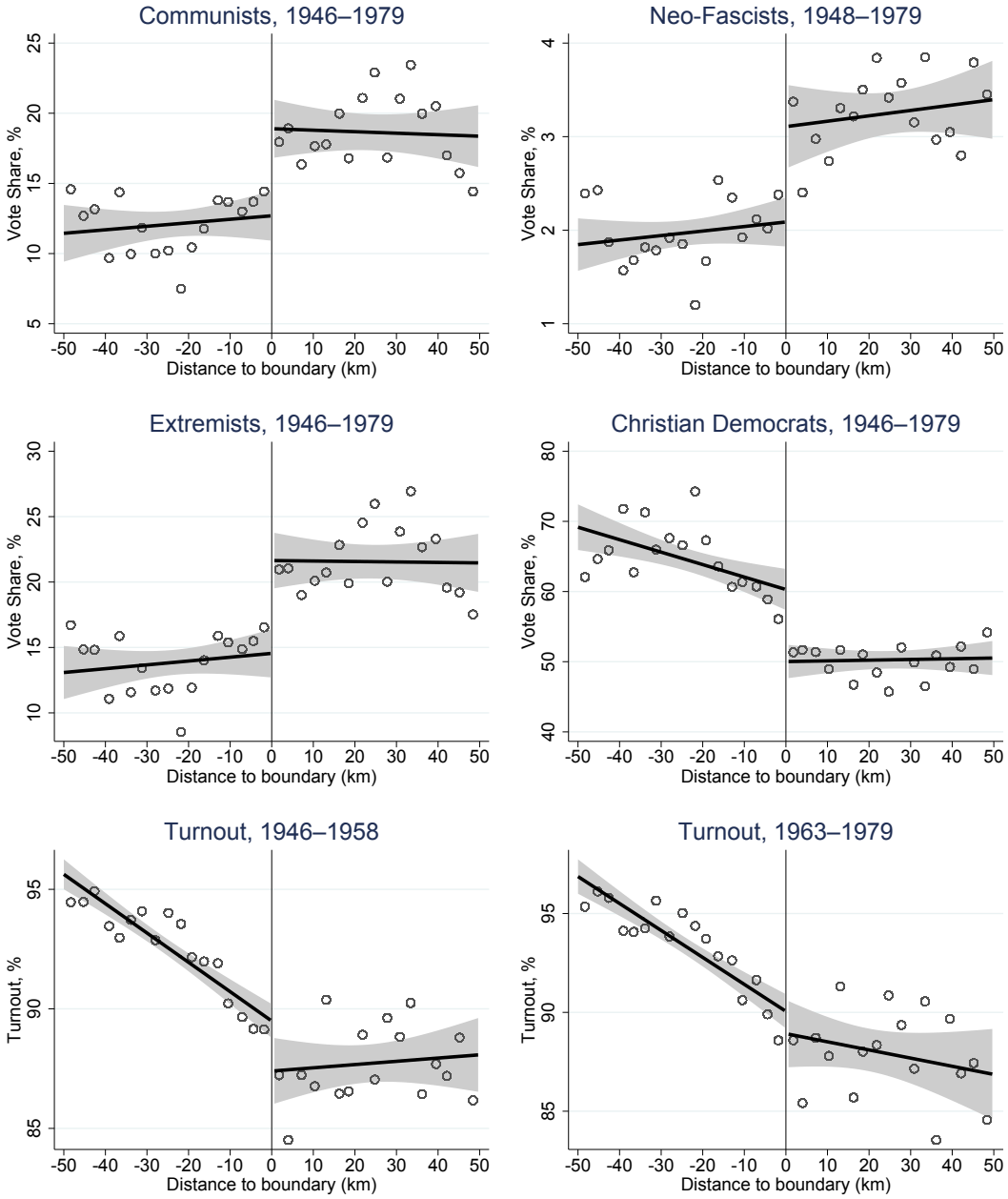
Figure 1: Treatment and Control Zones

Figure 2: Effect of Repressive Annexation on Wartime Violence



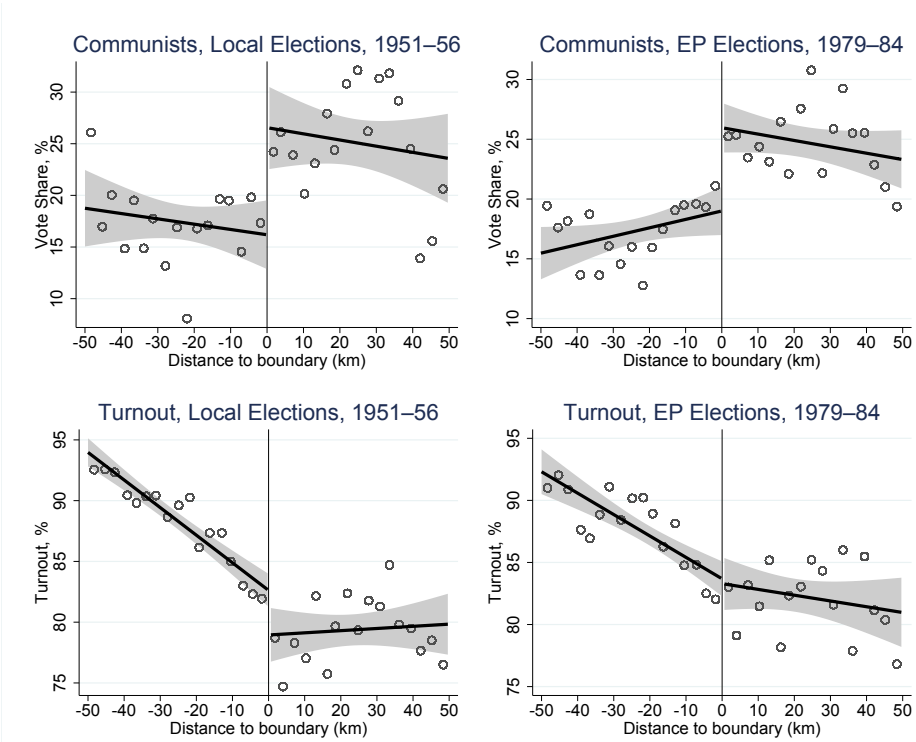
Notes: The top-left graph plots the total number of violent incidents; the top-right graph shows the number of violent incidents involving Nazi troops; the bottom-left graph indicates the number of firing squad executions; the bottom-right graph plots the total number of deportees to prison camps. All these outcomes are per 1,000 inhabitants as of Census 1936 and measured for the period between September 1943 and May 1945. Plots include a linear fit on each side of the cutoff and 95% confidence intervals (in grey) calculated using robust standard errors. *Sources:* ANPI-INSMLI (2019) and Mantelli and Tranfaglia (2013).

Figure 3: Effect of Repressive Annexation on National Election Outcomes



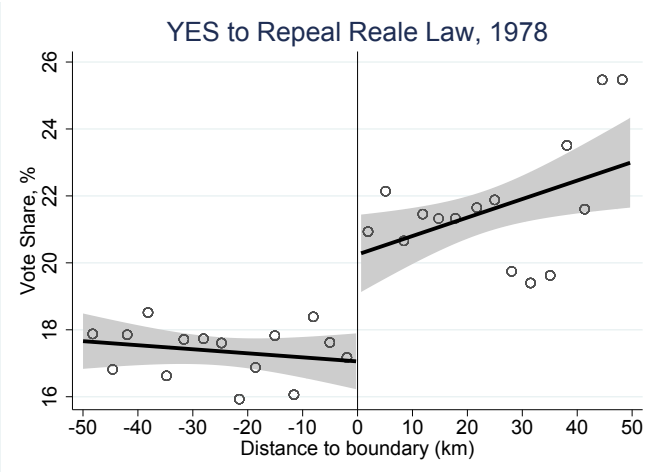
Notes: The top-left graph plots the vote share of communist parties. The top-right graph displays the vote share of neo-fascists, i.e., the MSI. Extremists (mid-left) refer to the sum of the vote shares of communists and neo-fascists. Turnout is calculated as the total number of cast ballots over the eligible voting population. Plots include a linear fit on each side of the cutoff and 95% confidence intervals (in grey) calculated using standard errors clustered at the municipal level.

Figure 4: Effect of Repressive Annexation on Local and European Election Outcomes



Notes: Plots include a linear fit on each side of the cutoff and 95% confidence intervals (in grey) calculated using standard errors clustered at the municipal level.

Figure 5: Effect of Repressive Annexation on Vote Share in Favor of Stripping the Government of Power to Suppress Dissent, 1978 Referendum



Notes: The plot includes a linear fit and 95% confidence intervals (in grey) on each side of the cutoff calculated using robust standard errors.

