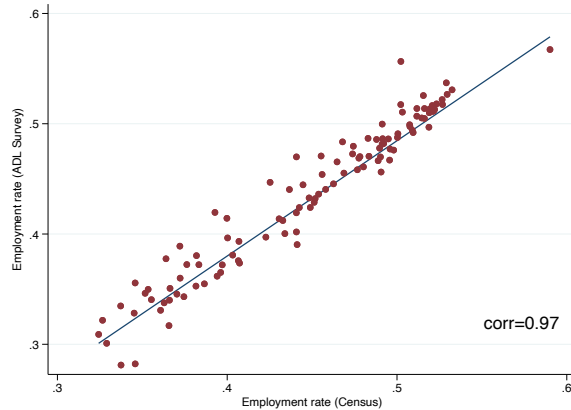


1. ONLINE APPENDIX

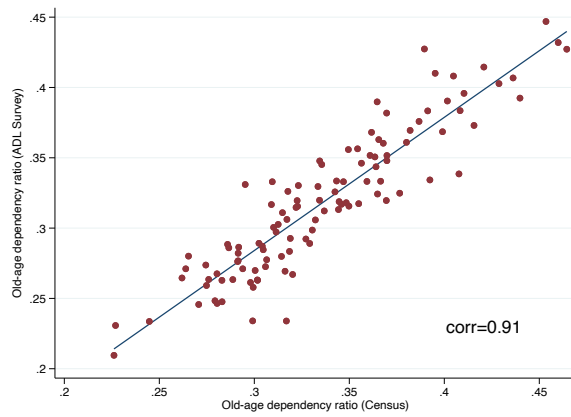
Online material for *Unpacking Social Capital*

FIGURE A1: REPRESENTATIVENESS OF ADL SURVEY

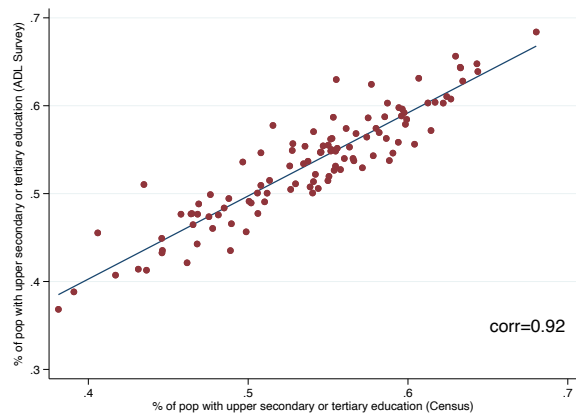
(a) Employment rate



(b) Old-age dependency ratio



(c) Education



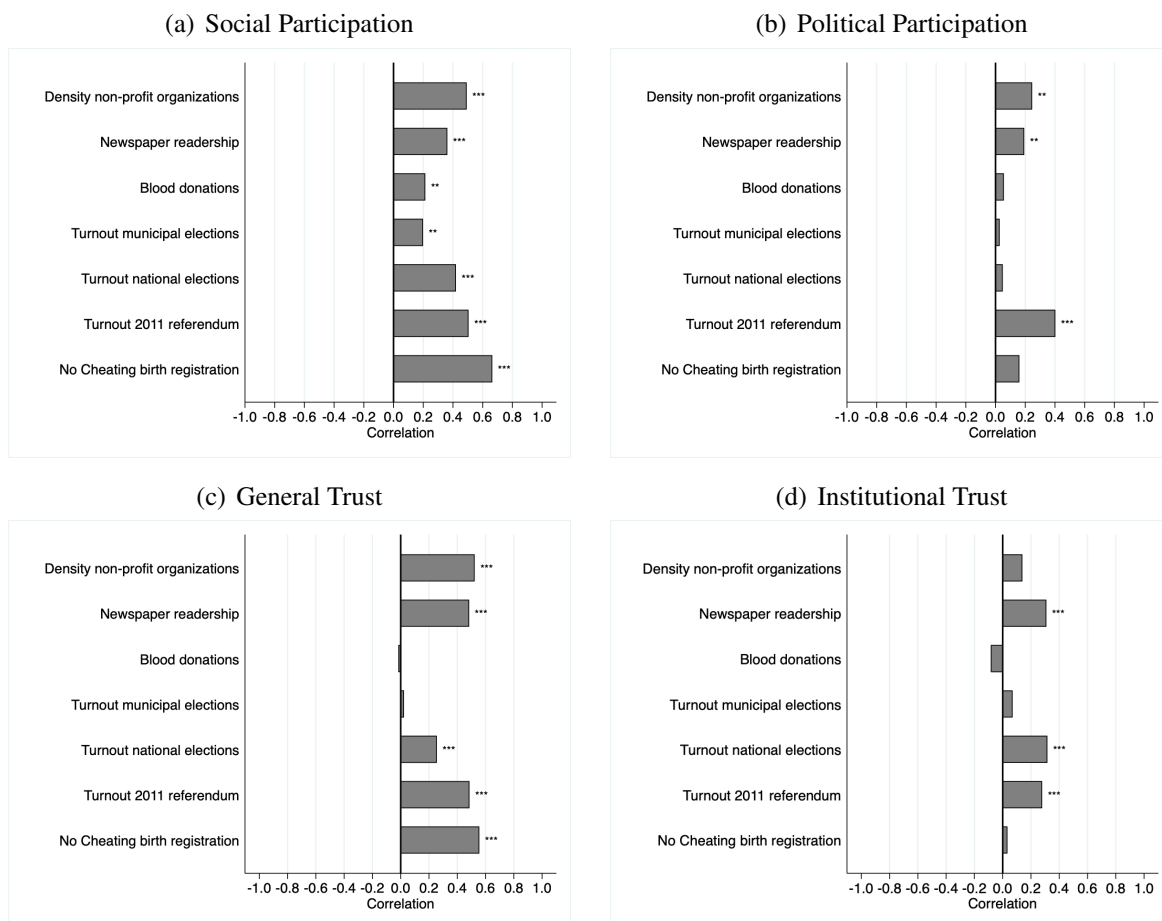
*Notes.* An important issue when moving from the individual to the aggregate level is whether the ISTAT survey data is representative of the underlying population at the geographical level of analysis. Despite the survey not being specifically designed to be representative at the provincial level, in this figure we use official census data on provincial characteristics to show that the survey turns out to represent the underlying population pretty faithfully. We show that for the three variables taken into account (employment rate, old-age dependency ratio, and educational level measured as an indicator for high school and above), results from the ADL survey and the Italian Census present high correlations (of 0.97, 0.91 and 0.92 respectively) and with fitted lines almost overlapping with a 45 degree one.

