

Michele Magnani

CONTACT INFORMATION

Department of Economics, University of Bologna

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EMPLOYMENT

Postdoctoral Research Fellow, University of Bologna

March 2023 – *ongoing*

- project: PRIN 2020: Long-Term Development in Europe: A Disaggregated Historical Database and Spatio-Temporal Analysis of State Capacity Warfare and Diffusion of Ideas (PI: prof. Matteo Cervellati)
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EDUCATION

PhD, Economics and Finance

2019 – 2023

Catholic University of the Sacred Heart, Milan, Italy

Thesis title: “Political Violence, Electoral Competition, and the Rise of Fascism”

Supervisors: prof. Luca V. A. Colombo, prof. Massimiliano G. Onorato

Defense: December 20th, 2023, doctoral committee: prof. Carillo M., prof. Cinnirella F., prof. Ogliari L.

The thesis is composed of two chapters offering a comprehensive analysis of the strategic use of political violence to influence democratic processes, with a specific focus on the rise of Italian Fascism. The first chapter develops a formal theoretical model to analyze the incentives of an extremist party to engage in political violence during electoral competition. The model is set up as a multi-stage game where the moderate and extremist parties compete for votes in a one-dimensional ideological space. The extremist party can send a pre-electoral signal through violent acts, influencing voters’ expectations and the moderate party’s stance. In equilibrium, the extremist has an incentive to engage in pre-electoral violence only when the prior beliefs of the other agents are such that its actual strength is underestimated. The second chapter presents a new dataset of some 17,000 episodes of political violence in post-WWI Italy, assembled with the first complete digitization of official reports stored at the State Archive in Rome. The dataset is used to assess the role of violence in the electoral success of the Fascist movement, and its long-term consequences, highlighting the existence of an intertemporal transmission channel of cultural and political values fueled by the memory of past abuses.

MSc, Economics and Economic Policy

2016 – 2018

University of Bologna, Italy

BA, Economics and Finance

2013 – 2016

Bocconi University, Milan

RESEARCH INTERESTS

Economic History, Political Economy

PUBLISHED PAPERS

“Containment or Bad Detection? Poor State Capacity Implications on Reported Covid-19 Cases”. *Journal of Institutional Economics*, forthcoming, DOI: 10.1017/S1744137424000195. (with **A. Belmonte**)

This paper examines the effects of state capacity on the reported Covid-19 infection (and mortality) rate and its policy implications. We analyze two dimensions of state capacity which were critical during the pandemic. The healthcare capacity acted to contain the virus outbreak (an effect we call containment). The information capacity acted to detect contagious yet asymptomatic cases (an effect we call detection). We argue that containment pushes down the reported infection rate. In contrast, detection pushes it up, thus generating a non-linear combined effect that we estimate systematically using Colombian municipality-level as well as country-level data, different data sources, and various empirical strategies. Our findings indicate that the infection (and mortality) rates were likely under-reported, especially in areas with a low state capacity level, due to their poor capabilities to detect the virus. Our study put the emphasis on the many facets of state capacity, each affecting in complex ways our understanding of important phenomena, such as the Covid-19 outbreak.

WORKING PAPERS

“Roads to Fascism? State Capacity and the Spread of Political Violence” (with **T. Celani, L. Colombo, M. Onorato**) [[PDF](#)]

We investigate the role of state capacity and political violence in favoring regime changes. Specifically, we examine the role of road networks in the spread of Fascist violence in early 1920s Italy. Using novel and comprehensive data on Fascist violence, along with a set of maps of the Italian road network that we digitized and georeferenced for the scope, we investigate the impact of road accessibility on the location and intensity of political violence, addressing endogeneity issues by means of an instrumental variable approach based on the least-cost paths virtual network among major municipalities as an instrument for the actual historical road network. We find that road accessibility played an important role in the spread of early Fascist violence. Our conclusions suggest that incumbents might have a strategic incentive to limit the development of state capacity in order to maintain political power.