Table 1: Balance on Covariates

	RD Estimate	N.	Dep. Var. Mean	Dep. Var. S.D.
	(1)	(2)	(3)	(4)
A. Prewar Electoral Outcomes				
Turnout (1919–1921), % of 1921 Male Pop.	-1.435	5,876	43.1	12.1
	(2.570)			
Vote Share of Communist Party (1921), %	-1.076	3,904	7.1	0.98
	(0.780)			
Vote Share of Catholic Parties (1919-1921), %	0.540	6,110	33.7	22.3
	(3.420)			
B. Demographic Characteristics				
Annual Population Growth (1921–1936), %	-0.493	3,564	1.7	3.3
	(0.484)			
Illiteracy Rate (1921), % of Pop. 6+	2.428	3,749	11.2	7.2
	(1.899)			
Population Density (1921)	1.358	3,749	166.1	180.3
	(17.380)			
Ethnic Fractionalization (1933)	-0.030	716	0.18	0.12
	(0.039)			
Italian Population (1933), %	1.689	716	89.7	8.6
	(2.463)			
German Population (1933), %	0.720	716	1.1	4.1
	(0.615)			
Slavic Population (1933), %	-0.620	716	1.0	2.1
	(0.489)			
C. Economic Characteristics				
Workforce (1936), % of total pop.	1.162	3,865	48.6	7.9
	(1.246)			
Agricultural Workers (1936), % of total pop.	1.298	3,865	28.7	13.0
	(2.134)			
Industrial Workers (1936), % of total pop.	0.002	3,865	13.5	10.2
	(1.176)			
Commerce Workers (1936), % of total pop.	-0.229	3,865	2.9	1.6
	(0.277)			
Public Administration Employees (1936), % of total pop.	-0.069	3,865	1.1	1.0
	(0.145)			
Private Administration Employees (1936), % of total pop.	-0.099	3,865	0.21	0.31
	(0.058)			
D. Geographic Characteristics				
Minimum Altitude, m a.s.l.	1.452	4,064	221.4	214.4
	(31.623)			
Maximum Altitude, m a.s.l.	-318.942	4,064	764.1	853.5
	(253.923)			
Average Monthly Precipitation, mm.	0.791	4,064	78.5	20.0
	(1.681)			
Average Temperature, C.	0.406	4,064	11.3	2.5
	(0.541)			

Notes: Standard errors are calculated using a heteroskedasticity–robust nearest-neighbor variance estimator with the minimum number of neighbors equal to three. Column 1 reports the conventional RD estimates for the effect of the treatment using a first-order polynomial with no covariates, and the bias-corrected significance levels following Calonico et al. (2014b). Columns 2 displays the number of observations available. Columns 3 and 4 report the mean and standard deviation for the outcome variable as in Table A1. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Table 2: Effect of Repressive Annexation on Wartime Violence

	RD Estimate	N.	Dep. Var. Mean	Dep. Var. S.D.
	(1)	(2)	(3)	(4)
A. Repression (1943 - 1945)				
Deportations, per 1000 of 1936 Pop.				
Total	0.823*	3,865	0.46	1.07
	(0.430)			
Jews	0.085	3,865	0.02	0.14
	(0.093)			
Episodes of Violence, per 1000 of 1936 Pop.				
Total	0.447	3,865	0.23	0.62
	(0.250)			
Fascist-led	-0.102	3,865	0.07	0.30
	(0.053)			
Nazi-led	0.560*	3,865	0.15	0.50
	(0.270)			
Victims of Violence, per 1000 of 1936 Pop.				
Total	0.903	3,865	0.87	4.01
	(0.721)			
Fascist-led	-0.355**	3,865	0.17	0.94
	(0.163)			
Nazi-led	1.263*	3,865	0.68	3.86
	(0.718)			
B. Resistance (1944 - 1945)				
Presence of Partisan Brigades	0.002	4,064	0.10	0.30
	(0.097)			
Distance to Closest Partisan Brigade	-0.699	4,064	4.49	4.02
(in respective area)	(1.015)			
State Reprisals	-0.054	3,865	0.03	0.15
	(0.042)			
C. Allied Bombings (1943 - 1945)				
Number of Bombings	-1.773	4,064	2.42	20.5
	(2.564)			
Tons of Bombs Dropped	-22.353	4,064	36.9	329.1
	(43.836)			

Notes: Standard errors are calculated using a heteroskedasticity–robust nearest neighbor variance estimator with the minimum number of neighbors equal to three. All war-violence outcomes are calculated per 1,000 of 1936 population. Column 1 reports the conventional RD estimates for the effect of the treatment using a first-order polynomial with no covariates, and the bias-corrected significance levels following Calonico et al. (2014b). Columns 2 and 3 report the mean and standard deviation for the outcome variable as in Table A1. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Table 3: Effect of Repressive Annexation on National Electoral Outcomes

	RD	N.	Dep. Var.	
	Estimate		Mean	S.D.
	(1)	(2)	(2)	(3)
Extremist Parties' Vote Shares				
Extremist Parties, %, 1946–1979	4.198***	36,121	24.4	15.2
	(1.169)			
Communists, %, 1946–1979	3.569***	36,121	22.4	14.9
	(1.144)			
Neo-Fascists, %, 1948–1979	0.715***	32,221	2.2	1.9
	(0.246)			
Other Parties' Vote Shares				
Christian Democrats, %, 1946–1979	-2.888*	36,121	49.6	15.9
	(1.092)			
Liberals, %, 1946–1979	-0.146	36,121	3.2	3.6
	(0.171)			
Monarchists, %, 1946–1972	-0.212	23,962	1.6	3.1
	(0.185)			
Socialists, %, 1946–1979	0.246	36,121	14.6	9.1
	(0.979)			
Political Participation				
Turnout, %, 1946–1979	-1.384**	36,121	93.4	5.3
	(0.547)			