FIGURE A2: EVOLUTION OF SOCIAL CAPITAL DIMENSIONS OVER TIME



*Notes.* The figure explores the evolution of the four social capital components over time (2000-2015). Yearly averages are computed starting from individual level values of components and normalized to 100 for the first year of the time series. Grey shaded areas indicate years of recession (negative yearly GDP change). Specifically, the financial crisis (2008-2009) and the European sovereign debt crisis (2012). These two “economic recessions” have not induced significant changes but they triggered a more substantial amount of volatility

FIGURE A3: CORRELATION OF ADL-BASED COMPONENTS OF SOCIAL CAPITAL WITH OTHER EXISTING MEASURES: CONDITIONAL ON GEOGRAPHY



Notes. The figure reports pairwise correlations between ADL-based components of social capital and a set of existing measures that have been used in the literature, conditional on an indicator *north* to capture the north-south divide exemplified in Figure 5. Information on the density of non-profit organization comes from the "Atlante Storico Comuni" and is available for 110 provinces; Information on newspaper readership comes from ADS(as described in the data section) and is available for 105 provinces; Blood donation refers to the number of blood bags per million inhabitants and is available for 99 provinces; Information on turnout at municipal and national elections comes from the Italian Ministry of Interior (average turnout for all municipal and national elections between 1993 and 2014) and is available for 108 provinces; Information on turnout at 2011 referendum also comes from the Italian Ministry of Interior and is available for 110 provinces; Cheating on birthdate registration is a measure developed by ? based on 1991 Census and is available only for the set of 95 provinces existing in 1991. All remaining variables are available for the entire sample of 110 Italian provinces. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A1: LIST OF ADL-SURVEY SOCIAL CAPITAL QUESTIONS

| <b>List of questions</b> |   |
|--------------------------|---|
| 1)                       | Did you give money to voluntary associations?   |
| 2)                       | Did you perform unpaid activities for voluntary associations?                           |
| 3)                       | Did you perform unpaid activities for non-voluntary associations?                       |
| 4)                       | Did you participate to meetings of voluntary associations?                              |
| 5)                       | Did you participate to meetings of environmental or civic rights associations?          |
| 6)                       | Did you participate to meetings of cultural or recreational associations?               |
| 7)                       | Did you attend a political rally?   |
| 8)                       | Did you participate in a public demonstration?  |
| 9)                       | Did you attend and listen a political debate?   |
| 10)                      | Did you give money to a political party?  |
| 11)                      | Did you perform non-paid activity for a political party?                                |
| 12)                      | Did you perform non-paid activity for a trade union?                                    |
| 13)                      | Did you attend a meeting of a political party or trade union?                           |
| 14)                      | Do you think that most people can be trusted?   |
| 15)                      | If you loose your wallet, what are the chances that it will be returned by a neighbour? |
| 16)                      | If you loose your wallet, what are the chances that it will be returned by a stranger?  |
| 17)                      | How much do you trust the Italian Parliament?   |
| 18)                      | How much do you trust the European Parliament?  |
| 19)                      | How much do you trust the regional government?  |
| 20)                      | How much do you trust the provincial government?  |
| 21)                      | How much do you trust the municipal government?   |
| 22)                      | How much do you trust the political parties?  |
| 23)                      | How much do you trust the judiciary system?   |
| 24)                      | How much do you trust the police?   |

*Notes.* The table reports the 24 questions from the Aspects of Daily Life (ADL) ISTAT Survey. We used these questions to explore the different dimensions of social capital. Questions 1 to 13 refer to the 12 months previous to the interview. The questions appear in the questionnaire in the following sequence: 9, 10, 11, 2, 3, 4, 5, 6, 7, 8, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24. Appendix Table ?? below reports the time period for which each of these questions is available.

TABLE A2: ADL-SURVEY SOCIAL CAPITAL QUESTIONS: DESCRIPTIVE STATISTICS

| ID | Survey Item  | Years     | N       | Mean | SD   |
|----|--|-----------|---------|------|------|
| 1  | Gives money to voluntary assoc (0/1)                 | 2000–2015 | 599,896 | 0.17 | 0.38 |
| 2  | Non-paid activity for voluntary assoc (0/1)          | 2000–2015 | 600,504 | 0.10 | 0.30 |
| 3  | Non-paid activity for non-voluntary assoc (0/1)      | 2000–2015 | 599,870 | 0.04 | 0.19 |
| 4  | Attend meeting of voluntary assoc (0/1)              | 2000–2015 | 597,113 | 0.08 | 0.27 |
| 5  | Attend meeting of enviro or civil rights assoc (0/1) | 2000–2015 | 596,022 | 0.02 | 0.14 |
| 6  | Attend meeting of cultural or recreation assoc (0/1) | 2000–2015 | 597,272 | 0.01 | 0.30 |
| 7  | Attend political rally (0/1)                         | 2000–2015 | 601,446 | 0.07 | 0.25 |
| 8  | Participate in demonstration (0/1)                   | 2000–2015 | 600,371 | 0.05 | 0.22 |
| 9  | Listens to political debate (0/1)                    | 2000–2015 | 600,408 | 0.24 | 0.43 |
| 10 | Gives money to political party (0/1)                 | 2000–2015 | 600,258 | 0.03 | 0.17 |
| 11 | Non-paid activity for political party (0/1)          | 2000–2015 | 600,279 | 0.01 | 0.12 |
| 12 | Non-paid activity for trade union (0/1)              | 2000–2015 | 600,015 | 0.01 | 0.12 |
| 13 | Attend meeting of party or trade union (0/1)         | 2000–2015 | 600,172 | 0.14 | 0.34 |
| 14 | Can trust most people (0/1)                          | 2010–2015 | 233,590 | 0.22 | 0.41 |
| 15 | Neighbor will give back wallet (1-4)                 | 2010–2015 | 232,807 | 2.95 | 0.95 |
| 16 | Stranger will give back wallet (1-4)                 | 2010–2015 | 232,355 | 1.65 | 0.74 |
| 17 | Trust in the Italian parliament (0-10)               | 2012–2015 | 152,484 | 3.41 | 2.55 |
| 18 | Trust in the EU parliament (0-10)                    | 2012–2015 | 152,190 | 3.89 | 2.57 |
| 19 | Trust in the local government (regional) (0-10)      | 2012–2015 | 152,328 | 3.54 | 2.56 |
| 20 | Trust in the local government (provincial) (0-10)    | 2012–2015 | 151,094 | 3.47 | 2.56 |
| 21 | Trust in the local government (municipal) (0-10)     | 2012–2015 | 152,337 | 4.42 | 2.75 |
| 22 | Trust in the political parties (0-10)                | 2012–2015 | 152,250 | 2.29 | 2.35 |
| 23 | Trust in the judiciary (0-10)                        | 2012–2015 | 152,186 | 4.24 | 2.67 |
| 24 | Trust in the police (0-10)                           | 2012–2015 | 152,486 | 6.38 | 2.37 |