WORK IN PROGRESS

“Historical Media Coverage” (with **D. Cipullo, L. Colombo, M. Onorato**)

A growing strand of literature evaluates the political and economic effects of media markets in contemporary settings. We show how this framework can be adapted to historical contexts, in which data on media diffusion can be unreliable or non-existent. We gather several dozens of Italian historical newspapers from digital archives and process them with OCR Python packages to extract the structured text content. We parse the text to extract the frequency of mentions for each municipality and construct a panel at the municipality-newspaper-day level. In order to filter out ‘false positives’ due to town names similar to common words or notable individuals, we regress the count of mentions for each municipality-day-newspaper tuple against a set of day, newspaper, and municipality fixed effects, excluding from the media market of a given outlet all municipalities whose regression residuals fail to clear a data-driven threshold. Further cleaning steps in GIS, based on spatial clustering and contiguity, yield the final media markets for each newspaper. We employ the reconstructed local media markets in a case study on the political competition around the first general elections in Italy after the Great War.

“Media sentiment under the threat of political violence” (with D. Cipullo, L. Colombo, M. Onorato)

Building on a panel dataset of episodes of Fascist violence at the day-level in 1919-22, this project studies the strategic incentives for political violence related to media coverage. We collect and digitize approximately a hundred local newspapers from the early XX century that we process with OCR techniques in order to extract their texts. We exploit the newspaper content to reconstruct outlet-specific local media markets. Furthermore, we analyze the subject and tone of each article with natural language processing tools. We set up a spatial diff-in-disc research design in order to obtain meaningful causal estimates. The preliminary findings show that the probability of observing a Fascist attack sharply increases for municipalities just inside the media market as compared to similar municipalities just outside of it, suggesting that Fascist squads were aware of the propaganda potential of media attention. The tone shift in the journalistic coverage following a Fascist attack depends on the political leaning of each outlet, with newspapers at the opposing ends of the ideological spectrum displaying the largest increase in subjectivity.

“Municipal Fiscal Capacity” (with A. Belmonte, M. Onorato)

The project’s goal is to study the effect of fiscal capacity at the subnational level on the provision of public goods. Setting the analysis against the backdrop of the late XIX century newborn Kingdom of Italy, we exploit a sharp discontinuity in the municipality capability to levy taxes. Right after the Unification, a 1864 law created a dual system for the collection of the consumption tax, with towns above the 8000 inhabitants cutoff allowed to set up a custom belt and tax the goods upon the entrance of the town rather than at retail. We digitize three waves of municipal budget censuses for the universe of Italian municipalities from 1884, 1895, and 1912, and exploit the policy design to implement a regression discontinuity comparing municipalities around the cutoff. The local randomization at the population threshold allows us to obtain a causal estimate of the effect of municipal autonomy in the tax collection domain on further dimensions, such as education spending at the municipal level.

PRESENTATIONS

2025 (*scheduled*): Political Economy Research Day – Catholic University, Milan

2024: P&I Clinic, Bocconi University – Economic History Seminar, University of Bologna – Political Economy Work-in-Progress Seminar Series, Catholic University, Milan – ASREC Conference, Thessaloniki

TEACHING EXPERIENCE

Contract Theory, PhD, Teaching Assistant Catholic University of the Sacred Heart, Milan, Italy	2024
Macroeconomics, Undergraduate, Teaching Assistant Catholic University of the Sacred Heart, Milan, Italy	2020 – 2022
Macroeconomics, Undergraduate, Teaching Assistant University of Bologna, Italy	2019

LANGUAGES

Italian (native), **English** (advanced - IELTS ACADEMIC band 8.0), **French** (good), **Spanish** (intermediate)

SOFTWARES AND CODING SKILLS

- **Microsoft Office** – advanced
 - **LaTeX** – advanced
 - **Python** – advanced
 - **QGIS** – advanced
 - **Stata** – advanced
 - **Matlab** – intermediate
 - **R** – basic
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OTHER

GRE GENERAL TEST (Nov. 2018): Verbal 167 (98th percentile), Quantitative 164 (86th percentile)

IELTS ACADEMIC (May 2019) – 8.0