Notes: Column 1 reports the conventional RD estimates for the effect of the treatment using a first-order polynomial with no covariates, and the bias-corrected significance levels following Calonico et al. (2014b). Columns 3 and 4 report the mean and standard deviation for the outcome variable as in Table A1. National-election variables pool data across nine elections held in 1946, 1948, 1953, 1958, 1963, 1968, 1972, 1976, and 1979 for most municipalities. Hence, standard errors in parentheses are calculated using the nearest-neighbor estimator with nine nearest neighbors. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Table 4: Effect of Forced Annexation on Local and European Elections

	RD	N.	Dep. Var.	
	Estimate		Mean	S.D.
	(1)	(2)	(3)	(4)
A. Local Elections (1951–1956)				
Vote Share Extremist Parties, %	6.839*	4,739	35.1	19.6
	(3.707)			
Vote Share Communists, %	6.735*	4,674	34.0	19.6
	(3.614)			
Vote Share Neo-Fascists, %	-1.079	2,109	3.7	9.7
	(1.123)			
Vote Share Christian Democrats, %	3.781*	5,259	54.8	17.5
	(2.468)			
Vote Share Independents, %	-10.576**	3,393	23.2	28.3
	(4.138)			
Turnout, %	-3.396	5,834	88.1	9.4
	(1.545)			
B. European Elections (1979–1984)				
Vote Share Extremist Parties, %	4.660***	8,127	30.5	13.0
	(3.707)			
Vote Share Communists, %	4.039**	8,127	27.4	12.8
	(3.614)			
Vote Share Neo-Fascists, %	0.605	8,127	3.1	2.0
	(1.123)			
Vote Share Christian Democrats, %	-4.222**	8,127	43.9	14.2
	(2.468)			
Turnout, %	0.927	8,127	87.4	7.0
	(1.378)			

Notes: Column 1 and 2 report the conventional RD estimates for the effect of the treatment using a first-order polynomial with no covariates, and the bias-corrected significance levels following Calonico et al. (2014b). In Column 1, standard errors are calculated using a heteroskedasticity-robust nearest-neighbor variance estimator with the minimum number of neighbors equal to three. In Column 2, standard errors in parentheses are clustered at the municipality level. Columns 3 and 4 report the mean and standard deviation for the outcome variable as in Table A1. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Additional Figures and Tables (For Online Publication)

Figure A1: Present-Day Italian Territory Included in the Operational Zones

Figure A2: Map of Previous Austrian Possessions in Italy

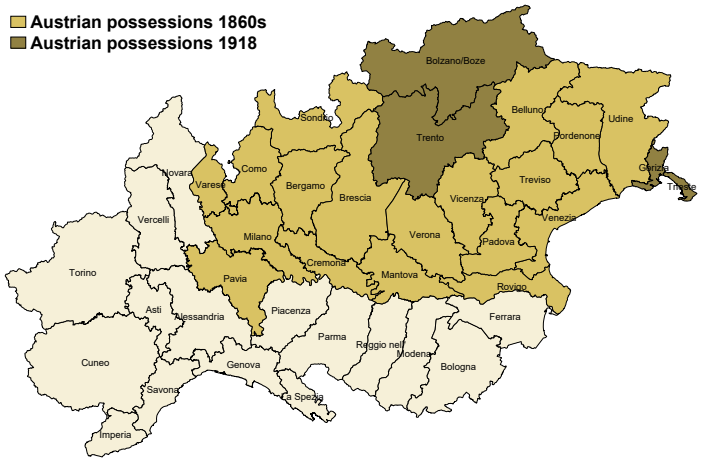
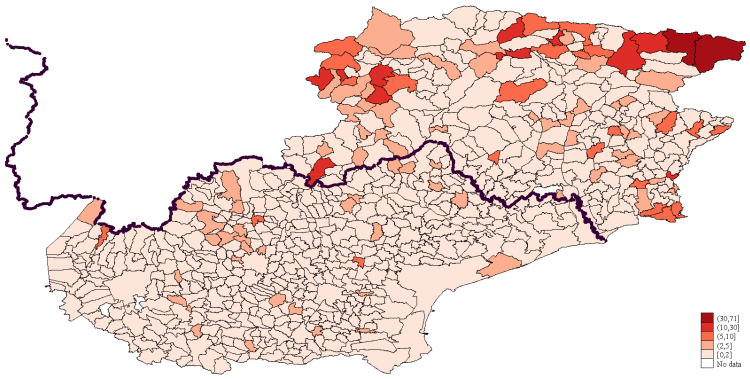
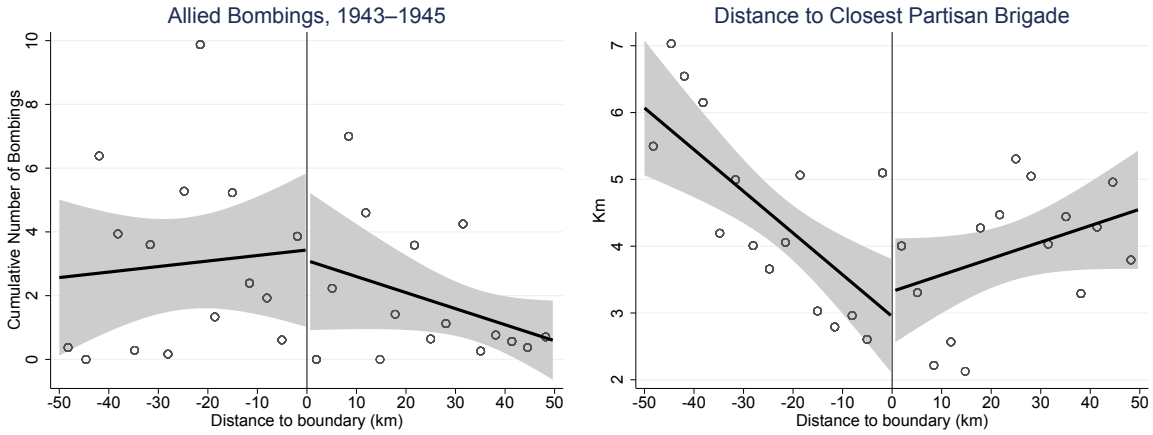