*Notes.* The table reports descriptive stats for the 24 variables from the Aspects of Daily Life (ADL) Survey from ISTAT used to explore social capital. The questions are spelled out in Appendix Table ?? above. The table also reports the years for which each question is available, the sample size, together with its mean and standard deviation.

TABLE A3: PAIRWISE CORRELATIONS AMONG ADL-SURVEY QUESTIONS

| ID      | 1: SP1 | 2: SP2 | 3: SP3 | 4: SP4 | 5: SP5 | 6: SP6 | 7: PP1 | 8: PP2 | 9: PP3 | 10: PP4 | 11: PP5 | 12: PP6 | 13: PP7 | 14: GT1 | 15: GT2 | 16: GT3 | 17: IT1 | 18: IT2 | 19: IT3 | 20: IT4 | 21: IT5 | 22: IT6 | 23: IT7 | 24: IT8 |  |
|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| 1: SP1  | 1      |        |        |        |        |        |        |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 2: SP2  | 0.34   | 1      |        |        |        |        |        |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 3: SP3  | 0.23   | 0.30   | 1      |        |        |        |        |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 4: SP4  | 0.32   | 0.67   | 0.24   | 1      |        |        |        |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 5: SP5  | 0.17   | 0.20   | 0.17   | 0.25   | 1      |        |        |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 6: SP6  | 0.34   | 0.34   | 0.35   | 0.34   | 0.26   | 1      |        |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 7: PP1  | 0.13   | 0.12   | 0.12   | 0.12   | 0.14   | 0.16   | 1      |        |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 8: PP2  | 0.25   | 0.16   | 0.12   | 0.15   | 0.13   | 0.21   | 0.30   | 1      |        |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 9: PP3  | 0.25   | 0.16   | 0.11   | 0.11   | 0.11   | 0.13   | 0.25   | 0.14   | 1      |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 10: PP4 | 0.17   | 0.11   | 0.11   | 0.11   | 0.11   | 0.13   | 0.27   | 0.17   | 0.17   | 1       |         |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 11: PP5 | 0.12   | 0.13   | 0.14   | 0.12   | 0.13   | 0.13   | 0.27   | 0.17   | 0.17   | 0.42    | 1       |         |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 12: PP6 | 0.10   | 0.09   | 0.09   | 0.08   | 0.09   | 0.08   | 0.13   | 0.18   | 0.12   | 0.13    | 0.23    | 1       |         |         |         |         |         |         |         |         |         |         |         |         |  |
| 13: PP7 | 0.25   | 0.17   | 0.15   | 0.18   | 0.16   | 0.24   | 0.30   | 0.21   | 0.30   | 0.25    | 0.24    | 0.25    | 1       |         |         |         |         |         |         |         |         |         |         |         |  |
| 14: GT1 | 0.13   | 0.11   | 0.08   | 0.11   | 0.08   | 0.12   | 0.05   | 0.05   | 0.09   | 0.07    | 0.05    | 0.04    | 0.09    | 1       |         |         |         |         |         |         |         |         |         |         |  |
| 15: GT2 | 0.14   | 0.10   | 0.07   | 0.09   | 0.04   | 0.11   | 0.03   | 0.03   | 0.08   | 0.04    | 0.02    | 0.02    | 0.07    | 0.23    | 1       |         |         |         |         |         |         |         |         |         |  |
| 16: GT3 | 0.13   | 0.10   | 0.07   | 0.09   | 0.06   | 0.10   | 0.03   | 0.04   | 0.08   | 0.06    | 0.04    | 0.03    | 0.08    | 0.29    | 0.29    | 1       |         |         |         |         |         |         |         |         |  |
| 17: IT1 | 0.01   | 0.00   | -0.01  | 0.01   | 0.00   | 0.01   | 0.00   | -0.01  | 0.01   | 0.03    | 0.02    | 0.01    | 0.01    | 0.14    | 0.09    | 0.12    | 1       |         |         |         |         |         |         |         |  |
| 18: IT2 | 0.05   | 0.03   | 0.02   | 0.03   | 0.03   | 0.05   | 0.02   | 0.02   | 0.05   | 0.05    | 0.02    | 0.02    | 0.03    | 0.15    | 0.13    | 0.13    | 0.79    | 1       |         |         |         |         |         |         |  |
| 19: IT3 | 0.05   | 0.03   | 0.01   | 0.03   | 0.01   | 0.04   | 0.01   | -0.01  | 0.03   | 0.05    | 0.03    | 0.01    | 0.02    | 0.14    | 0.13    | 0.14    | 0.72    | 0.68    | 1       |         |         |         |         |         |  |
| 20: IT4 | 0.05   | 0.04   | 0.02   | 0.04   | 0.00   | 0.04   | 0.00   | -0.01  | 0.01   | 0.04    | 0.02    | 0.01    | 0.01    | 0.13    | 0.14    | 0.14    | 0.69    | 0.67    | 0.90    | 1       |         |         |         |         |  |
| 21: IT5 | 0.08   | 0.06   | 0.04   | 0.05   | 0.01   | 0.06   | 0.02   | -0.01  | 0.03   | 0.05    | 0.03    | 0.01    | 0.03    | 0.14    | 0.17    | 0.13    | 0.52    | 0.51    | 0.67    | 0.69    | 1       |         |         |         |  |
| 22: IT6 | 0.01   | 0.01   | 0.02   | 0.01   | 0.02   | 0.02   | 0.06   | 0.03   | 0.03   | 0.10    | 0.08    | 0.03    | 0.04    | 0.14    | 0.08    | 0.12    | 0.68    | 0.59    | 0.65    | 0.65    | 0.50    | 1       |         |         |  |
| 23: IT7 | 0.02   | 0.01   | 0.01   | 0.02   | 0.02   | 0.03   | 0.03   | 0.02   | 0.05   | 0.04    | 0.02    | 0.02    | 0.03    | 0.15    | 0.11    | 0.11    | 0.55    | 0.54    | 0.50    | 0.49    | 0.41    | 0.50    | 1       |         |  |
| 24: IT8 | 0.04   | 0.02   | -0.01  | 0.02   | -0.02  | 0.01   | -0.01  | -0.03  | 0.04   | 0.01    | 0.00    | 0.01    | 0.01    | 0.10    | 0.15    | 0.07    | 0.37    | 0.36    | 0.37    | 0.36    | 0.39    | 0.26    | 0.51    | 1       |  |

Notes. The table reports pairwise correlations between the 20 social capital questions contained in the ADL Survey. The questions are described in Table A1.

TABLE A4: CORRELATIONS AMONG SOCIAL CAPITAL COMPONENTS - PCA SCORES

|                         | Social Participation | Political Participation | General Trust | Institutional Trust |
|-------------------------|----------------------|-------------------------|---------------|---------------------|
| Social Participation    | 1.000                |                         |               |                     |
| Political Participation | 0.347*               | 1.000                   |               |                     |
| General Trust           | 0.143*               | 0.221*                  | 1.000         |                     |
| Institutional Trust     | 0.045*               | 0.042*                  | 0.231*        | 1.000               |

*Notes.* The table reports pairwise correlations between the four PCA scores of social capital (based on rotated components). Correlation coefficients significant at the 0.05 level or more are indicated with a star. The correlations are calculated on the sample of 143,913 individuals who have a value for each of the four PCA-scores.



TABLE A5: INDIVIDUAL LEVEL CORRELATES OF SOCIAL CAPITAL DIMENSIONS

|                            | <u>Univariate</u>                 | <u>Multivariate</u> | <u>Univariate</u>                    | <u>Multivariate</u>  |
|----------------------------|-----------------------------------|---------------------|--------------------------------------|----------------------|
|                            | Panel (a)<br>Social Participation |                     | Panel (b)<br>Political Participation |                      |
|                            | (1)                               | (2)                 | (3)                                  | (4)                  |
| Age                        | -0.067***<br>(0.001)              | 0.003**<br>(0.001)  | -0.078***<br>(0.001)                 | 0.004***<br>(0.001)  |
| Male                       | 0.087***<br>(0.003)               | 0.062***<br>(0.003) | 0.312***<br>(0.003)                  | 0.261***<br>(0.003)  |
| Married                    | 0.014***<br>(0.003)               | 0.037***<br>(0.003) | 0.077***<br>(0.003)                  | 0.079***<br>(0.003)  |
| Employed                   | 0.202***<br>(0.003)               | 0.073***<br>(0.003) | 0.352***<br>(0.003)                  | 0.195***<br>(0.003)  |
| Higher education and above | 0.391***<br>(0.003)               | 0.373***<br>(0.003) | 0.380***<br>(0.003)                  | 0.323***<br>(0.003)  |
| Observations               | 588,989                           | 588,989             | 591,788                              | 591,788              |
|                            | Panel (c)<br>General Trust        |                     | Panel (d)<br>Institutional Trust     |                      |
|                            | (5)                               | (6)                 | (7)                                  | (8)                  |
| Age                        | -0.033***<br>(0.002)              | 0.033***<br>(0.002) | 0.073***<br>(0.003)                  | 0.082***<br>(0.003)  |
| Male                       | 0.038***<br>(0.004)               | 0.013***<br>(0.004) | -0.035***<br>(0.005)                 | -0.023***<br>(0.005) |
| Married                    | 0.023***<br>(0.004)               | 0.019***<br>(0.004) | 0.038***<br>(0.005)                  | 0.002<br>(0.005)     |
| Employed                   | 0.207***<br>(0.004)               | 0.128***<br>(0.005) | -0.052***<br>(0.005)                 | -0.026***<br>(0.006) |
| Higher education and above | 0.313***<br>(0.004)               | 0.295***<br>(0.005) | 0.021***<br>(0.005)                  | 0.085***<br>(0.006)  |
| Observations               | 231,387                           | 231,387             | 149,601                              | 149,601              |

*Notes.* This Table explores the individual level correlates of social capital dimensions. It provides the estimated coefficients of OLS regressions behind Figure 4. The outcomes variables are our four ADL survey social capital dimensions which we describe in section 3.1. We regress them on a set of self-reported individual characteristics from the ADL survey. Age is a continuous variable reporting the individual's age. Male, Married and Employed are indicators equal to 1 respectively if a respondent is a man, married and employed. Higher education and above is equal to 1 is an individual has at least a higher education degree. Odd columns report estimates from univariate regressions in which the individual socio-demographic characteristics are included one at the time, while even columns report estimates from regressions in which the six individual characteristics are included all together. All variables, including our outcome, are standardized. The sample is composed of individuals answering to all of the questions we use to identify our social capital dimensions. Observations varies across dimensions because of their availability as described in Appendix Table A1. All regressions have robust standard errors. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A6: INDIVIDUAL LEVEL CORRELATES OF SOCIAL CAPITAL DIMENSIONS - PCA SCORES