Figure A3: Share of German Surnames in Municipalities Around the OZ Border, 1933



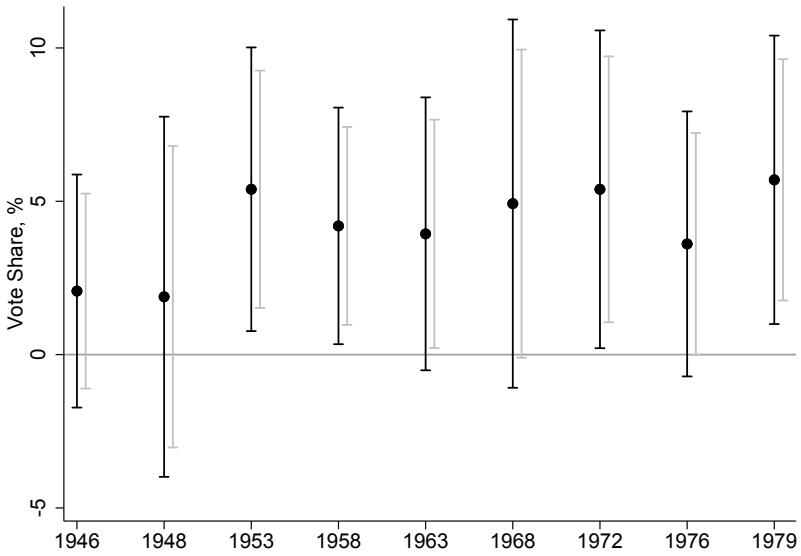
Notes: Surnames data come from Gabbuti (2020), who digitised the 1933 income declarations in provinces around the Operational Zones border: Belluno, Padova, Treviso, Udine, Venezia, Verona, and Vicenza. These records comprehend citizens who by law had to file an income declaration, such as traders, professionals, business owners, tenants, and people employed in the agricultural sector. The surnames' countries of origin are then predicted using `www.forebears.io`, the largest geospatial genealogical service, basing its calculations on a dataset with 27.6 million unique surnames of more than 4 billion individuals. A surname is considered German if the most likely European country of origin is either Germany or Austria.

Figure A4: Partisan Activity and Allied Bombings at the OZ-RSI Border



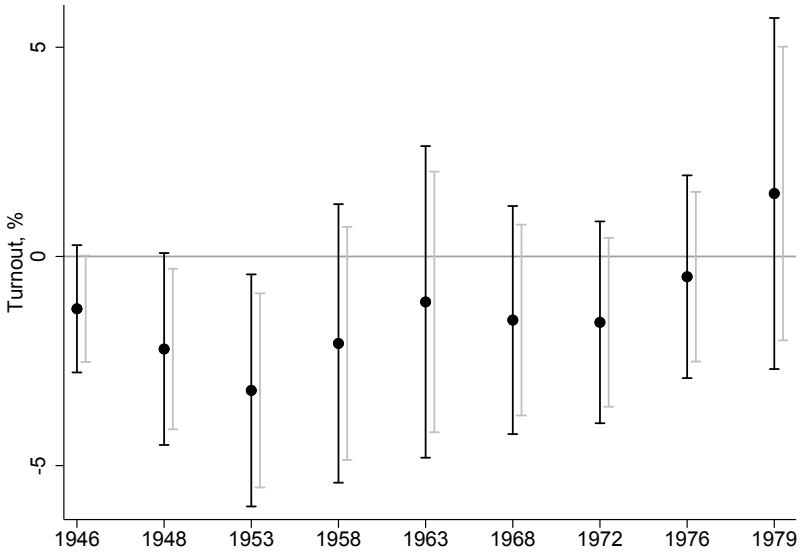
Notes: Plots include a linear fit on each side of the cutoff and 95% confidence intervals (in grey) calculated using robust standard errors.