|                            | <u>Univariate</u>                 | <u>Multivariate</u> | <u>Univariate</u>                    | <u>Multivariate</u>  |
|----------------------------|-----------------------------------|---------------------|--------------------------------------|----------------------|
|                            | Panel (a)<br>Social Participation |                     | Panel (b)<br>Political Participation |                      |
|                            | (1)                               | (2)                 | (3)                                  | (4)                  |
| Age                        | -0.065***<br>(0.002)              | 0.005**<br>(0.002)  | -0.070***<br>(0.002)                 | -0.006**<br>(0.003)  |
| Male                       | 0.240***<br>(0.005)               | 0.209***<br>(0.005) | 0.074***<br>(0.005)                  | 0.058***<br>(0.005)  |
| Married                    | 0.034***<br>(0.005)               | 0.033***<br>(0.005) | -0.008<br>(0.005)                    | 0.013**<br>(0.005)   |
| Employed                   | 0.274***<br>(0.006)               | 0.146***<br>(0.006) | 0.181***<br>(0.005)                  | 0.054***<br>(0.006)  |
| Higher education and above | 0.330***<br>(0.005)               | 0.285***<br>(0.006) | 0.364***<br>(0.005)                  | 0.343***<br>(0.006)  |
| Observations               | 143,913                           | 143,913             | 143,913                              | 143,913              |
|                            | Panel (c)<br>General Trust        |                     | Panel (d)<br>Institutional Trust     |                      |
|                            | (5)                               | (6)                 | (7)                                  | (8)                  |
| Age                        | -0.021***<br>(0.003)              | 0.054***<br>(0.003) | 0.068***<br>(0.003)                  | 0.076***<br>(0.003)  |
| Male                       | 0.049***<br>(0.005)               | 0.020***<br>(0.005) | -0.038***<br>(0.005)                 | -0.026***<br>(0.005) |
| Married                    | 0.055***<br>(0.005)               | 0.041***<br>(0.005) | 0.029***<br>(0.005)                  | -0.004<br>(0.006)    |
| Employed                   | 0.245***<br>(0.005)               | 0.162***<br>(0.006) | -0.055***<br>(0.005)                 | -0.028***<br>(0.006) |
| Higher education and above | 0.349***<br>(0.005)               | 0.335***<br>(0.006) | 0.016***<br>(0.005)                  | 0.076***<br>(0.006)  |
| Observations               | 143,913                           | 143,913             | 143,913                              | 143,913              |

*Notes.* The table reports the estimated coefficients of OLS regressions of each of the four PCA scores of social capital on a range of self-reported individual characteristics from the ADL survey including: age, gender, marital status, employment status, a dummy for higher education (i.e., university degree or more). Odd columns report the results from univariate regressions in which individual characteristics are included one at the time; even columns report the results from regressions in which the six characteristics are included simultaneously. When using PCA components we only use years in which all questions are available. Year, 2012-2015 and sample size: 143,913. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A7: INDIVIDUAL LEVEL CORRELATES OF SOCIAL CAPITAL DIMENSIONS – CONTROLLING FOR NORTH-SOUTH DIVIDE

|                            | <u>Univariate</u>                 | <u>Multivariate</u>    | <u>Univariate</u>                    | <u>Multivariate</u>     |
|----------------------------|-----------------------------------|------------------------|--------------------------------------|-------------------------|
|                            | Panel (a)<br>Social Participation |                        | Panel (b)<br>Political Participation |                         |
|                            | (1)                               | (2)                    | (3)                                  | (4)                     |
| Age                        | -0.0670***<br>(0.00116)           | 0.00310**<br>(0.00132) | -0.0784***<br>(0.00110)              | 0.00352***<br>(0.00124) |
| Male                       | 0.0867***<br>(0.00262)            | 0.0621***<br>(0.00265) | 0.312***<br>(0.00261)                | 0.261***<br>(0.00262)   |
| Married                    | 0.0136***<br>(0.00263)            | 0.0368***<br>(0.00259) | 0.0774***<br>(0.00260)               | 0.0793***<br>(0.00250)  |
| Employed                   | 0.202***<br>(0.00268)             | 0.0733***<br>(0.00304) | 0.352***<br>(0.00268)                | 0.194***<br>(0.00300)   |
| Higher education and above | 0.391***<br>(0.00271)             | 0.373***<br>(0.00299)  | 0.380***<br>(0.00268)                | 0.323***<br>(0.00289)   |
| Observations               | 588,989                           | 588,989                | 591,788                              | 591,788                 |
| North-South divide         | Yes                               | Yes                    | Yes                                  | Yes                     |
|                            | Panel (c)<br>General Trust        |                        | Panel (d)<br>Institutional Trust     |                         |
|                            | (5)                               | (6)                    | (7)                                  | (8)                     |
| Age                        | -0.0328***<br>(0.00200)           | 0.0328***<br>(0.00229) | 0.0734***<br>(0.00258)               | 0.0827***<br>(0.00295)  |
| Male                       | 0.0383***<br>(0.00417)            | 0.0132***<br>(0.00420) | -0.0347***<br>(0.00518)              | -0.0225***<br>(0.00524) |
| Married                    | 0.0232***<br>(0.00417)            | 0.0192***<br>(0.00429) | 0.0376***<br>(0.00519)               | 0.00160<br>(0.00542)    |
| Employed                   | 0.207***<br>(0.00423)             | 0.128***<br>(0.00468)  | -0.0520***<br>(0.00524)              | -0.0249***<br>(0.00583) |
| Higher education and above | 0.313***<br>(0.00413)             | 0.295***<br>(0.00454)  | 0.0216***<br>(0.00517)               | 0.0848***<br>(0.00567)  |
| Observations               | 231,387                           | 231,387                | 149,601                              | 149,601                 |
| North-South divide         | Yes                               | Yes                    | Yes                                  | Yes                     |

*Notes.* This Table explores the individual level correlates of social capital dimensions. It provides the estimated coefficients of OLS regressions behind Figure 4. The outcomes variables are our four ADL survey social capital dimensions which we describe in section 3.1. We regress them on a set of self-reported individual characteristics from the ADL survey. Age is a continuous variable reporting the individual’s age. Male, Married and Employed are indicators equal to 1 respectively if a respondent is a man, married and employed. Higher education and above is equal to 1 is an individual has at least a higher education degree. Odd columns report estimates from univariate regressions in which the individual socio-demographic characteristics are included one at the time, while even columns report estimates from regressions in which the six individual characteristics are included all together. All variables, including our outcome, are standarised. The sample is composed of individuals answering to all of the questions we use to identify our social capital dimensions. Observations varies across dimensions because of their availability as described in Appendix Table A1. All regressions control for North-South dummy and robust standard errors. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A8: PROVINCE LEVEL CORRELATES OF SOCIAL CAPITAL DIMENSIONS

|                                | <u>Univariate</u>                 | <u>Multivariate</u>  | <u>Univariate</u>                    | <u>Multivariate</u>  |
|--------------------------------|-----------------------------------|----------------------|--------------------------------------|----------------------|
|                                | Panel (a)<br>Social Participation |                      | Panel (b)<br>Political Participation |                      |
|                                | (1)                               | (2)                  | (3)                                  | (4)                  |
| % Aged above 75 y.o.           | -0.015<br>(0.100)                 | -0.352***<br>(0.128) | 0.006<br>(0.107)                     | -0.266*<br>(0.147)   |
| % High school or tertiary educ | 0.154*<br>(0.078)                 | 0.004<br>(0.096)     | 0.222**<br>(0.096)                   | 0.472***<br>(0.127)  |
| Unemployment rate              | -0.587***<br>(0.075)              | -0.876***<br>(0.254) | -0.192<br>(0.133)                    | -0.060<br>(0.315)    |
| % House ownership              | 0.310***<br>(0.054)               | 0.107<br>(0.090)     | 0.186**<br>(0.079)                   | 0.091<br>(0.099)     |
| % Immigrants                   | 0.318***<br>(0.076)               | -0.119<br>(0.148)    | 0.011<br>(0.103)                     | -0.156<br>(0.192)    |
| Population density (logs)      | -0.146*<br>(0.082)                | -0.136<br>(0.091)    | -0.225**<br>(0.104)                  | -0.374***<br>(0.131) |
| Observations                   | 110                               | 110                  | 110                                  | 110                  |
| North-South divide             | Yes                               | Yes                  | Yes                                  | Yes                  |
|                                | Panel (c)<br>General Trust        |                      | Panel (d)<br>Institutional Trust     |                      |
|                                | (5)                               | (6)                  | (7)                                  | (8)                  |
| % Aged above 75 y.o.           | 0.189**<br>(0.073)                | -0.057<br>(0.093)    | 0.053<br>(0.109)                     | -0.058<br>(0.114)    |
| % High school or tertiary educ | 0.197**<br>(0.088)                | -0.002<br>(0.097)    | 0.178<br>(0.115)                     | 0.093<br>(0.132)     |
| Unemployment rate              | -0.512***<br>(0.090)              | -0.864***<br>(0.181) | 0.135<br>(0.128)                     | -0.778***<br>(0.241) |
| % House ownership              | 0.206***<br>(0.058)               | 0.017<br>(0.076)     | -0.334***<br>(0.083)                 | -0.230***<br>(0.074) |
| % Immigrants                   | 0.139<br>(0.096)                  | -0.388***<br>(0.110) | -0.121<br>(0.119)                    | -0.296*<br>(0.166)   |
| Population density (logs)      | -0.122<br>(0.092)                 | -0.045<br>(0.099)    | 0.328***<br>(0.100)                  | 0.173<br>(0.120)     |
| Observations                   | 110                               | 110                  | 110                                  | 110                  |
| North-South divide             | Yes                               | Yes                  | Yes                                  | Yes                  |

*Notes.* This Table explores the provincial level correlates of social capital dimensions. It provides the estimated coefficients of OLS regressions behind Figure 6. The outcome variables are our four standardized ADL survey social capital dimensions which we describe in section 3.1. We regress them on a set of socio-demographic characteristics from the Italian Census (8000 Census). % Aged above 75 y.o represents the share of people older than 75 years old. % High school or tertiary educ represents the share of people with at least a higher degree qualification. The unemployment rate captures the share of unemployed people. % House ownership captures the share of household owning a residential property. % Immigrants capture the share of foreign-born individuals. Population density measures the density of inhabitants in each province. Odd columns report estimates from univariate regressions in which the provincial socio-demographic characteristics are included one at a time, while even columns report estimates from regressions in which the six provincial characteristics are included altogether. All variables are standardized. The sample is composed of 110 Italian provinces. All estimates, univariate and multivariate, control for an indicator *north* to capture the north-south divide exemplified in Figure 5. All regressions have robust standard errors. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A9: CORRELATION OF ADL-BASED MEASURES OF SOCIAL CAPITAL WITH EXISTING MEASURES

|    | SP          | PP          | GT          | IT          | NP          | NR          | BD          | TM          | TN          | TR          | NC   |
|----|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|
| SP | 1.00        |             |             |             |             |             |             |             |             |             |      |
| PP | <b>0.23</b> | 1.00        |             |             |             |             |             |             |             |             |      |
| GT | <b>0.80</b> | 0.10        | 1.00        |             |             |             |             |             |             |             |      |
| IT | <b>0.39</b> | 0.13        | <b>0.48</b> | 1.00        |             |             |             |             |             |             |      |
| NP | <b>0.56</b> | 0.16        | <b>0.58</b> | <b>0.24</b> | 1.00        |             |             |             |             |             |      |
| NR | <b>0.57</b> | 0.05        | <b>0.66</b> | <b>0.44</b> | <b>0.50</b> | 1.00        |             |             |             |             |      |
| BD | <b>0.48</b> | -0.05       | <b>0.32</b> | 0.16        | 0.18        | <b>0.32</b> | 1.00        |             |             |             |      |
| TM | <b>0.30</b> | -0.04       | 0.17        | 0.15        | 0.16        | 0.10        | <b>0.43</b> | 1.00        |             |             |      |
| TN | <b>0.64</b> | -0.12       | <b>0.53</b> | <b>0.46</b> | <b>0.31</b> | <b>0.50</b> | <b>0.62</b> | <b>0.67</b> | 1.00        |             |      |
| TR | <b>0.49</b> | <b>0.35</b> | <b>0.47</b> | <b>0.32</b> | <b>0.52</b> | <b>0.43</b> | <b>0.32</b> | <b>0.27</b> | <b>0.52</b> | 1.00        |      |
| NC | <b>0.81</b> | 0.01        | <b>0.75</b> | <b>0.29</b> | <b>0.50</b> | <b>0.60</b> | <b>0.58</b> | <b>0.36</b> | <b>0.76</b> | <b>0.51</b> | 1.00 |

*Notes.* The table reports pairwise correlations between ADL-based measures of social capital and other measures commonly used in the literature. SP=Social Participation; PP=Political Participation; GT=General Trust; IT=Institutional Trust; NP=density of non-profit organizations.NR=newspaper readership; BD=blood donations; TM=turnout municipal elections; TN=turnout national elections; TR=turnout 2011 referendum; NC=inverse measure of cheating on birthdate registration. Unit of observation: provinces. Correlations with significance level of 0.05 or more are reported in bold.