Figure A5: Effects of Repressive Annexation on Vote Share for Extremists



Notes: The figure presents estimates of the year-by-year RD specifications for the elections held between 1946 and 1979. The outcome is the vote share of extremist parties, which consist of the communist and neo-fascist parties. Black and grey lines correspond to the 95% and 90% confidence intervals.

Figure A6: Effects of Repressive Annexation on Turnout



Notes: The figure presents estimates of the year-by-year RD specifications for the elections held between 1946 and 1979. Black and grey lines correspond to the 95% and 90% confidence intervals.

Table A1: Summary Statistics for Main Variables

Variables	Obs.	Mean	S.D.	Min	Max
Comune in Operational Zone (OZ), excl. Trento/Bolzano	4,064	0.07	0.26	0	1
Distance to OZ Boundary, km	4,064	196	102.3	0	412
Wartime Outcomes (1943–1945)					
Deportations, per 1000 of 1936 Pop.	3,865	0.462	1.074	0	17.7
Violent Episodes, per 1000 of 1936 Pop.	3,865	0.23	0.62	0	11.4
Nazi Violence Episodes, per 1000 of 1936 Pop.	3,865	0.15	0.50	0	11.4
Total Victims, per 1000 of 1936 Pop.	3,865	0.87	4.01	0	124
Victims in Nazi Episodes, per 1000 of 1936 Pop.	3,865	0.68	3.86	0	124
Presence of Partisan Brigades, per 1000 of 1936 Pop.	4,064	0.10	0.30	0	1
National Elections (1946–1979)					
Turnout, %	36,121	93.4	5.3	36.8	100
Vote Share of Christian Democrats, %	36,121	49.6	15.9	0.9	97.4
Vote Share of Communist Parties, %	36,121	22.4	14.9	0	85.1
Vote Share of Fascist Parties, %	32,221	2.2	1.9	0	25
Vote Share of Extremist Parties, %	36,121	24.4	15.2	0	85.3
Local Elections (1951–1956)					
Turnout, %	5,834	88.1	9.4	18.3	100
Vote Share of Christian Democrats, %	5,839	49.4	23.3	0	100
Vote Share of Communist Parties, %	5,839	27.2	22.2	0	100
European Elections (1979–1984)					
Turnout, %	8,127	87.4	7.0	30.0	100
Vote Share of Christian Democrats, %	8,127	43.9	14.2	5.0	91.6
Vote Share of Communist Parties, %	8,127	27.4	12.8	0	73.1
Referenda					
Vote Share for Italian Republic (1946), %	3,728	58.1	16.2	7.7	95.1
Vote Share Against Reale Law (1978), %	3,981	19.6	5.6	2.0	75.5
Past Elections					
Turnout (1919–1921), % of 1921 Male Pop.	4,812	42.9	13.0	0.5	100
Vote Share of Catholic Parties (1919–1921), %	5,046	34.4	23.2	0	100
Vote Share of Communist Party (1921), %	2,380	3.7	8.6	0	85.8
Comune Characteristics					
Annual Population Growth (1921-36), %	3,564	1.7	3.3	-11.0	26.0
Illiteracy Rate (1921), % of Pop. 6+	3,749	11.2	7.2	0	60.1
Population Density (1921)	3,749	166.1	180.3	2.25	4,258
Italian Population (1933), %	716	89.7	8.6	21.6	100
German Population (1933), %	716	1.1	4.1	0	70.3
Slavic Population (1933), %	716	1.0	2.1	0	26.3
Workforce (1936), % of Pop.	3,865	48.6	7.9	23.2	90.7
Agricultural Workers (1936), % of Pop.	3,865	28.7	13.0	0.98	73.0
Industrial Workers (1936), % of Pop.	3,865	13.5	10.2	0	53.3
Minimum Altitude, m a.s.l.	4,064	221.4	214.4	0	1,748
Maximum Altitude, m a.s.l.	4,064	764.1	853.5	2	7,653

Notes: National elections variables pool data across nine elections held in 1946, 1948, 1953, 1958, 1963, 1968, 1972, 1976, and 1979. Local elections variables pool data across two elections held in 1951 and 1956. European Parliamentary elections variables pool data across two elections held in 1979 and 1984. See Section 2.1 for data sources.

Table A2: Effect of Repressive Annexation on National Electoral Outcomes by Decade

	RD	N.	Dep. Var.	
	Estimate		Mean	S.D.
	(1)	(2)	(3)	(4)
Extremist Parties' Vote Share, %				
1940s	3.059	7,835	22.5	17.4
	(2.087)			
1950s	4.485***	8,028	18.5	12.8
	(1.358)			
1960s	4.005*	8,099	23.5	14.4
	(2.131)			
1970s	4.769***	12,159	30.0	13.7
	(1.466)			
Christian Democrats' Vote Share, %				
1940s	-1.485	7,835	50.0	17.9
	(2.513)			
1950s	-3.163	8,028	51.2	15.8
	(2.172)			
1960s	-4.723*	8,099	50.0	15.7
	(1.982)			
1970s	-3.979*	12,159	47.9	14.5
	(1.554)			
Turnout, %				
1940s	-1.808**	7,835	92.2	5.0
	(0.773)			
1950s	-2.770**	8,028	93.3	5.5
	(1.048)			
1960s	-1.193	8,099	93.7	5.5
	(1.199)			
1970s	-0.245	12,159	94.0	4.9
	(0.990)			

Notes: Column 1 reports the conventional RD estimates for the effect of the treatment using a first-order polynomial with no covariates, and the bias-corrected significance levels following Calonico et al. (2014b). Standard errors are calculated using a heteroskedasticity–robust nearest-neighbor variance estimator with the minimum number of neighbors equal to three. Columns 3 and 4 report the mean and standard deviation for the outcome variable as in Table A1. Two national elections were held in the 1940s (1946 and 1948), two in the 1950s (1953 and 1958), two in the 1960s (1963 and 1968), and three in the 1970s (1972, 1976, and 1979). Vote share of extremist parties is the combined vote share of neo-fascist and communist parties. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Table A3: Effects on Trust Using 1968 Survey Data

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Low Political Trust Score		Many People in the Government Are Dishonest		Perceived Vote for Extremist Parties		Perceived Vote for Communists		Perceived Vote for Neo-Fascists	
OZ Provinces	0.161**	0.177***	0.148**	0.162**	0.160***	0.160***	0.129***	0.130***	0.030	0.029
	[0.065]	[0.064]	[0.071]	[0.073]	[0.046]	[0.048]	[0.039]	[0.040]	[0.021]	[0.020]
Sex (1 = male)		0.003		0.005		-0.017		-0.016		-0.002
		[0.080]		[0.076]		[0.034]		[0.032]		[0.008]
Finished Middle School		-0.050		-0.051		-0.006		-0.016		0.010
		[0.078]		[0.085]		[0.042]		[0.040]		[0.025]
Married		0.020		0.021		0.083**		0.071**		0.012
		[0.094]		[0.075]		[0.032]		[0.030]		[0.008]
Age		-0.012		-0.008		-0.006		-0.008		0.003*
		[0.014]		[0.012]		[0.006]		[0.006]		[0.001]
Age Squared		0.000		0.000		0.000		0.000		-0.000*
		[0.000]		[0.000]		[0.000]		[0.000]		[0.000]
Employed		0.108		0.044		0.050		0.047		0.003
		[0.077]		[0.077]		[0.037]		[0.033]		[0.016]
Observations	214	213	212	211	246	246	246	246	246	246
Mean	0.210	0.211	0.198	0.199	0.073	0.073	0.061	0.061	0.012	0.012
SD	0.408	0.409	0.400	0.400	0.261	0.261	0.240	0.240	0.110	0.110
R-squared	0.031	0.057	0.028	0.045	0.066	0.097	0.051	0.082	0.014	0.024

Notes: The table explores differences in political trust and preferences between former OZ residents and residents of neighboring provinces, namely Padova, Treviso, Venezia, Verona, and Vicenza. Data come from the 1968 ITANES survey. Political trust score is constructed by the survey designers and combines answers to three questions (including whether many people in the government are dishonest) and, thus, varies from 0 to 3. The survey does not contain a direct question about voting intent, so we rely on the respondents' voting intent as perceived by the interviewers. Standard errors are clustered at the level of a province interacted with 10-year-age-cohort indicators. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Table A4: Effects on Economic Characteristics: 1951 Census

	RD Estimate (1)	N. (2)	Dep. Var. Mean (3)	Dep. Var. S.D. (4)
Drinkable Water, % homes	0.080	4,054	0.719	0.30
	(0.085)			
Interior Latrine, % homes	0.014	4,062	0.19	0.19
	(0.021)			
Electricity, % homes	-0.017	4,062	0.86	0.14
	(0.039)			
Labor-Market Participation	-1.562	4,063	56.9	7.21
	(1.726)			
Employment Rate	-1.004	4,063	53.69	7.28
	(1.791)			
Agricultural Workers, % of Pop.	1.326	4,063	48	25.59
	(3.807)			
Industrial Workers, % of Pop.	0.865	4,063	35.97	22.73
	(2.803)			
Commerce Workers, % of Pop.	-0.795	4,063	8.885	4.967
	(1.008)			
Service Workers , % of Pop.	-1.410	4,063	7.152	5.186
	(0.940)			

Notes: Column 1 and 2 report the conventional RD estimates for the effect of the treatment using a first-order polynomial with no covariates, and the bias-corrected significance levels following Calonico et al. (2014b). In Column 1, standard errors are calculated using a heteroskedasticity-robust nearest-neighbor variance estimator with the minimum number of neighbors equal to three. In Column 2, standard errors in parentheses are clustered at the municipality level. Columns 3 and 4 report the mean and standard deviation for the outcome variable as in Table A1. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.

Table A5: Robustness Checks for the Effect of Annexation on Wartime Experience and Postwar Outcomes

	RD Estimates						Simulated p-value	N.	Dep. Var.	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Mean (9)	SD (10)
Polynomial-Order	1st	2nd	1st	1st	1st	1st				
Baseline Covariates	No	No	Lat/Lon	Segments	No	No				
Bandwidth (km)	CCT	CCT	CCT	CCT	25	50				
A. War Violence (1943–1945)										
Deportations, per 1,000 of 1936 Pop.	0.823*	0.510	0.696*	0.834*	0.780	0.607*	0.00	3,865	0.46	1.07
	(0.430)	(0.376)	(0.422)	(0.428)	(0.440)	(0.375)				
Nazi-led Episodes of Violence, per 1,000 of 1936 Pop.	0.560*	0.600	0.634**	0.588**	0.562	0.498*	0.00	3,865	0.15	0.50
	(0.270)	(0.351)	(0.223)	(0.242)	(0.324)	(0.187)				
Nazi-led Victims of Violence, per 1,000 of 1936 Pop.	1.263*	1.139	1.575**	1.372**	1.284	0.966**	0.01	3,865	0.68	3.86
	(0.718)	(1.125)	(0.636)	(0.648)	(0.753)	(0.461)				
B. National Elections (1946–1979)										
Vote Share Extremist Parties, %, 1946–1979	4.198***	4.481***	2.800**	4.010***	3.424***	4.489**	0.05	36,121	24.4	15.2
	(1.169)	(1.458)	(1.172)	(1.202)	(0.842)	(0.594)				
Vote Share Communists, %, 1946–1979	3.569***	3.954***	2.525**	3.404***	2.879***	3.812*	0.07	36,121	22.4	14.9
	(1.144)	(1.403)	(1.151)	(1.189)	(0.825)	(0.578)				
Vote Share Neo-Fascists, %, 1946–1979	0.715***	0.692	0.315*	0.695***	0.616***	0.779**	0.00	32,221	2.2	1.9
	(0.246)	(0.375)	(0.195)	(0.210)	(0.168)	(0.115)				
Turnout, %, 1946–1979	-1.384**	-1.145	-1.776***	-1.686***	-1.359*	-1.620***	0.00	36,121	93.4	5.3
	(0.547)	(0.608)	(0.396)	(0.443)	(0.448)	(0.323)				
C. Local Elections (1951–1956)										
Vote Share Communist Parties, Local Elections, %	6.735*	10.433**	6.546**	7.884**	5.970***	7.215	0.00	5,839	34.0	19.6
	(3.614)	(4.092)	(2.860)	(3.170)	(2.536)	(1.897)				
Turnout, Local Elections, %	-3.396	-2.697	-4.997***	-3.958**	-3.853	-4.416***	0.00	5,834	35.1	19.6
	(1.545)	(1.915)	(0.895)	(1.155)	(1.239)	(0.908)				
D. The 1978 Italian Referendum										
Vote Share Against Reale Law (1978), %	3.800**	3.861**	3.636**	3.921**	3.734**	4.016***	0.00	3,981	19.6	5.6
	(1.424)	(1.726)	(1.321)	(1.382)	(1.265)	(0.846)				

Notes: Column 1 reports our baseline estimates. Column 2 shows the RD estimates using a second-order polynomial of the running variable with no covariates, and significance levels based on bias-corrected estimates following Calonico et al. (2014b). In Column 1, standard errors are calculated using a heteroskedasticity-robust nearest-neighbor variance estimator with the minimum number of neighbors equal to three. Columns 3 and 4 show the estimates when covariates are included: Column 3 uses a second-order polynomial of the municipal latitude and longitude; Column 4 includes a dummy that takes the value of one if the municipality is closer to the OZAK than the OZAV boundary. Columns 5 and 6 report results using a 25km and 50km bandwidth, respectively. Column 7 shows the simulated p-value based on 200 iterations in which the sample is randomly split in half at the provincial level. Column 8 reports the number of observations under our baseline specification. Columns 9 and 10 report the mean and standard deviation for the outcome variable as in Table A1. * denotes significance at 10%, ** significance at 5% and *** significance at 1%.