TABLE A10: CORRELATION OF ADL-BASED MEASURES OF SOCIAL CAPITAL WITH EXISTING MEASURES: CONDITIONAL ON GEOGRAPHY

|    | SP          | PP          | GT          | IT          | NP          | NR          | BD          | TM          | TN          | TR          | NC   |
|----|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|
| SP | 1.00        |             |             |             |             |             |             |             |             |             |      |
| PP | <b>0.48</b> | 1.00        |             |             |             |             |             |             |             |             |      |
| GT | <b>0.67</b> | <b>0.30</b> | 1.00        |             |             |             |             |             |             |             |      |
| IT | <b>0.21</b> | <b>0.24</b> | <b>0.33</b> | 1.00        |             |             |             |             |             |             |      |
| NP | <b>0.49</b> | <b>0.25</b> | <b>0.52</b> | 0.14        | 1.00        |             |             |             |             |             |      |
| NR | <b>0.36</b> | <b>0.19</b> | <b>0.48</b> | <b>0.31</b> | <b>0.42</b> | 1.00        |             |             |             |             |      |
| BD | <b>0.21</b> | 0.06        | -0.02       | -0.08       | 0.01        | 0.02        | 1.00        |             |             |             |      |
| TM | <b>0.20</b> | 0.03        | 0.02        | 0.07        | 0.10        | -0.03       | <b>0.38</b> | 1.00        |             |             |      |
| TN | <b>0.42</b> | 0.05        | <b>0.26</b> | <b>0.32</b> | <b>0.19</b> | <b>0.28</b> | <b>0.44</b> | <b>0.68</b> | 1.00        |             |      |
| TR | <b>0.50</b> | <b>0.40</b> | <b>0.49</b> | <b>0.28</b> | <b>0.50</b> | <b>0.41</b> | <b>0.30</b> | <b>0.24</b> | <b>0.55</b> | 1.00        |      |
| NC | <b>0.66</b> | 0.16        | <b>0.56</b> | 0.03        | <b>0.39</b> | <b>0.38</b> | <b>0.35</b> | <b>0.28</b> | <b>0.60</b> | <b>0.52</b> | 1.00 |

*Notes.* The table reports pairwise correlations between ADL-based measures of social capital and other measures commonly used in the literature. All measures are residualised conditional on an indicator *north* to capture the north-south divide. SP=Social Participation; PP=Political Participation; GT=General Trust; IT=Institutional Trust; NP=density of non-profit organizations.NR=newspaper readership; BD=blood donations; TM=turnout municipal elections; TN=turnout national elections; TR=turnout 2011 referendum; NC=inverse measure of cheating on birthdate. Unit of observation: provinces. Correlations with significance level of 0.05 or more are reported in bold.

TABLE A11: SOCIAL CAPITAL AND FINANCIAL DEVELOPMENT: ITEM-SPECIFIC ANALYSIS (GSZ REPLICATION)

|                                 | Use of checks       |                     | Percent wealth in cash |                      | Percent wealth in stocks |                     | Discouraged or turned down |                     | Loans from friends and family |                      |
|---------------------------------|---------------------|---------------------|------------------------|----------------------|--------------------------|---------------------|----------------------------|---------------------|-------------------------------|----------------------|
|                                 | (1)                 | (2)                 | (3)                    | (4)                  | (5)                      | (6)                 | (7)                        | (8)                 | (9)                           | (10)                 |
| Turnout Referenda GSZ           | 0.044**<br>(0.018)  | 0.022<br>(0.021)    | -0.039***<br>(0.012)   | -0.032***<br>(0.010) | 0.004*<br>(0.002)        | -0.001<br>(0.003)   | -0.008***<br>(0.002)       | -0.004<br>(0.003)   | -0.009***<br>(0.003)          | -0.009***<br>(0.004) |
| Blood Donation GSZ              | 0.041***<br>(0.007) | 0.033***<br>(0.010) | -0.010*<br>(0.006)     | 0.001<br>(0.006)     | 0.006***<br>(0.001)      | 0.006***<br>(0.002) | -0.005***<br>(0.001)       | -0.003**<br>(0.002) | -0.002<br>(0.002)             | 0.001<br>(0.003)     |
| Social Participation            | -0.004<br>(0.011)   | -0.015<br>(0.017)   | -0.024**<br>(0.011)    | 0.012<br>(0.011)     | 0.003**<br>(0.001)       | 0.003<br>(0.003)    | -0.004*<br>(0.002)         | 0.002<br>(0.003)    | -0.004**<br>(0.002)           | 0.003<br>(0.003)     |
| Political Participation         | 0.009<br>(0.009)    | 0.004<br>(0.009)    | -0.016**<br>(0.008)    | -0.006<br>(0.007)    | 0.002**<br>(0.001)       | -0.001<br>(0.001)   | -0.003*<br>(0.001)         | -0.000<br>(0.001)   | -0.002<br>(0.002)             | -0.000<br>(0.002)    |
| General Trust                   | -0.006<br>(0.011)   | -0.015<br>(0.017)   | -0.039***<br>(0.009)   | -0.042***<br>(0.010) | 0.002<br>(0.002)         | -0.003<br>(0.003)   | -0.005***<br>(0.002)       | -0.005<br>(0.003)   | -0.007***<br>(0.002)          | -0.010***<br>(0.003) |
| Institutional Trust             | 0.020*<br>(0.011)   | 0.026**<br>(0.011)  | -0.014**<br>(0.006)    | 0.002<br>(0.006)     | 0.004***<br>(0.002)      | 0.004***<br>(0.002) | -0.003*<br>(0.002)         | -0.001<br>(0.002)   | -0.000<br>(0.002)             | 0.003<br>(0.002)     |
| Observations                    | 32332               | 32332               | 32332                  | 32332                | 32332                    | 32332               | 32332                      | 32332               | 32332                         | 32332                |
| Measures included one at a time | Yes                 |                     | Yes                    |                      | Yes                      |                     | Yes                        |                     | Yes                           |                      |
| Measures included all together  |                     | Yes                 |                        | Yes                  |                          | Yes                 |                            | Yes                 |                               | Yes                  |

*Notes.* The table explores the relationship between various measures of social capital and each of the financial development measures used to construct the Financial Development Index in Table 6. "Use of checks" is an indicator for the family having used checks during the past year; "Percent wealth in cash" is the share of family wealth in cash; "Percent of wealth in stocks" is the share of family wealth in stocks; "Discouraged or turned down" is a dummy equal one if a family member got discouraged or turned down when applying for a loan or mortgage (as a measure of the availability of credit to consumers); "Loans from friends and family" is an indicator for the household having some debts outstanding towards friends or relatives not living together (as a measure of informal credit market). Regressions in columns 1-2 and 7-10 are estimated with probit, while regressions in columns 3-6 are estimated with a tobit model. Odd columns report estimates from univariate regressions in which social capital measures are included one at the time, while even columns reports estimates from regressions in which the six measures are included all together. Turnout Referenda and Blood Donation are the social capital measures used by GSZ as explained in Table 6. Social Participation, Political Participation, General Trust and Institutional Trust are our usual measures of social capital components obtained from the ADL Survey as described in Section 3.1 All social capital measures are standardized to have a mean 0 and variance of 1 to facilitate comparisons. All regressions include the same set of province and individual-level controls as in Table 6. Standard errors are clustered at the province level and reported parentheses. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A12: SOCIAL CAPITAL AND CRIME: ITEM-SPECIFIC ANALYSIS (BMV REPLICATION)

|                                 | Common Theft         |                     | Robberies            |                     | Car Theft            |                     |
|---------------------------------|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|
|                                 | (1)                  | (2)                 | (3)                  | (4)                 | (5)                  | (6)                 |
| Non-Profit Associations BMV     | -0.044<br>(0.054)    | 0.007<br>(0.060)    | -0.182*<br>(0.093)   | -0.014<br>(0.093)   | -0.228***<br>(0.077) | -0.073<br>(0.083)   |
| Blood Donation BMV              | -0.116**<br>(0.046)  | -0.108**<br>(0.048) | -0.171**<br>(0.080)  | -0.173**<br>(0.074) | -0.160**<br>(0.068)  | -0.127*<br>(0.065)  |
| Turnout Referenda BMV           | -0.018<br>(0.089)    | 0.016<br>(0.096)    | 0.166<br>(0.152)     | 0.128<br>(0.150)    | -0.104<br>(0.131)    | -0.113<br>(0.133)   |
| Social Participation            | -0.150***<br>(0.057) | -0.200**<br>(0.078) | -0.425***<br>(0.092) | -0.235*<br>(0.120)  | -0.345***<br>(0.080) | -0.252**<br>(0.107) |
| Political Participation         | -0.057<br>(0.037)    | -0.007<br>(0.043)   | -0.244***<br>(0.059) | -0.173**<br>(0.067) | -0.183***<br>(0.052) | -0.085<br>(0.060)   |
| General Trust                   | 0.004<br>(0.061)     | 0.087<br>(0.081)    | -0.243**<br>(0.102)  | -0.134<br>(0.125)   | -0.173*<br>(0.088)   | -0.057<br>(0.111)   |
| Institutional Trust             | 0.027<br>(0.040)     | 0.026<br>(0.043)    | 0.043<br>(0.069)     | 0.148**<br>(0.066)  | -0.015<br>(0.059)    | 0.055<br>(0.059)    |
| Observations                    | 103                  | 103                 | 103                  | 103                 | 103                  | 103                 |
| Measures included one at a time | Yes                  |                     | Yes                  |                     | Yes                  |                     |
| Measures included all together  |                      | Yes                 |                      | Yes                 |                      | Yes                 |

*Notes.* The table reports OLS estimates of the three different measures of crime originally used by BMV on social capital: common thefts, robberies and car theft. The three variables are measured between 2000 and 2002 at the provincial level and reported per 1,000 inhabitants in logs). Associations, Blood Donation and Turnout at Referenda are the social capital measures used by BMV. In particular: Associations are the number of cultural, recreational, artistic, sports, environmental, and other nonprofit associations per 100,000 inhabitants in 2000; Blood Donation is the number of blood donations per 100,000 inhabitants collected in 2000; Turnout Referenda is the voter turnout at the for all referenda held 1974–1999. Social Participation, Political Participation, General Trust and Institutional Trust are our usual measures of social capital components obtained from the ADL Survey as described in Section 3.1 All social capital measures are standardized to facilitate the comparison of estimated coefficients. Following the original paper, all regressions include the same set of socioeconomic, demographic and geographic controls: the length of the entire judicial process; the (crime-specific) clear-up rate (lagged one period); the percentage of men aged 15–29; the share of the population living in cities with more than 100,000 inhabitants; GDP per capita, unemployment rate, and share of the population with a high school education; the number of charges for criminal association per 100,000 inhabitants; macro-regional dummies, i.e dummy variables for north, centre and south of Italy. \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

TABLE A13: SOCIAL CAPITAL, ECONOMIC, HEALTH AND POLITICAL OUTCOMES:  
CROSS-COUNTRY EVIDENCE

|                         | Value added<br>per capita<br>(1) | Female labour<br>market participation<br>(2) | Smoking<br>(2010)<br>(3) | Body mass<br>index (BMI)<br>(4) | Democratic<br>culture<br>(5) |
|-------------------------|----------------------------------|--|--------------------------|---------------------------------|------------------------------|
| Social Participation    | 0.190*<br>(0.111)                | 0.191*<br>(0.106)                            | -0.286**<br>(0.130)      | -0.157<br>(0.175)               | 0.256*<br>(0.129)            |
| Political Participation | 0.245***<br>(0.087)              | 0.092<br>(0.165)                             | -0.228<br>(0.191)        | 0.024<br>(0.189)                | 0.294*<br>(0.158)            |
| General Trust           | 0.370**<br>(0.146)               | 0.080<br>(0.143)                             | 0.385**<br>(0.147)       | 0.278*<br>(0.156)               | 0.418***<br>(0.125)          |
| Institutional Trust     | 0.295<br>(0.202)                 | 0.185<br>(0.132)                             | -0.012<br>(0.147)        | -0.119<br>(0.152)               | 0.060<br>(0.136)             |
| Observations            | 55(51)                           | 59(55)                                       | 55(51)                   | 57(53)                          | 59(55)                       |

*Notes.* The table reports a set of univariate regressions where we regress a set of socioeconomic and political outcomes on our social capital dimensions. The sample size for the regressions involving Political Participation is slightly smaller and indicated in parenthesis. Social capital dimensions are from the World Value Survey (as outlined in Section 3 of the manuscript). Each regression controls for an indicator equal to one for developed countries. Both dependents and independent variables are standardised. Sources: Valued added per capita (World Bank, Year=2012); Female labour market participation (World Bank, Year=2012); Share of tobacco users (World Health Organisation, Year=2010); Body Mass Index (World Health Organisation, Year=2012); Index of Democratic Culture (Ourworldindata.com, Year=2010). . \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .