Socio-Economic Review, 2024, Vol. 22, No. 3, 1189–1224
https://doi.org/10.1093/ser/mwae013
Advance Access Publication Date: 7 March 2024
Article

Article

Business, as usual? The impact of organized economic interests on the stringency of Covid-19 containment policies: insights from the Italian case

Arianna Tassinari [1,*] Demetrio Panarello [2,3] Giorgio Tassinari [2] Fabrizio Alboni,[4] Ignazio Drudi[2] and Francesco Bagnardi [5]

[1]Department of Political and Social Sciences, University of Bologna, Bologna, Italy, [2]Department of Statistical Sciences, University of Bologna, Bologna, Italy, [3]Prometeia, Piazza Trento e Trieste 3, Bologna 40137, Italy, [4]Department of Economics, University of Modena and Reggio Emilia, Italy and [5]Department of Political and Social Sciences, University of Milan, Milan, Italy

**Correspondence:* Arianna.tassinari4@unibo.it

Abstract

How do organized economic interests affect the governance of the coronavirus disease 2019 (Covid-19) pandemic? We investigate whether the structural and instrumental power of employer organizations and unions impact upon the stringency of containment measures implemented by governing authorities to tackle the Covid-19 pandemic, focusing on Italy during the first Covid-19 wave of early 2020 as a crucial case. Using Hausman–Taylor panel regression models and original indicators of regional stringency and of unions and employers' organizations' efforts to exercise instrumental power via public pressure on social media, we find that the intensity of public pressure by employer organizations is negatively correlated with the stringency of the policy responses implemented by regional authorities to tackle the Covid-19 pandemic, whilst union pressures only show a limited effect. Our findings demonstrate that business pressure and the interplay of economic and class interests are constitutive of the governance of a crucial social and public health phenomenon such as the Covid-19 pandemic.

Key words: employers, trade unions, power, governance, interests, public policy

JEL classification: H12, I180, R5

1. Introduction

Policymakers tackling the coronavirus disease 2019 (Covid-19) pandemic have faced the challenge of balancing two objectives: on the one hand, safeguarding public health; on the other, preserving economic and business activity to maintain economic growth and prevent employment destruction and firms' closures (Anderson *et al.*, 2020; Deb et al., 2020; König and Winkler, 2020). The tension between these two principles in policy formulation has played out most evidently with regard to the *timing* and *extensiveness* of restrictions imposed on public life, and on economic and productive activities in particular. Governments' decisions about the timing, stringency and focus of such non-pharmaceutical containment measures have been found to have significant implications for both the evolution of mortality rates (Cross *et al.*, 2020; Fuller *et al.*, 2021) and for the economic impacts of the pandemic (Deb *et al.*, 2020; Demirgüç-Kunt *et al.*, 2020; König and Winkler, 2021). It is therefore important to understand what has shaped the decisions of public authorities on this highly consequential matter.

An emerging body of literature analyses the determinants of timing and stringency of Covid-19 lockdown measures and other non-pharmaceutical responses to the pandemic (Capano *et al.*, 2020; Ferraresi *et al.*, 2020; Kavakli, 2020; Engler *et al.*, 2021; Pulejo and Querubín, 2021; Toshkov *et al.*, 2021; Popic and Moise, 2022). These works highlight that the stringency of governmental responses to the pandemic can be shaped by factors including epidemiological indicators, governmental ideology, economic development and the closeness of elections. However, one potential determinant of such decisions with particular relevance for scholars of political economy and socio-economics has received thus far scant attention in the literature, and deserves closer investigation: the impact of organized economic interests—unions and employer organizations—on governments' decisions about the stringency of containment measures.

This issue is potentially important because, in numerous instances across various European countries, the debate over the stringency of Covid-19 containment measures, especially in the first phase of the pandemic, has been characterized by a prominent class cleavage and an emerging clash in the public perception between 'health' and 'economic' motives as supposedly opposed priorities for government action. Whilst unions generally called for stricter closures, governments were accused in media debates of having 'capitulated' to the pressures of powerful business and employer groups when hesitating to implement fast and extensive restrictions on economic activity or when planning easing of lockdowns without sufficient restrictions on workplace operations (e.g. Mania, 2020; Union News, 2020). The counter-posing of the 'health vs economy' rationales as supposedly opposed priorities for government action became less acute as the long-run economic benefits of early and effective lockdowns became more widely recognized (Demirgüç-Kunt *et al.*, 2020; König and Winkler, 2021). However, as recent research has shown (cf. Popic and Moise, 2022), concerns over the adverse economic effects of lockdowns continued to play a role in shaping government's decisions on how to handle restrictions also well beyond the first wave, especially in more socio-economically weak countries. The polarization in positions over lockdowns between business and labour organizations and the exercise of pressure on policymakers by both sides remained thus an important characterizing feature of the politics of the pandemic management. But did these pressures actually have any impacts on policy decisions? To shed light over this issue, this article asks: To what extent is the stringency of Covid-19 containment measures shaped by the power and pressure of employer organizations and of trade unions *vis-à-vis* public authorities?

To answer this question, we conduct an exploratory study on the case of Italy. Among European countries, Italy was hit sooner and hardest by the Covid-19 pandemic in 2020 (Ortenzi *et al.*, 2020). However, it displayed considerable regional variation in the spread of the pandemic and in the stringency of the restrictive measures implemented in the first phase of the outbreak (Armillei *et al.*, 2021; Bosa *et al.*, 2021; Busetta *et al.*, 2023). In a general context of high public opinion saliency around the Covid-19 pandemic (see Supplementary Appendix 1) and of the health risks of the pandemic more specifically (Sabat *et al.*, 2020), the public debate about the stringency of containment measures in Italy was characterized by a clear division across the business–labour divide. Whilst unions pushed for stricter containment measures and even threatened a general strike in March 2020 pushing for the closure of non-essential workplaces, employer organizations were among the most sceptical actors about the implementation of strict containment measures at the onset of the pandemic, and then most vocal in demanding looser restrictions and earlier re-openings. Pressures by employer organizations on regional authorities were frequently pointed at in the media as one of the main causes behind the delays in the implementation of lockdown measures and the at times uncoordinated nature of its initial response (see e.g. Associated Press, 2020; Conte, 2020). Given the high visibility of this labour–capital conflict over lockdowns in the public debate, Italy is thus a crucial case of the 'most likely' variant (Gerring and Cojocaru, 2016) to investigate the impact of unions and organized employers' pressure on stringency, whilst holding other contextual variables constant. Indeed, if no effects are detected in a context where the pressures of employer organizations and unions had such public and political visibility, they are likely not observed in other contexts either.

To this effect, we construct an original regional stringency index, adapting the approach developed by Hale *et al.* (2020) for the Oxford COVID-19 Government Response Tracker's Stringency Index. Our regional stringency index charts weekly variation in the stringency of Covid-19-related containment measures implemented across Italian regions during the first wave of the Covid-19 pandemic (February–June 2020). We then test whether the level of stringency is correlated to the *structural* power and to the effort to exercise *instrumental power* (Fuchs, 2007; Fuchs and Lederer, 2007; Culpepper, 2010) of employer organizations and unions at the regional level, or to other determinants identified by the literature as potentially relevant. We measure structural power through economic indicators, and efforts to exercise instrumental power through an indicator of public organized producer groups' pressure constructed from text-as-data sentiment analysis of employer organizations' and unions' social media communications on the social network Twitter. Our results indicate that, alongside the epidemiological intensity of the pandemic, the public pressure of employer organizations was a significant determinant of the variation in the stringency of Covid-19 containment pressures across Italian regions during the first wave of the pandemic in 2020, whilst union pressure had only very limited effects. This underscores the importance of considering employers' efforts to exercise instrumental power via outside lobbying strategies as a significant determinant of public policy decisions related to the management of the pandemic—with considerable implications for both health and economic outcomes.

2. Literature review and theoretical expectations

What factors influence policymakers' choices for more or less stringent lockdown measures in response to the outbreak of a pandemic? The available empirical evidence highlights several factors that might play a significant role in shaping the response strategies of local and national governments to the evolution of the Covid-19 pandemic—albeit with often contradictory or inconclusive findings.

First, in a functional logic of governmental policy action, governments might be expected to implement more or less stringent measures depending on objective parameters in crisis intensity, such as the *intensity and severity of the pandemic* in the relevant jurisdiction in terms of number of infections, or the *capacity of the healthcare system* (Matthews Pillemer *et al.*, 2015; Toshkov *et al.*, 2021; Popic and Moise, 2022).

A second strand highlights the potential role of features of the *institutional context* and of *general governance capacity* in shaping speed and depth of responses to the Covid-19 outbreak. More decentralized or federalist countries have been found to implement less stringent responses due to coordination issues between central and regional authorities (Ferraresi *et al.*, 2020; Yan *et al.*, 2020; Hegele and Schnabel, 2021; Toshkov *et al.*, 2021). Capano *et al.* (2020) highlight the importance of institutional capacity—such as previous experiences of pandemic management and availability of resources for crisis management—in driving the timing and speed of introduction of Covid-19 responses. Toshkov *et al.* (2021), however, find opposite effects through a cross-sectional study. They find that high governance capacity is associated with the *slower* introduction of mobility restrictions in response to Covid-19—as decision-makers' awareness of lower governance capacity might lead them to intervene more heavy-handedly through lockdown restrictions, due to the lack of other means to handle the pandemic. In a similar vein, Popic and Moise (2022) find that low health system capacities led Eastern European governments to introduce restrictions earlier (in epidemiological terms) than their Western counterparts during the first wave. Other works point instead to the importance of local political culture—for example, how tight and cohesive a polity is (Yan *et al.*, 2020) or how engrained the principles of defence of democratic norms are (Engler *et al.*, 2021)—in shaping authorities' readiness to implement more or less strict containment measures; with countries with more authoritarian legacies found to have, on the whole, greater propensity to implement hard lockdown measures faster (Toshkov *et al.*, 2021).

A third set of factors pertains to the role of political aspects such as the electoral cycle and government partisanship. Concerning the electoral cycle, Ferraresi *et al.* (2020) find that governments close to facing re-election have a greater propensity to implement strict lockdown measures, as they might be able to use drastic lockdown decisions as a tool for credit-claiming. Conversely, Pulejo and Querubín (2021) find that incumbent governments close to re-election implement less stringent restrictions, to avoid the negative electoral costs arising from the negative economic impact of Covid-19-related closures. With regard to partisanship, Kavakli (2020) shows that governments with a populist right-wing ideology implement slower and less stringent lockdown measures. Conversely, Toshkov *et al.* (2021) find that governments with more right-wing and authoritarian/nationalist inclinations are marginally faster in imposing restrictive measures. Right-wing partisanship has also been found, alongside low trust in policymakers (Bargain and Aminjonov, 2020), to have an impact on individuals' compliance with social distancing measures (Barbieri and Bonini, 2021;

Gadarian *et al.*, 2021, Goldstein and Wiedemann, 2022), which might extend to governmental authorities' attitudes towards lockdown measures.

Fourthly, structural features of the economy might impact governing authorities' willingness to implement more or less strict containment measures. Wealthier countries or regions might be more able to implement strict lockdown measures leading to the interruption of economic activities, as they might have greater availability of resources to weather the economic impact of closures; as opposed to poorer countries or regions for which the economic impacts could be greater (see Barnett-Howell and Mobarak, 2020). In their study of the determinants of lockdown timings across Eastern and Western Europe, Popic and Moise (2022) find indeed that the socio-economically weaker countries of Eastern Europe eased their restrictions sooner than their Western counterparts due to concerns over the economically adverse impacts of harsh lockdown measures.

Amid these rich—yet often partly inconclusive—findings, one set of factors has not yet received attention in the debate on determinants of Covid-19-related stringency measures: the influence of industrial relations' actors and organized producer groups—i.e. employer organizations and unions on policymakers' decisions. This oversight is partly surprising. From the heyday of corporatist scholarship (Grant, 1985; Lehmbruch and Schmitter, 1982) to the most recent currents of CPE literature (Baccaro *et al.*, 2022), the influence of organized economic interests representing key economic sectors and constituencies of the workforce on key decisions in economic and social policy has been highlighted as a defining feature of politics in advanced capitalist economies.

In particular, a key insight from recent scholarship in comparative political economy and industrial relations is that business power and the political preferences of business owners, employers and managerial organizations have become key to shaping policy outcomes across advanced political economies (Culpepper, 2010, 2015, 2021; Busemeyer, 2012; Walker and Rea, 2014; Fairfield, 2015; Wright, 2017; Bohle and Regan, 2021; Morgan and Ibsen, 2021), in some cases at the expense of the power and influence of organized labour, which has been portrayed as having suffered considerable decline in the age of liberalization (Culpepper and Regan, 2014; Baccaro and Howell, 2017; Rathgeb and Tassinari, 2022).

The scholarship on business power in policymaking distinguishes between two types of business power. The *structural* power of business refers to the power that business can exercise on policymakers in light of the economic weight that specific business groups have in a political economy, which in turn makes them and their investment decisions fundamental for supporting accumulation, creating a *reciprocal dependence* between business and state authorities (Lindblom, 1977; Culpepper, 2015, p. 397). The *instrumental* power of business refers instead to the organized pressure that business and employer associations can bring to bear on the political process to 'obtain a political edge' (Culpepper, 2015, p. 396) by mobilizing various resources, 'such as campaign donations and the use of lobbying, either directly as a firm or collectively, through business associations' (Culpepper, 2015, p. 396; see also Fuchs, 2007; Fairfield, 2015). Business organizations can exercise influence on decision-makers by mobilizing the consent or opposition of their associates through their organizational capacity (Olson, 1971) or through the provision of technical expertise of specific interest to policymakers (Furlong and Kerwin, 2004) or of other resources valuable to policymakers (e.g. funding).

Prior research on the politics of health policy has highlighted that the exercise of instrumental power by industrial and business interest groups through lobbying, the provision of expertise or the brokerage of disconnected interests has played an important role in shaping various aspects of health policy and regulation, including occupational health and safety, in diverse empirical settings (cf. Szasz, 1984; Bergthold, 1991; Clark, 1999; Heaney, 2006; Adamini *et al.*, 2009; Rasmussen, 2015), sometimes giving rise to instances of regulatory capture.

Accordingly, the power of business groups and employer organizations could be expected to play a role also in shaping governmental responses to the pandemic. Harsh lockdown measures—involving mobility restrictions and the closing down of workplaces, shops and services—have a direct, immediately adverse impact on the capacity of most manufacturing and service sector firms to function; as well as an indirect impact on consumer demand and consumer confidence—all factors which, combined, reduce the profitability of almost all segments of the economy and in many cases threaten the very sustainability of many firms. In light of these anticipated or observed adverse effects, business and employer organizations in both manufacturing and services were in many countries among the most vocal players advocating caution in the implementation of harsh lockdowns at the very onset of the pandemic; and amid those advocating for faster re-openings after the 'acute' phase of the first wave. These positions in some cases became more nuanced over time—as the risks associated with an excessively laissez-faire attitude became clearer as the pandemic unfolded—or were mitigated with associated demands for greater testing/vaccination capacity and government support to implement health and safety measures to make re-opening of workplaces and services 'safer'. However, in general terms, business and employer associations can be expected to prefer *less stringent* restrictive measures—both for what pertains the closure of workplaces and of public commercial activities more broadly. Such a preference can be expected to be stronger for those employer organizations and business groups operating in sectors most directly affected by closures, which cannot easily switch to remote working or remote delivery of services—such as manufacturing, retail and hospitality—and weaker for business groups operating in high value-added services (e.g. banking, finance, ICT, etc.), more easily able to switch to remote working.

Policymakers, in turn, might have two distinct reasons to be influenced by the preferences of employer organizations regarding lockdown stringency. First, employer organizations in key sectors of the economy, i.e. sectors that account for a high share of GDP and are thus central to the accumulation strategies and to the viability of the national/local economy, could be expected to be able to exercise *structural power vis-à-vis* policymakers, as the latter depend on the investment decisions and on the employment-generating capacity of the former to sustain economically their constituencies. Policymakers might thus be prone to respond to the preferences of those employer groups that enjoy structural power in the local and national economy over the issue of lockdown stringency, so as to not harm accumulation in the short run and to preserve business confidence and future investments in the long run. Secondly, employer organizations might attempt to exercise *instrumental power vis-à-vis* policymakers, by mobilizing their resources to apply pressure either through direct lobbying (so-called 'inside' lobbying) or through public media campaigns, including activity on social media (so-called 'outside' lobbying) (cf. Bruycker and Beyers, 2019; Widner *et al.*, 2020). Governments might be prone to respond to these pressures for various reasons. First, they might depend directly on such business or employer groups for either political or material support (e.g. financing, interlocking directorates, etc.). Secondly, the capacity of business to mobilize their associates against the decisions of governing authorities might in turn negatively affect public opinion against the responsible politicians, with possibly negative consequences for re-election in the long run and societal trust in the short run. This mechanism of pressure might be particularly relevant in contexts where governing parties have large employers or SME (small- and medium-sized enterprise) owners among their key electoral constituencies. Thirdly, employer or business organizations with high associational density and embeddedness in the local economy might be able to provide policy-makers with issue-specific knowledge and expertise, as well as assistance in policy implementation on the ground, that policymakers might consider particularly valuable—thus leading politicians to appease these organizations' preferences in order to ensure their compliance.

At the same time, employer power could also be expected to *not* play a role in shaping public policy responses in the context of the pandemic. Indeed, previous research (cf. Culpepper, 2010; Rasmussen, 2015) has highlighted how business is usually able to exercise greater influence on policy areas characterized by low issue salience, where public attention on the issues at stake is low and thus dynamics of 'quiet politics' dominate; as opposed to more politically salient issue areas, where governments become more responsive to the views and opinions of the electorate. The spread of the pandemic and the implementation of restrictions became a highly salient issue in public opinion in affected countries, especially during the first wave (Trein and Vagionaki, 2022), overtaking in public opinion the salience of other issues such as the performance of the economy (Singer, 2021). Arguably, the issue of closures relating to Covid-19 constitutes therefore a 'hard test' for arguments around business power: in the sense that if employers can attain their preferences there, they can make it anywhere.

These observations lead us to formulate two distinct hypotheses regarding the impact of business power on stringency. First, we hypothesize that in contexts where structurally powerful sectors (i.e. sectors that are crucial to the viability of the local or national economy) are negatively affected by lockdown measures, due to their reliance on in-person production, the stringency of lockdown measures will be lower. As noted above, the sectors most affected by closures are those which cannot easily shift their activities to remote working or remote delivery of services—i.e. manufacturing and services which rely on in-person delivery and interactions such as hospitality, accommodation and retail. Given that manufacturing exports have been, since the Great Recession, the main driver of economic growth in Italy (Perez and Matsaganis, 2019; Bulfone and Tassinari, 2020), we assume that, in our case of interest, the structural power of export-oriented manufacturing business will be generally higher than that of domestic-oriented business groups, due to their strategic centrality in the economy. Hence, we expect that in those regions where manufacturing has greater weight in the regional economy, the stringency of closure measures will be lower in virtue of the high structural power of manufacturing business.

> H1: The stringency of lockdown measures is lower in regions where manufacturing plays a greater role in the local economy.

Secondly, we hypothesize that in those contexts where powerful economic actors put greater effort in attempting to exercise their *instrumental power vis-à-vis* policymakers to push against lockdown stringency by applying public pressure, the stringency of implemented measures will also be lower.

> H2: The stringency of lockdown measures is lower in regions where public pressure of employer groups against lockdown measures is more intense.

Extant literature highlights that the political power of organized labour and its capacity to influence policy developments has been in decline across advanced political economies, especially since the Great Recession (cf. Culpepper and Regan, 2014; Baccaro and Howell, 2017; Rathgeb and Tassinari, 2022), due to labour declining density and political legitimacy and the adverse regulatory-political environment arising from the liberalization of industrial relations. However, policymakers might still have incentives to respond to the public pressures of trade unions regarding the timing and stringency of lockdown measures. First, trade unions can inflict political costs on governments through their mobilization, especially if governing parties come from the left of the political spectrum (Johnston *et al.*, 2021). In crisis situations, governments might be particularly keen to avoid the emergence of social discontent and to maintain social peace, thus granting unions a potential channel of influence. Secondly, especially in a pandemic context, governments and local authorities might need the active cooperation of unions for implementing their crisis-responsive policies, especially for what concerns the management of workplace-level measures and the administration of income support policies (Meardi and Tassinari, 2022). Thirdly, during a health emergency, trade unions might be able to recuperate some of their depleted power resources, especially for what concerns their societal power and discursive legitimacy on issues of health and safety—thus being able to influence public opinion against or in favour of governmental policy action. Hence, we test whether the stringency of lockdown measures is higher in regions where trade unions' pressures for stricter lockdown measures are more intense.

H3: The stringency of lockdown measures is higher in regions where public pressure of trade unions about lockdown measures is more intense.

We also address possible alternative explanations, which are derived from the literature on the determinants of Covid-19 non-pharmaceutical responses reviewed above. First, we check whether governments respond to the intensity of the pandemic in devising the stringency of their lockdown measures, by including an indicator for the evolution of the epidemiological situation (as measured by the cumulative number of deaths or infections weighted by the regional population).

Secondly, we control for the partisan orientation of the regional government, to address the alternative explanation that regions governed by a centre-right party might adopt policies more favourable to the interests of firms, thus adopting a more lenient approach with regards to the stringency of lockdown measures; whilst regions governed by the centre-left might adopt more stringent policies, prioritizing the health interests of the population and the workforce.

Thirdly, following the findings of Toshkov *et al.* (2021), we control for regions' governance and response capacity—as captured by a higher GDP per capita, a proxy for the resources available to local governments to direct towards crisis management—to verify whether regions with stronger response capacities implement *less* stringent responses than regions with a lower governance capacity.

Lastly, we check whether policymakers adapt the stringency of restrictions depending on the levels of compliance of the population and of the efficacy of previously introduced restrictive measures, as measured by the levels of individual mobility captured through Google Mobility data two weeks prior to the time of observation. We assume that the actual levels of individuals mobility registered at t0 might influence policymakers' decisions on restrictions at t2. If time spent at home/in residential areas is low, this might indicate low compliance with and effectiveness of the introduced restrictive measures and it might therefore trigger the introduction of harsher restrictions later on. Conversely, higher levels of mobility in residential areas (i.e. longer time spent at home) might indicate effectiveness of the introduced measures, which might lead to a relaxation of restrictions further along in time.

Institutional factors—such as the degree of centralization/decentralization—and local political culture can be considered as 'constant' in our research design, given that we consider regions nested within the same nation.

3. Rationale for case selection: the first wave of the Covid-19 pandemic in Italy

As the first country in Europe to have experienced the intense hit of the Covid-19 pandemic, Italy exemplifies clearly the class dimension surrounding political conflict over the stringency of lockdown measures, making it an apt case to test our expectations.

The official starting point of the Covid-19 pandemic in Italy (see Panarello and Tassinari, 2022) was on February 21, 2020, when the first positive case of an Italian citizen who had not been to China was identified in the province of Lodi, in the northern region of Lombardy. After a few hours, a 'red zone'—i.e. a set of severe restrictions involving closure of schools and economic activities deemed to be unessential, as well as harsh restrictions on the mobility of citizens—was established in the southern area of the province of Lodi. Within 4 days, the 'red zone' got extended into six out of seven northern Italian regions, and from March 5 all schools and universities were closed in the entire country. The initial response with regard to the closure of workplaces and firms was however relatively slow. The pandemic quickly spread and on March 10—one day before the declaration of Covid-19 as a pandemic by the World Health Organization (Rozanova *et al.*, 2020)—a generalized lockdown was established over the entire country, leading to a national-level stringency score of 82 points out of 100 (see Figure 1). Although most public-facing commercial activities were closed down, most economic activities (such as agriculture, food industry, pharmaceuticals, banks and so on) remained operational, accounting for a large share of the dependent labour force (Di Porto *et al.*, 2022).

Employer associations and business groups were particularly vocal in expressing their opposition to the introduction of a blanket lockdown in late February–early March. This passage from an Associated Press (Associated Press, 2020) article asking 'what went wrong' in Italy during the first wave highlighted the possible role of such pressure in delaying the initial response.

> (…) Unions and mayors of some of Lombardy's hardest-hit cities now say the country's main industrial lobby group, Confindustria, put enormous pressure on authorities to resist production shutdowns, claiming the economic cost would be too great in a region responsible for 21% of Italy's GDP. On February 28, a week into Italy's outbreak and well after more than 100 cases had been registered in Bergamo, the province's branch of Confindustria launched a social media campaign aimed at reassuring skittish investors. It insisted the outbreak was no worse than elsewhere and that production in provincial steel mills and other industries was unaffected. Even

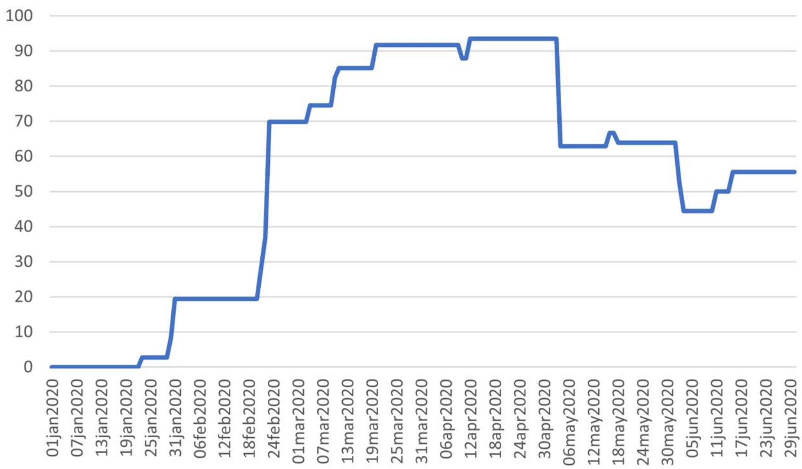

Figure 1. National stringency index, January–June 2020.
Source: Hale *et al.* (2020), COVID-19 Government Response Tracker.

> after the national government locked down all of Lombardy on March 7, it allowed factories to stay open, sparking strikes from workers worried that their health was being sacrificed.

Employer organizations also continued to exercise pressure for the easing of the lockdown after this was implemented nationwide. By way of illustration, in April 2020, the grouping of the northern regions in the manufacturing employers' confederation, 'Confindustria Nord', issued a document stating the following:

> If the four main regions of the north, that account for 45% of Italian GDP, won't manage to start again in the short term, the country runs the risk of shutting down its engines for good. Every day that goes by represents an additional risk for not being able to ever starting it again. Prolonging the lockdown means continuing to not produce, lose clients and international relationships, not generate profits, with the effect that many firms won't be able to pay salaries next month. (Confindustria del Nord, April 2020; authors' translation from Italian)

Similar declarations were made in the Italian press almost daily. Conversely, trade unions were vocal in consistently criticizing the government and regional authorities for not implementing restrictive enough measures and more extensive closures of workplaces and of productive and commercial activities, with a view to safeguarding employees' health. In light of the deteriorating epidemiological situation and with the threat of a general strike by the three main unions, a more restrictive lockdown of all 'non-essential' activities was implemented from March 24 onwards, following a heated tripartite negotiation between the government, unions and business groups (Meardi and Tassinari, 2022). However, even after this fuller lockdown was implemented, several firms in 'non-essential' sectors were able to continue to operate after filing a request for permission (*aperture in deroga*) to the local government authorities (*Prefetture*); and many deviations from the national rules regarding the closure and/or operational guidelines applying to specific sectors, including essential sectors, were implemented by the local regional authorities.

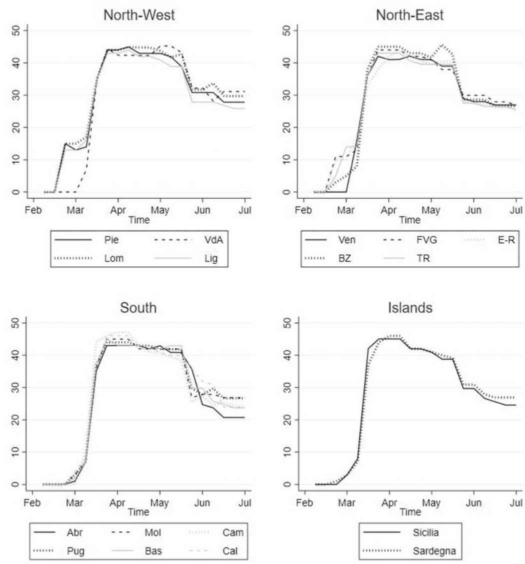

Figure 2. Regional stringency index.
Source: Authors' own elaboration

This discretion by regional authorities to introduce deviations from the national rules leads to some non-negligible regional variation in the stringency of non-pharmaceutical Covid-19 restrictive measures during the first wave of the pandemic (see Figure 2 and Table 1), most visible at the beginning and at the end of the period in question (see Table 1). To determine whether the regional variation is substantive, a one-way analysis of variance (ANOVA) was performed to separately determine the effect of time and region on the regional stringency level. Stringency levels are statistically different with respect to both time ($F(19, 380) = 873.27, p = 0.0000$) and region ($F(20, 380) = 5.88, p = 0.0000$).

The variation *across* regions might appear small if compared to the shared national trend in 'baseline' stringency, consequence of the national-level lockdown measures from which regional-level decisions could only deviate by introducing exceptions, waivers or additional restrictions. However, this regional variation is substantively important because, as evidenced in the regression models presented in Supplementary Appendix 4, it has a statistically significant impact on the behaviours of people on the ground—in particular their mobility towards workplaces. Moreover, the Google's residential mobility index shows a 85.3% correlation with our regional stringency index and a 80.3% correlation with the national-level stringency index, highlighting that regional differences in people's mobility are better captured by also considering the regional variations in the adopted restrictive measures, rather than just the national baseline measure. This indicates that, even if small, regional differences in stringency are consequential and substantively meaningful.

This variation, in turn, makes the Italian case in the stringency of Covid-19 restrictive measures apt to test the localized impact of unions and employer pressure *vis-à-vis* other political and contextual variables, when other 'national' conditions are held constant. These constant

Table 1. Variability of the regional stringency index at each time point

Time	Obs.	Mean	Std. dev.	Min	Max	Coefficient of variation
1	21	0	0	0	0	0
2	21	0	0	0	0	0
3	21	3.52	5.55	0	15.00	1.574
4	21	5.48	5.22	0	15.00	0.953
5	21	10.00	4.24	2.00	17.00	0.424
6	21	36.35	2.63	32.00	44.09	0.072
7	21	43.70	1.73	38.00	46.09	0.040
8	21	43.79	1.51	41.00	47.09	0.034
9	21	44.02	1.46	41.06	47.09	0.033
10	21	42.35	0.80	40.64	44.76	0.019
11	21	42.03	1.02	39.58	44.76	0.024
12	21	41.47	1.35	39.52	45.24	0.032
13	21	40.67	2.05	37.94	45.64	0.050
14	21	40.08	1.79	37.49	43.18	0.045
15	21	29.13	3.24	21.88	35.88	0.111
16	21	28.10	2.87	20.82	32.18	0.102
17	21	27.08	3.22	20.76	33.70	0.119
18	21	26.05	2.45	20.70	31.12	0.094
19	21	25.85	2.52	20.67	31.12	0.097
20	21	25.76	2.48	20.67	31.12	0.096

conditions at the national level include, importantly, the measures of economic and credit support for businesses and workers introduced to weather the effects of the lockdown, which were implemented and administered by the national government and homogenous across the national territory (Puca and Pignatti, 2022).

From the end of April 2020, the diffusion of the pandemic started to decline. Consequently, the Italian Government progressively reduced the stringency and extensiveness of the lockdown, both for what concerns productive activities and citizens' mobility. We focus on developments in this first phase of the pandemic (February–June 2020) as the governance dynamics of lockdown rules changed considerably in the second wave, from October 2020 onwards when homogenous national criteria for governing stringency at the regional level were introduced.

To understand the specificities of the Italian context, it is important to underline that the Italian Constitution grants regional authorities ample powers on health as well as on many other issues, including those concerning the authorization for the execution of productive and commercial activities and the organization of local transport. The policies enacted to prevent and contrast the pandemic during the first wave have been greatly differentiated across Italian regions in terms of timing and stringency (Bosa *et al.*, 2021). At the same time, other aspects of pandemic management (e.g. economic support for firms and workers) have been national. This provides the empirical base and rationale for our research design.

The strength and orientation of business and economic interests also vary across regions. The Italian growth model has increasingly been dependent on manufacturing exports since the launch of Euro (Simonazzi *et al.*, 2013). This pattern has been deepened by the Great Recession (Perez and Matsaganis, 2019), thus increasing the structural power—i.e. the economic–systemic importance—of export-oriented manufacturing business in the national economy. The manufacturing business confederation (Confindustria) is the most powerful business group, and has in recent years been highly influential in orienting government policies in the economic and labour policy fields to push for measures enhancing the external competitiveness of the Italian economy (Pritoni and Sacchi, 2019; Bulfone and Tassinari, 2020). The 21 Italian regions and Autonomous provinces display, however, considerable variation in the degree of economic development (reflected in differences in GDP per capita), in their degree of manufacturing and export orientation (which, where higher, implies a higher structural power of export-oriented manufacturing business groups *vis-à-vis* local authorities), as well as in the associational power of unions and employer organizations. Hence, this makes the Italian case theoretically and empirically apt to investigate whether the strength of export-oriented manufacturing economic interests at a regional level, and their capacity to exercise instrumental power, is correlated with the stringency of pandemic responses, whilst holding other factors constant.

Throughout the first wave of the pandemic, the issue salience of the health implications of the Covid-19 pandemic among the general public in Italy was high. For instance, survey data from April 2020 registered high levels of concern among the Italian population for the potential overloading of the health system arising from the pandemic—around 81%, higher than in other European countries, and homogenous across regions; whilst concerns for the economic impacts of the pandemic were generally lower, around 55% (Sabat *et al.*, 2020). Public opinion support towards the lockdowns was generally very high—averaging around 70–80% throughout the period (IPSOS, 2021), and public support for stricter restrictions remained constant and even increased towards the end of the first phase of the pandemic (Vezzoni *et al.*, 2020). The high salience of the health risks associated with the Covid-19 pandemic in Italian public opinion makes this case a 'hard test' for our hypotheses about the influence of business power on policymakers, whilst the highly political visibility of the opposition between public opinion and unions' preferences on the one hand, and employers' preferences on the other, makes the case a crucial case to test the potential effects of business power or trade union power over policymaking (cf. Culpepper, 2015).

4. Data and models

We use Italian regional-level data (for 19 Italian regions and 2 Autonomous provinces) referring to the period running from February 1 to June 30, 2020, aggregated into 20 time points, each corresponding to 1 week (four time points for each of the five considered months). The dataset was built from several sources, and is available as part of the Supplementary Material. Descriptive statistics of the whole set of implemented variables are presented in Table 2.

4.1 Dependent variable: the regional stringency index

Our main dependent variable is an original regional-level stringency index (Figure 2 and Table 1), tracing the response of Italian regional governments to the pandemic outbreak over time at weekly intervals. To capture the evolution of the non-pharmaceutical response policies implemented in the various Italian regions, we draw upon and adapt the

Table 2. Descriptive statistics for variables used in the analyses

Variable	Obs.	Min	25th perc.	Median	75th perc.	Max	Mean	Std. dev.
Regional stringency	420	0.00	18.84	29.85	41.94	47.09	27.77	15.62
Cumulative deaths by population	420	0.00	1.39E−06	7.27E−05	3.57E−04	1.65E−03	2.56E−04	3.71E−04
Cumulative infections by population	420	0.00	5.75E−05	8.81E−04	3.31E−03	9.52E−03	2.16E−03	2.62E−03
Google mobility: residential	378	−2.00	5.13	14.88	26.57	34.63	15.60	11.08
Pressure: trade unions	420	0.000	0.000	0.049	0.117	0.364	0.067	0.073
Pressure: employers	420	0.000	0.000	0.006	0.069	0.265	0.040	0.053
Absolute number of trade unions' negative Covid-19 tweets	420	0.000	0.000	1.143	5.786	33.14	3.964	5.793
Absolute number of employers' negative Covid-19 tweets	420	0.000	0.000	0.143	2.071	28.00	1.730	3.348
Per capita GDP	420	17 289.0	21 343.8	31 723.6	34 199.3	48 085.0	29 297.6	8345.5
Manufacturing value-added over GDP	420	7.10	12.60	16.60	22.10	24.70	16.56	5.71
Services value-added over GDP	420	57.30	62.20	65.10	71.40	76.40	66.78	5.54
Thousands of employees in manufacturing over regional population	420	2.23E−05	4.60E−05	7.38E−05	1.01E−04	1.30E−04	7.32E−05	3.18E−05
Thousands of employees in hotels, restaurants and retail over regional population	420	5.76E−05	6.92E−05	7.77E−05	8.17E−05	1.18E−04	7.71E−05	1.30E−05
Percentage of firms with 10+ employees	420	3.40	3.90	4.50	5.80	8.20	4.92	1.21
Unemployment rate	420	3.30	5.30	6.50	10.60	23.20	8.57	4.80
Political spectrum (0 = centre-left; 1 = centre-right)	420	0	0	1	1	1		
Electoral cycle (1 = regional elections taking place within 12 months; 0 = otherwise)	420	0	0	0	1	1		

methodology developed by Hale *et al.* (2020) for their Oxford COVID-19 Government Response Tracker's Stringency Index. Following the coding scheme of Hale *et al.* (2020), we hand-coded all relevant regional ordinances and regulations and developed a composite index with different scores for each time point (week) and region. Our index is built from 17 indicators which capture, for each week, the policies in force at the regional level on closings of schools and universities, closing of workplaces in essential and non-essential sectors, cancelling of public events, restrictions on private gatherings, closing of public transport, stay-at-home requirements, restrictions on internal movements and restrictions on international travel. We deviate from Hale *et al.* (2020) because we code measures at the regional level and introduce more fine-grained operationalization of the specific economic sectors affected by restrictions. When coding the restrictions for workplaces and commercial activities, we distinguish between different kinds of public/commercial activities (public ones such as museums vs. private ones such as bars, restaurants); between macro-sectors (retail, professionals, industry, agriculture) and between sectors that were categorized as 'essential' and 'non-essential' by Italian state authorities, as different baseline general rules for operation applied to these macro-categories of sectors. We treat the measures in force for each sub-sector as a separate dimension of the total stringency indicator. That is why our index comprises 17 indicators of containment measures, compared to the eight dimensions of the Hale *et al.*'s (2020) Stringency Index.

We also add a further 18th dimension, which captures the exemptions and deviations from the national rules implemented at the regional level for the operation of specific economic sectors or subsectors. In the coding process, the presence (0 if absent, 1 if present) and content of such exemptions were recorded. Cases where an exception was present were assigned a positive score (+1), if they entailed higher restrictions than the national baseline for the operation of the specific sector; and a negative score (−1), if they entailed lower restrictions. The score assigned was scaled based on the relative occupational importance of each economic category affected by the exemptions with respect to the regional total, by multiplying it by the share of people employed in the affected sector at the regional level. In the absence of such information at a regional level, the national weight was used.

This indicator is important for our analytical purposes as it captures a specific dimension of the discretionary permissiveness of regional regulations with regard to the operation of business and productive activities. In weeks where multiple measures were introduced at the regional level for the same dimension, the most stringent value was recorded. The synthetic indicator of regional stringency is then computed as an unweighted sum of the simple scores of the 18 indicators listed. The codebook, details of the coding procedure and of the documents coded to construct our Regional Stringency Index are included in Supplementary Appendix 2.

4.2 Independent variables

Business structural power

To measure the degree of business's structural power at the regional level, we use an indicator of value-added from manufacturing in regional GDP (which is a proxy of the centrality of the sector in the accumulation model of the regional economy), and the number of employees in manufacturing over the regional population (which is a proxy of the importance of the sector for regional employment).

We also control for the value-added or the number of employees in sectors connected to the hospitality and retail industry. All of these indicators are taken as time-invariant, as they are only available on a yearly basis. In the models that include the measures of value-added of manufacturing/services over GDP as a measure of business structural power, we also include regional GDP per capita as a further control variable.

Business and unions' instrumental power (public pressure)

To measure the intensity of the pressure exercised by employer organizations and trade unions on policymakers (our proxy for the attempt to exercise instrumental power), due to the lack of information about direct 'inside' lobbying activities, we construct an indicator of public pressure by analysing through text-as-data methods the social media communications on Twitter of employer organizations and trade unions in the period of interest, which we take as a proxy of the public pressure exercised by these organizations in the public sphere and on policymakers. The social media communication activities of interest groups are considered in the literature as a crucial and increasingly important strategy for 'outside' lobbying efforts both by business organizations (cf. Shotton and Chalmers, 2015; Brown, 2016; Widner *et al.*, 2020) and by unions (cf. Frangi *et al.*, 2020), thus making Twitter activity an adequate measure to empirically measure these groups' lobbying efforts. The relevance of social media communications as an avenue of public pressure became even more relevant during the pandemic, as widespread bans on public protests and in-person gatherings, especially during the first lockdowns (cf. Kriesi and Oana, 2023) led to a 'forced digitalisation' of tactics employed by pressure groups and social movements to influence policymakers (Pleyers, 2020).

Specifically, we conduct a dictionary-based sentiment analysis (Iglesias and Moreno, 2020) of all the Covid-19-related messages posted on Twitter in the period February–June 2020 by the regional chapters of the main organized producer groups in Italy, for a total of 28,331 tweets: Confindustria, CNA, Confcommercio and Confartigianato for the business organizations side, CGIL, CISL and UIL for the trade unions side; and classified them into positive, negative, and neutral tweets by comparing the results of three polarized dictionaries: Subjectivity Lexicon (Wilson *et al.*, 2005), NRC Word-Emotion Association Lexicon (Mohammad and Turney, 2013) and OpeNER Sentiment Lexicon Italian—LMF (Russo *et al.*, 2016) (for methodological details of the sentiment analysis, see Supplementary Appendix 3).

Given the generally opposite orientation of employer organizations and trade unions *vis-à-vis* the government's approach to lockdown measures, we treat the incidence of negative tweets by employer organizations as an indicator of pressure *against* the stringency of lockdown measures. Conversely, we treat the incidence of negative tweets by trade unions as an indicator of pressure *for* greater stringency of lockdown measures. Our operationalization was validated through the manual coding of a sub-sample of tweets. We then calculate two weekly pressure indexes—one concerning trade unions and one related to employer organizations—by dividing the number of negative Covid-19-related tweets by the total number of tweets published in the same period by the organization. This captures the relative importance of Covid-19-related communications proportional to the overall social media activity of these organizations (thus controlling for the relative levels of activity of these organizations on social media).

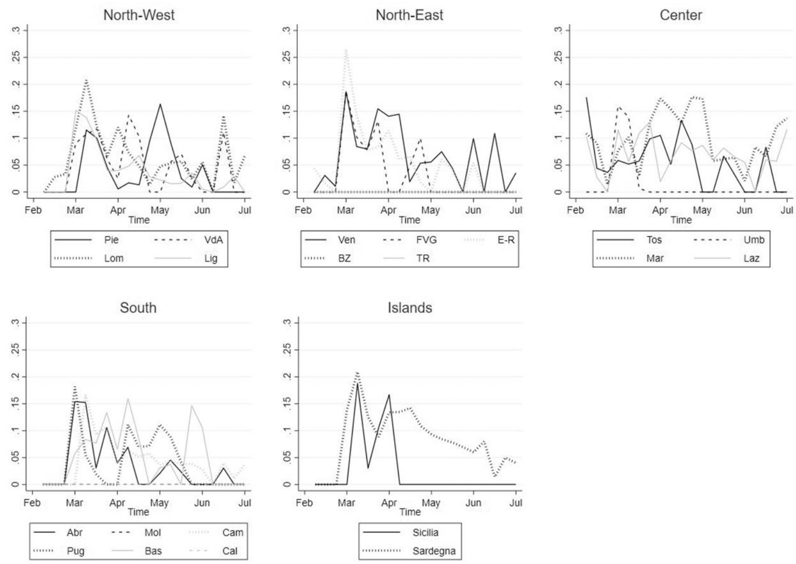

Figure 3. Business-side pressure index.
Source: Authors' own elaboration.

In alternative specifications of the models, we also use the *absolute number* of weekly Covid-19-related tweets with a negative meaning instead of the pressure indexes. The correlation between pressure indexes and negative Covid-19 tweets is 65.5% for firms and 60.4% for trade unions. In this way, we can consider the absolute impact of the volume of social media activity of trade unions and employer organizations, which might also affect public opinion and hence policymakers' orientations (see Massaro *et al.*, 2021). The intensity of the employer-side pressure index is plotted in Figure 3, whilst the pressure index for trade unions is depicted in Figure 4.

4.3 Controls

Epidemiological intensity of the pandemic

To measure the intensity of the pandemic, we collected the distribution of Covid-19 deaths, made available by the Italian Civil Protection (Dipartimento della Protezione Civile, 2020). For each region, we divided the cumulative number of deaths recorded on the last day of the considered time point by the regional population. In general, the deaths' count is affected by recurrent under- and overestimations due to e.g. registration delays and erroneous duplicate data, which usually get corrected over time (Panarello and Tassinari, 2022), thus making the cumulative count more reliable than daily or weekly figures. Weekly deaths' data for each region are shown in Figure 5. As a robustness check, we also run a set of models including the regional-level cumulative count of infections divided by the regional population, rather than the number of deaths. As the correlation between the two measures is 96.4%, the two variables can either way be considered ultimately equivalent and driven by the same latent phenomenon.

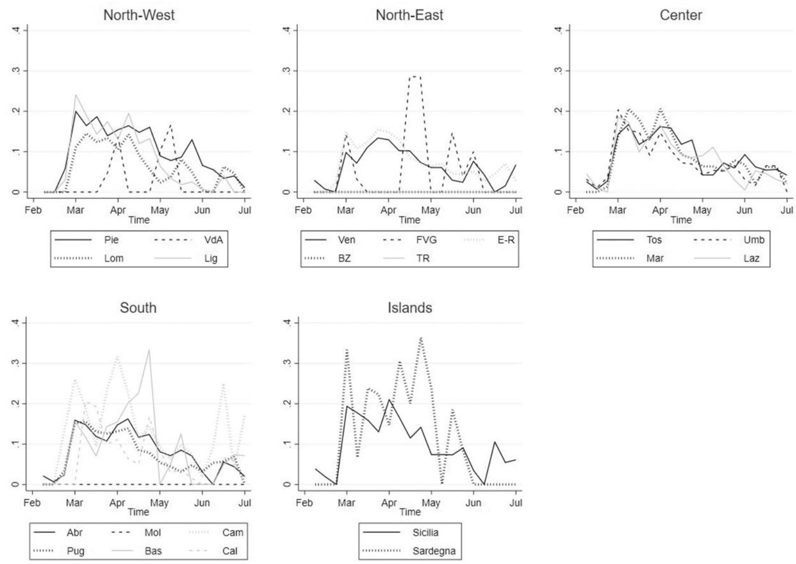

Figure 4. Trade unions' side pressure index.

Source: Authors' own elaboration

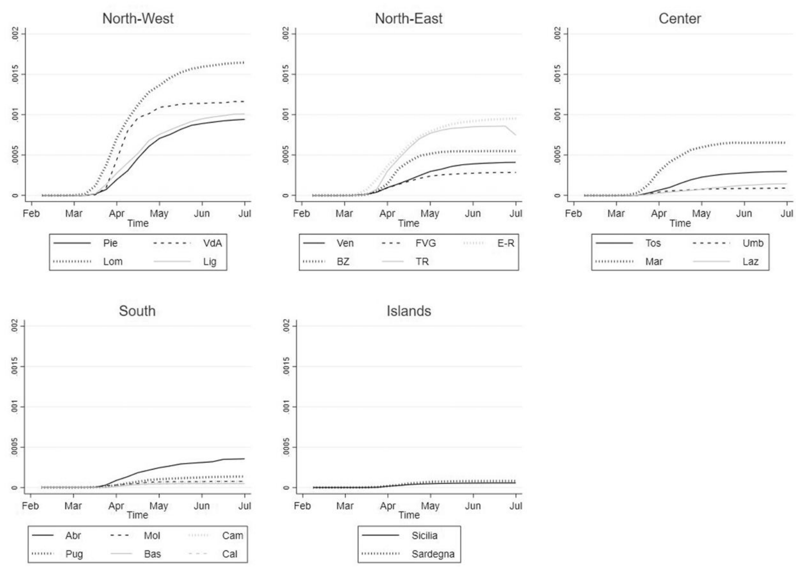

Figure 5. Cumulative weekly deaths by region.

Source: Dipartimento della Protezione Civile Italiana

Mobility

To control for the compliance with and effectiveness of implemented lockdown measures on the ground, we made use of Google's Community Mobility Reports, capturing regional-level mobility trends over time across different categories of places (Google LLC, 2020). Such anonymized data are collected from millions of users of Google's products, such as Maps, to show real-time congestion at several locations. They measure daily percentage changes from a pre-pandemic baseline, consisting in the median value for each day of the week in the period running from January 3 to February 6, 2020. We obtain a single value for each time point by calculating the average daily percentage change over each considered period. Community Mobility Reports are not available for the first two weeks in our dataset. For our analyses, we include mobility data related to residential areas, which measures percentage changes in the duration of stay in the place of residence. Hence, higher levels of Residence mobility indicate a greater proportion of time spent at home, in compliance with mobility restrictions.

Additional controls

Lastly, we complement these sources with the quarterly unemployment rate and three time-invariant variables describing the socio-economic and political features of the analysed regions, taken from the Italian National Institute of Statistics (Istat): percentage of firms with 10 or more employees; political orientation of the regional government (which is a dichotomic variable taking value 0 for centre-left and 1 for centre-right); and a dichotomic variable connected to the electoral cycle (which takes the value of 1 if regional elections are going to take place within the following 12 months).

4.4 Models

To test our hypotheses, we estimate three sets of eight models (Tables 3–5) of Hausman–Taylor panel regressions. In Hausman–Taylor regressions, some covariates are allowed to be correlated with the unobserved panel-level random effects (Hausman and Taylor, 1981; Greene, 2012) so as to address any potential endogeneity issues arising from stringency that may partly predict the values of interest groups' pressure, deaths' count, and people's mobility. The variables pertaining to epidemiological intensity, mobility and pressure are set as endogenous. The Hausman–Taylor model specification ensures that the instruments of interest are still valid in the case of endogeneity problems arising.

Our analysis consists in three sets of eight models regressing the regional stringency index on the above-mentioned covariates, considering different sets of covariates separately and with alternative operationalizations as robustness checks. Specifically, in models 1a–8a (Table 3) and 1c–8c (Table 5), the epidemiological intensity is measured by the cumulative death count, whilst in models 1b–8b (Table 4) it is instead measured by the cumulative number of infections. To capture the effect of time and of cross-regional variation in stringency, in models 1a–8a and 1b–8b we include a time-trend variable and the average regional-level stringency scored registered on the considered week. Models 1c–8c include instead time fixed effects (a dummy for each week) as an alternative specification of the time-trend and to control for cross-regional differences in each of the considered weeks. The four variables described in the 'Additional controls' section are also included in all models. Models 1a–1c consider the epidemiological intensity of the pandemic (measured either as number of deaths or as number of infections) along with business structural power,

Table 3. Results from models 1a–8a.

Variable (dependent: regional stringency index)	Coef. (model 1a)	Coef. (mModel 2a)	Coef. (model 3a)	Coef. (model 4a)	Coef. (model 5a)	Coef. (model 6a)	Coef. (model 7a)	Coef. (model 8a)
Average regional stringency index	0.999***	1.003***	1.006***	1.026***	1.019***	1.008***	1.018***	1.012***
	(0.0289)	(0.0334)	(0.0286)	(0.0343)	(0.0335)	(0.0306)	(0.0340)	(0.0335)
Cumulative deaths by population (lag 1)	1790.266**			1995.385**	1976.566**		1994.942**	2011.151*
	(798.7991)			(927.3733)	(989.7654)		(952.4088)	(1047.2190)
Google mobility: residential (lag 2)		−0.001		−0.035	−0.021		−0.027	−0.015
		(0.0176)		(0.0222)	(0.0199)		(0.0220)	(0.0200)
Pressure: trade unions (lag 2)			3.152*	3.058*	3.411**			
			(1.7545)	(1.5994)	(1.6930)			
Pressure: employers (lag 2)			−7.835***	−8.267***	−7.735***			
			(2.3700)	(2.4120)	(2.2171)			
Absolute number of trade unions' negative Covid-19 tweets (lag 2)						0.023	0.034	0.037
						(0.0307)	(0.0306)	(0.0322)
Absolute number of employers' negative Covid-19 tweets (lag 2)						−0.119*	−0.110*	−0.109*
						(0.0709)	(0.0640)	(0.0630)
Per capita GDP					0.000			0.000
					(0.0001)			(0.0001)
Manufacturing value-added over GDP					−0.133			−0.189
					(0.1977)			(0.1889)
Services value-added over GDP					−0.140			−0.162
					(0.2077)			(0.1986)
Thousands of employees in manufacturing over regional population	23 047.541	21 915.692	19 624.269	11 534.743		19 307.036	15 614.205	
	(1.98e + 04)	(1.51e + 04)	(1.43e + 04)	(1.61e + 04)		(1.69e + 04)	(1.86e + 04)	

continued

Table 3. *Continued*

Variable (dependent: regional stringency index)	Coef. (model 1a)	Coef. (mModel 2a)	Coef. (model 3a)	Coef. (model 4a)	Coef. (model 5a)	Coef. (model 6a)	Coef. (model 7a)	Coef. (model 8a)
Thousands of employees in hotels, restaurants and retail over regional population	−1.36e + 04	−3.39e + 04	−2.54e + 04	−5.81e + 04		−3.36e + 04	−5.14e + 04	
	(4.62e + 04)	(5.15e + 04)	(4.29e + 04)	(4.92e + 04)		(4.89e + 04)	(5.34e + 04)	
Percentage of firms with 10+ employees	−0.133	0.319	0.331	0.119	−0.239	0.324	−0.015	−0.232
	(0.5721)	(0.5221)	(0.4744)	(0.6383)	(0.4591)	(0.5457)	(0.6872)	(0.4711)
Unemployment rate	0.127	0.163**	0.158**	0.003	0.087	0.155	0.021	0.081
	(0.1133)	(0.0816)	(0.0803)	(0.0907)	(0.0803)	(0.0968)	(0.1030)	(0.0798)
Political spectrum (0 = centre-left; 1 = centre-right)	−0.138	−0.028	0.001	−0.189	0.246	0.095	−0.086	0.466
	(0.6562)	(0.8029)	(0.7022)	(0.6920)	(0.5204)	(0.7508)	(0.7285)	(0.5010)
Electoral cycle (1 = regional elections taking place within 12 months; 0 = otherwise)	−0.282	−0.104	0.052	−0.074	0.373	−0.047	−0.238	0.370
	(0.6117)	(0.6991)	(0.6224)	(0.5905)	(0.6421)	(0.6596)	(0.6625)	(0.6327)
Time trend	−0.056	0.010	0.005	−0.085	−0.056	0.004	−0.078	−0.055
	(0.0510)	(0.0354)	(0.0408)	(0.0536)	(0.0464)	(0.0445)	(0.0549)	(0.0470)
Intercept	−0.643	−2.078	−2.626	3.452	9.657	−1.946	3.128	11.979
	(3.9895)	(3.7117)	(3.4761)	(4.3362)	(16.5051)	(3.5611)	(4.5629)	(15.7364)
Observations	336	336	336	336	336	336	336	336

Notes: Standard errors in brackets. *, ** and *** stand for $p < 0.10$, $p < 0.05$ and $p < 0.01$, respectively.

Table 4. Results from models 1b–8b.

Variable (dependent: regional stringency index)	Coef. (model 1b)	Coef. (model 2b)	Coef. (model 3b)	Coef. (model 4b)	Coef. (model 5b)	Coef. (model 6b)	Coef. (model 7b)	Coef. (model 8b)
Average regional stringency index	0.996***	1.003***	1.006***	1.028***	1.020***	1.008***	1.019***	1.014***
	(0.0290)	(0.0334)	(0.0286)	(0.0347)	(0.0338)	(0.0306)	(0.0343)	(0.0337)
Cumulative infections by population (lag 1)	259.516*			320.409*	318.258*		317.809*	320.725*
	(141.1767)			(172.1076)	(186.1652)		(174.3469)	(192.2531)
Google mobility: residential (lag 2)		−0.001		−0.042*	−0.028		−0.033	−0.022
		(0.0176)		(0.0253)	(0.0229)		(0.0249)	(0.0227)
Pressure: trade unions (lag 2)			3.152*	2.905*	3.229**			
			(1.7545)	(1.5604)	(1.6391)			
Pressure: employers (lag 2)			−7.835***	−8.476***	−7.980***			
			(2.3700)	(2.3746)	(2.1783)			
Absolute number of trade unions' negative Covid-19 tweets (lag 2)						0.023	0.030	0.034
						(0.0307)	(0.0299)	(0.0312)
Absolute number of employers' negative Covid-19 tweets (lag 2)						−0.119*	−0.114*	−0.114*
						(0.0709)	(0.0649)	(0.0641)
Per capita GDP					0.000			0.000
					(0.0001)			(0.0001)
Manufacturing value-added over GDP					−0.113			−0.167
					(0.2011)			(0.1938)
Services value-added over GDP					−0.109			−0.131
					(0.2170)			(0.2083)
Thousands of employees in manufacturing over regional population	21 227.853	21 915.692	19 624.269	9000.987		19 307.036	12 356.863	
	(1.84e + 04)	(1.51e + 04)	(1.43e + 04)	(1.64e + 04)		(1.69e + 04)	(1.86e + 04)	

continued

Table 4. *Continued*

Variable (dependent: regional stringency index)	Coef. (model 1b)	Coef. (model 2b)	Coef. (model 3b)	Coef. (model 4b)	Coef. (model 5b)	Coef. (model 6b)	Coef. (model 7b)	Coef. (model 8b)
Thousands of employees in hotels, restaurants and retail over regional population	−5208.717	−3.39e + 04	−2.54e + 04	−5.45e + 04		−3.36e + 04	−4.63e + 04	
	(4.17e + 04)	(5.15e + 04)	(4.29e + 04)	(4.72e + 04)		(4.89e + 04)	(5.09e + 04)	
Percentage of firms with 10+ employees	−0.188	0.319	0.331	0.016	−0.193	0.324	−0.118	−0.188
	(0.5086)	(0.5221)	(0.4744)	(0.6128)	(0.4768)	(0.5457)	(0.6483)	(0.4869)
Unemployment rate	0.127	0.163**	0.158**	−0.023	0.060	0.155	−0.008	0.055
	(0.1052)	(0.0816)	(0.0803)	(0.0860)	(0.0768)	(0.0968)	(0.0979)	(0.0766)
Political spectrum (0 = centre-left; 1 = centre-right)	−0.099	−0.028	0.001	−0.186	0.192	0.095	−0.073	0.407
	(0.6216)	(0.8029)	(0.7022)	(0.6834)	(0.5228)	(0.7508)	(0.7053)	(0.5044)
Electoral cycle (1 = regional elections taking place within 12 months; 0 = otherwise)	−0.282	−0.104	0.052	−0.094	0.272	−0.047	−0.246	0.268
	(0.5548)	(0.6991)	(0.6224)	(0.5412)	(0.6058)	(0.6596)	(0.6035)	(0.5899)
Time trend	−0.061	0.010	0.005	−0.102	−0.074	0.004	−0.095	−0.073
	(0.0551)	(0.0354)	(0.0408)	(0.0643)	(0.0572)	(0.0445)	(0.0642)	(0.0562)
Intercept	−0.860	−2.078	−2.626	4.185	8.209	−1.946	3.815	10.471
	(3.7721)	(3.7117)	(3.4761)	(4.3516)	(17.1052)	(3.5611)	(4.5790)	(16.4638)
Observations	336	336	336	336	336	336	336	336

Notes: Standard errors in brackets. *, ** and *** stand for $p < 0.10$, $p < 0.05$ and $p < 0.01$, respectively.

Table 5. Results from models 1c–8c

Variable (dependent: regional stringency index)	Coef. (model 1c)	Coef. (model 2c)	Coef. (model 3c)	Coef. (model 4c)	Coef. (model 5c)	Coef. (model 6c)	Coef. (model 7c)	Coef. (model 8c)
Cumulative deaths by population (lag 1)	1996.250**			2087.377**	2016.772*		2089.663**	2055.274*
	(999.0329)			(987.4759)	(1072.3407)		(1001.5567)	(1124.5208)
Google mobility: residential (lag 2)		−0.258**		−0.261**	−0.214		−0.304**	−0.258*
		(0.1257)		(0.1235)	(0.1320)		(0.1238)	(0.1350)
Pressure: trade unions (lag 2)			3.234*	2.204	2.705			
			(1.8700)	(1.8434)	(1.9329)			
Pressure: employers (lag 2)			−8.491***	−7.878***	−7.453***			
			(2.3837)	(2.3266)	(2.1955)			
Absolute number of trade unions' negative Covid-19 tweets (lag 2)						0.022	0.030	0.034
						(0.0415)	(0.0386)	(0.0408)
Absolute number of employers' negative Covid-19 tweets (lag 2)						−0.120*	−0.116**	−0.113**
						(0.0723)	(0.0546)	(0.0552)
Per capita GDP					0.000			0.000
					(0.0001)			(0.0001)
Manufacturing value-added over GDP					0.004			−0.019
					(0.2491)			(0.2594)
Services value-added over GDP					−0.022			−0.012
					(0.2463)			(0.2531)
Thousands of employees in manufacturing over regional population	21 611.760	34 005.648*	19 007.920	21 536.703		21 177.211	25 840.808	
	(2.12e + 04)	(1.79e + 04)	(1.34e + 04)	(1.78e + 04)		(1.50e + 04)	(2.14e + 04)	
Thousands of employees in hotels, restaurants and retail over regional population	−3.08e + 04	−4.80e + 04	−3.16e + 04	−7.46e + 04		−2.77e + 04	−7.52e + 04	
	(6.45e + 04)	(6.07e + 04)	(5.25e + 04)	(5.72e + 04)		(6.09e + 04)	(6.11e + 04)	

continued

Table 5. *Continued*

Variable (dependent: regional stringency index)	Coef. (model 1c)	Coef. (model 2c)	Coef. (model 3c)	Coef. (model 4c)	Coef. (model 5c)	Coef. (model 6c)	Coef. (model 7c)	Coef. (model 8c)
Percentage of firms with 10+ employees	−0.148	0.424	0.357	0.190	−0.167	0.291	0.116	−0.125
	(0.6675)	(0.5702)	(0.4912)	(0.6976)	(0.4581)	(0.5696)	(0.7520)	(0.4618)
Unemployment rate	0.072	0.192*	0.147*	0.014	0.114	0.173*	0.020	0.102
	(0.1417)	(0.1048)	(0.0831)	(0.1160)	(0.0949)	(0.0916)	(0.1315)	(0.0913)
Political spectrum (0 = centre-left; 1 = centre-right)	−0.207	−0.245	−0.015	−0.397	0.267	0.090	−0.331	0.486
	(0.7415)	(0.9428)	(0.7378)	(0.7494)	(0.5334)	(0.7289)	(0.7998)	(0.5013)
Electoral cycle (1 = regional elections taking place within 12 months; 0 = otherwise)	−0.309	−0.189	0.064	−0.153	0.259	−0.062	−0.309	0.232
	(0.6846)	(0.9049)	(0.6503)	(0.6992)	(0.6309)	(0.6741)	(0.8016)	(0.6248)
Week 6	26.344***	27.507***	26.715***	27.952***	27.645***	26.556***	27.867***	27.634***
	(1.1816)	(0.9133)	(1.1412)	(0.9832)	(1.0298)	(1.1533)	(1.0125)	(1.0824)
Week 7	33.666***	35.067***	34.190***	35.588***	35.250***	33.971***	35.483***	35.204***
	(1.1678)	(0.9277)	(1.1766)	(1.0511)	(1.0808)	(1.1081)	(1.0248)	(1.1076)
Week 8	33.661***	38.570***	33.973***	38.731***	37.798***	34.034***	39.438***	38.550***
	(1.1015)	(2.0244)	(1.0944)	(2.0797)	(2.2835)	(1.0964)	(2.2625)	(2.5767)
Week 9	33.668***	41.518***	34.388***	41.166***	40.306***	34.451***	42.253***	41.433***
	(1.1559)	(3.3932)	(1.0530)	(3.3570)	(3.6302)	(1.1609)	(3.5824)	(3.9029)
Week 10	31.841***	40.600***	32.544***	39.944***	38.950***	32.696***	41.203***	40.246***
	(1.1041)	(3.7551)	(0.9707)	(3.8050)	(4.1059)	(1.0835)	(4.0265)	(4.3967)
Week 11	31.390***	39.979***	32.291***	39.238***	38.305***	32.353***	40.400***	39.516***
	(1.1923)	(3.6293)	(1.0368)	(3.7066)	(3.9991)	(1.0528)	(3.8184)	(4.1761)
Week 12	30.719***	39.475***	31.701***	38.584***	37.659***	31.856***	39.885***	39.002***
	(1.1530)	(3.5362)	(1.0411)	(3.6142)	(3.8975)	(0.9939)	(3.6997)	(4.0403)

continued

Table 5. *Continued*

Variable (dependent: regional stringency index)	Coef. (model 1c)	Coef. (model 2c)	Coef. (model 3c)	Coef. (model 4c)	Coef. (model 5c)	Coef. (model 6c)	Coef. (model 7c)	Coef. (model 8c)
Week 13	29.855***	38.077***	30.775***	36.999***	36.180***	30.982***	38.237***	37.467***
	(1.2661)	(3.3616)	(1.1535)	(3.4767)	(3.7434)	(1.1226)	(3.5261)	(3.8344)
Week 14	29.220***	36.944***	30.356***	35.923***	35.236***	30.370***	36.949***	36.283***
	(1.2542)	(3.1628)	(1.0567)	(3.2765)	(3.5321)	(1.0436)	(3.3136)	(3.5979)
Week 15	18.225***	25.035***	19.405***	23.957***	23.452***	19.395***	24.817***	24.323***
	(1.3385)	(2.7315)	(1.0849)	(2.9005)	(3.1082)	(1.0743)	(2.9771)	(3.1834)
Week 16	17.173***	22.764***	18.292***	21.574***	21.293***	18.388***	22.323***	22.052***
	(1.1544)	(2.1523)	(0.9305)	(2.3387)	(2.4871)	(0.9238)	(2.4083)	(2.5442)
Week 17	16.139***	20.629***	17.274***	19.396***	19.330***	17.330***	19.933***	19.858***
	(1.1474)	(1.8024)	(0.8609)	(2.0480)	(2.1643)	(0.8565)	(2.0810)	(2.1714)
Week 18	15.097***	18.761***	16.301***	17.548***	17.641***	16.272***	17.883***	17.960***
	(1.0664)	(1.2342)	(0.7881)	(1.4644)	(1.5149)	(0.7917)	(1.5123)	(1.5258)
Week 19	14.888***	18.388***	15.984***	17.042***	17.180***	16.036***	17.437***	17.550***
	(1.0787)	(1.1873)	(0.8262)	(1.4263)	(1.4573)	(0.8212)	(1.4567)	(1.4505)
Week 20	14.783***	17.647***	16.002***	16.413***	16.645***	16.014***	16.640***	16.861***
	(1.0929)	(0.9704)	(0.8359)	(1.2252)	(1.2366)	(0.8082)	(1.2503)	(1.2142)
Intercept	11.162*	7.493	7.936*	13.468***	8.426	7.537*	13.493**	7.909
	(5.8398)	(4.8118)	(4.1540)	(5.2056)	(21.1045)	(4.2604)	(5.5495)	(21.5813)
Observations	336	336	336	336	336	336	336	336

Notes: Standard errors in brackets. *, ** and *** stand for $p < 0.10$, $p < 0.05$ and $p < 0.01$, respectively.

measured by means of the number of employees in manufacturing and in hotels, restaurants and retail services. Then, models 2a–2c are estimated on Google Mobility data for residential areas and business structural power measured by number of employees in manufacturing and in hotels, restaurants and retail services. Models 3a–3c consider entrepreneurial-side and trade-unions-side pressure indexes and business structural power as measured by the number of employees. Models 4a–4c include all the variables employed in the previous three models. In models 5a–5c, we still consider the number of deaths or infections, mobility data and pressure indexes together but using the alternative specification of business structural power—the manufacturing value-added over regional GDP, whilst controlling for services value-added over regional GDP and GDP per capita. Models 6a–6c are estimated on the alternative specification of employers and unions pressure—i.e. the absolute number of employers' and unions' negative Covid-19 tweets—and on the number of employees in manufacturing and in hotels, restaurants and retail services. Models 7a–7c boost the previous model by incorporating cumulative deaths or infections by population and Google's residential mobility. Finally, in models 8a–8c, GDP per capita along with services and manufacturing value-added over regional GDP are used in lieu of the number of employees in manufacturing and HoReCa.

The number of deaths and of infections are measured with a 1-week lag from the dependent variable, while the other weekly time-varying covariates are included with a 2-week lag. The rationale for this choice is that the stringency level is assumed not to vary concurrently with the other variables. We use a 1-week lag for the epidemiological measures as we assume that policymakers needed to react to epidemiological indicators fast, since these were publicly available and constantly spread by mass media; whilst it might take longer for the pressure of interest groups to 'filter' through the decision-making and lobbying system. As the dependent variable is on a different lag than the regressors, it is assumed not to affect the independent variables, thus allowing us to further avoid endogeneity issues.

5. Results

The results of the 24 estimated models are presented in Tables 3–5. The estimates are computed on 336 observations as we lose 42 observations due to missing values in the Google Community Mobility Reports in the first two weeks of the dataset and 42 more observations due to the two employed lags.

Overall, the regional-level stringency index shows strong associations with the epidemiological intensity of the pandemic (with a positive sign, both when measured through the cumulative death count and, to a lesser extent, through the cumulative infections count) and the public pressure exerted by employer organizations (with a negative sign, both when measured through the pressure index and through the absolute number of negative tweets). The public pressure exerted by trade unions is only weakly significant (with a positive sign, but only when measured through the pressure index). Other contextual variables exhibit limited statistical significance.

The evidence from these models suggests that public policy decisions concerning the pandemic have been significantly shaped by the interplay of forces between economic actors, given that the coefficients regarding trade unions' and employers' pressure show opposite signs. It is particularly noteworthy that both measures of employer organizations' public pressure, taken as a proxy for business's instrumental power, are strongly significant, whilst only one measure of trade unions' pressure appears to be somewhat significant—lending substance to the idea that business pressure matters more than unions' pressure in shaping these public policy decisions. The negative sign of the coefficient concerning mobility (which is significant at conventional thresholds in the models including time fixed effects—see Table 5) can be rationalized by considering that an increase in time spent at home translates into a relaxation of the containment measures after two weeks, as it generates a decrease in the number of infections and deaths and it reassures policymakers about the effectiveness of the previously introduced measures. The epidemiological intensity variables, expressing the direct effect of the strength of the pandemic, show, nonetheless, a strong association with the dependent variable. Strictly political variables (political partisanship of the regional government and phase of the electoral cycle) are not significant.

These results indicate that the stringency of containment measures is governed both by the evolution of the regional epidemiological situation and by the interaction between public actors and organized economic interests in the public sphere—especially by the instrumental power exercised by employer groups. Contrary to expectations, the structural variables capturing features of the local socio-economic system, local governance capacity and in particular the structural power of manufacturing business groups are not significant.

6. Discussion and conclusions

Political conflicts regarding the timing, extensiveness and stringency of lockdown restrictions during the first wave of the Covid-19 pandemic have revealed in several countries an emerging class cleavage in positions between employers and organized labour. On the one hand, employer organizations have frequently advocated for less stringent measures, in light of the detrimental economic impacts of harsh lockdowns. On the other, trade unions have been among the actors pushing for faster and more extensive lockdowns. However, the influence of economic interests and of the activities of employer organizations and trade unions on the stringency of Covid-19 responsive measures has not yet been studied. In this article, we set out to uncover the impact that organized economic interests—in particular, the structural and instrumental power of organized business *vis-à-vis* the instrumental power of unions—had on the variation in the stringency of the policy responses implemented in response to the first wave of the Covid-19 pandemic across Italian regions. To our knowledge, we are the first to investigate such an association. Our study of the regional stringency of restrictive measures across the 21 Italian regions and autonomous provinces, carried out by means of original regional-level indices of Covid-19-related containment measures and of business organizations' and unions' public pressure, has revealed a number of interesting associations.

Our first hypothesis, pertaining to the effect of the structural power of business on the intensity of local stringency measures, was not confirmed. Regions characterized by a higher structural power of key business groups, as measured by the weight of manufacturing in regional GDP and regional employment, did not display significantly lower levels of stringency, as we had anticipated. This suggests that, by themselves, the structural features of the local economy and the weight of powerful business groups therein do not shape policymakers' decisions with regard to the stringency of containment measures—at least for what pertains to the measures 'on paper'. Partly, this finding can be explained in light of the fact that the northern Italian regions where the weight of manufacturing value-added on GDP is higher—such as Lombardy, Veneto, Emilia-Romagna—were also those that were hit by Covid-19 earlier and more harshly (see Armillei *et al.*, 2021). Hence, the sheer intensity of the pandemic and short-term concerns about its immediate containment were probably more significant than more general and longer term concerns about the negative impacts of lockdown on economic activity in guiding policymakers' action.

However, this does not imply that employer power had no relevance in this phase. The most notable finding of our study is that our second hypothesis regarding the effects of employer pressure—our proxy for the efforts to exercise instrumental power by employer and business groups *vis-à-vis* policymakers—on stringency is confirmed. Our index of public pressure by employer organizations is significantly and negatively associated with the stringency of lockdown measures implemented locally, even when controlling for the intensity of the pandemic and a host of other relevant variables. This provides indicative support for the claim that local policymakers were responsive to the pressure of local business groups and employer organizations for a more light-touch approach to the pandemic when crafting their decisions regarding the stringency of lockdown measures.

The present research design is not able to illuminate the precise mechanisms through which this influence took place. However, we propose that there might be two possible channels of transmission of influence at play, in line with the theoretical expectations we outlined above. It is important to note that local business associations and employer organizations in the Italian context enjoy relatively high associational density and are well embedded in the 'productive fabric' of the economy (Regalia and Regini, 2018; Feltrin, 2020). As well as representing some of the largest industrial firms, they have high levels of membership especially among SMEs (cf. Afonso and Bulfone, 2019), which are a crucial component of the electoral bases of centre-right parties, but also crucial to the electoral viability of any political coalition (see Bulfone and Tassinari, 2020). These features confer them two kinds of sources of power on local policymakers.

First, in virtue of their associational density and network connectedness, local employer organizations can exercise important functions of consensus or dissent mobilization among their associates, and possibly their customer bases. In a context such as the Italian one, characterized by a very high political weight of SMEs, maintaining good relationships and gaining the public approval—or at least the acquiescence—of local business organizations is thus very important for local governing authorities to maintain their consensus and not harm potential re-election prospects.

Secondly, the embeddedness of local business and employer organizations in the productive fabric of the economy makes their collaboration necessary for local policymakers to manage the pandemic (see Feltrin, 2020). Business associations and employer organizations have knowledge about local economic conditions, functioning of workplaces and local supply chains—crucial information that policymakers need to craft their decisions about how to manage the pandemic locally. In this regard, Feltrin (2020) gives an illustrative example of a provincial government authority (*Prefettura*) in a northern Italian region that received, in late March 2020, a request from the local chapter of Confindustria to grant exemptions from lockdown restrictions to a number of local firms. Being unable to judge about the legitimate basis for such a request due to their lack of competences on matters of economic-business policy, the local *Prefettura* ended up asking for advice about the legitimacy of such requests back to those same associations that had asked for this authorization in first place (Feltrin, 2020, pp. 126–127). This anecdote exemplifies how the embeddedness of employer organizations in the productive system gives them a *de facto* authority over decisions on production-operational matters at the local level, to which local policymakers are inclined to defer to due to the lack of alternative loci of expertise and legitimation for their decisions. More generally, the cooperation of these groups is also needed by regional authorities to implement several measures—from health and safety protocols, to the administration of short-time work schemes. This might thus make local policymakers prone to respond, wherever possible, to local business groups' preferences and requests—also on the topic of stringency of lockdown measures.

Interestingly, we only found a partly significant effect of pressure from trade unions on stringency. This is in line with the literature that notes a declining influence of Italian trade unions *vis-à-vis* policymakers since the last crisis (Tassinari and Sacchi, 2021), and the decline of union power in public policy more broadly (Culpepper and Regan, 2014). This finding also echoes the findings of Meardi and Tassinari (2022), who find that Italian unions did not, generally speaking, exercise particular influence on the main public policy decisions pertaining to the management of the pandemic, but were rather more relevant in aiding the specific implementation and design of technical measures concerning for example health and safety in workplaces, due to their rootedness in workplaces and availability of sector-specific knowledge. This finding therefore echoes the remarks of Regalia and Regini (2018) about the development of unions' power in Italy, who underscore that labour power mostly resides and is best exercised in the sphere of collective bargaining, rather than in the public policy arena.

Lastly, we notice that alternative explanations—about the role of partisanship of regional authorities, governance capacity and local economic conditions—on the stringency of lockdown measures were not confirmed. None of these factors appeared to have played a significant role in shaping the evolution and variation of regional stringency measures.

Overall, our findings highlight that the interplay of economic and class interests is constitutive of the governance of a crucial social and public health phenomenon such as the Covid-19 pandemic. On the basis of the empirical evidence, we can conclude that whilst the pandemic *does* partly lead to a suspension of 'business as usual' policymaking dynamics, as evidenced for example by the null impact of regional government's partisanship on the stringency of containment measures, and the significant responsiveness of stringency to epidemiological indicators, there are nonetheless signs that some aspects of the policymaking process *do* continue to function as usual, even at the peak of the pandemic: among them, the instrumental power of employer groups and their capacity to influence policymakers' decisions. Showing how employers' power continues to be relevant in shaping policymakers' decisions even in the most intense of crisis situations highlights a hitherto underexplored class dimension of the Covid-19 crisis, opening up possibilities for political economy research to illuminate exactly when and how economic interests come to matter, and how business power is exercised in such exceptional circumstances.

This study has various limitations. First, data availability issues did not make it possible to include controls for the associational density of local employer organizations and unions, thus leading us to rely on structural economic variables to model structural power. However, since both employer organizations' associational density and union density are known to be higher in Northern Italian regions and in large firms (cf. Marocco and Polli 2022), the economic structural variables we used constitute an appropriate proxy for associational density. Secondly, the non-availability of time-variant data measuring the issue salience of the health and economic impacts of the Covid-19 pandemic at the regional level did not allow us to include this as a control measure in our models (although the available cross-sectional evidence indicates that salience of the pandemic was comparatively high throughout the period of interest at the national level, thus making it possible to consider this as a 'constant' factor). Thirdly, qualitative systematic process tracing of concrete processes of decision making would be necessary to better illuminate the mechanisms connecting business pressure to lower stringency of measures. Fourthly, there is a question regarding the generalisability of the findings beyond the Italian context. There might be reasons to expect that Italy was, to some extent, *sui generis* in its governance dynamics of the first wave of the pandemic crisis. Indeed, in reference to Capano's (2020) study of the Italian Covid-19 response, Capano *et al.* (2020, p. 301) highlight that 'the lack of specific preparedness measures drove the country to deal with this kind of crisis through existing political means, with all of their attendant strengths and weaknesses. In the Italian case, this meant that the political games characteristic of existing institutional arrangements drove the process and the content of the national response'. This might not be similarly the case in other countries with greater 'preparedness' to deal with pandemic crises, where 'business as usual' politics might thus play less of a role. To verify generalisability, similar studies should be conducted in other regionalist systems where some responsibility for decisions on lockdown was delegated to regional authorities, in order to test whether the effect of business pressure is similar to the one highlighted here.

Acknowledgements

Previous versions of the article were presented in the Virtual CPE Working Group in May 2021, at the 2021 virtual SASE Conference and at the economic sociology internal seminar of the University of Bologna's Department of Political and Social Sciences in January 2023. We are grateful to all participants and discussants, and to the SER editor and three anonymous reviewers, for the valuable comments. We dedicate this article to the memory of Sabina Avdagic, who discussed the article and provided us with valuable feedback at SASE 2021, and whose scholarship, methodological pluralism and kindness will continue to inspire us going further.

Funding

This study was funded by the European University Institute's Covid-19 Rapid Response Fund.

References

Adamini, S., Maarse, H., Versluis, E., and Light, D.W. (2009) 'Policy Making on Data Exclusivity in the European Union: From Industrial Interests to Legal Realities', *Journal of Health Politics, Policy and Law*, **34**, 979–1010.

Afonso, A. and Bulfone, F. (2019) 'Electoral Coalitions and Policy Reversals in Portugal and Italy in the Aftermath of the Eurozone Crisis', *South European Society and Politics*, **24**, 233–257.

Anderson, R. M., Heesterbeek, H., Klinkenberg, D., and Hollingsworth, T. D. (2020) 'How Will Country-Based Mitigation Measures Influence the Course of the COVID-19 Epidemic?', *Lancet (London, England)*, **395**, 931–934.

Armillei, F., Filippucci, F., and Fletcher, T. (2021) 'Did Covid-19 Hit Harder in Peripheral Areas? The Case of Italian Municipalities', *Economics and Health Biology*, **42**, 101018.

Associated Press (2020, April 26) 'As Virus Lockdown Eases, Italy Ponders What Went Wrong', *AP NEWS*, accessed at https://apnews.com/article/virus-outbreak-italy-business-nursing-homes-demographics-2fab78a80387123707ee73042a24ca46 on May 15, 2021.

Baccaro, L., Blyth, M. and Pontusson, J. (2022) *Diminishing Returns: The New Politics of Growth and Stagnation*, Oxford, Oxford University Press.

Baccaro, L. and Howell, C. (2017) *Trajectories of Neoliberal Transformation: European Industrial Relations Since the 1970s*, Cambridge, Cambridge University Press.

Barbieri, P. N. and Bonini, B. (2021) 'Political Orientation and Adherence to Social Distancing during the COVID-19 Pandemic in Italy', *Economia Politica*, **38**, 483–504.

Bargain, O. and Aminjonov, U. (2020) 'Trust and Compliance to Public Health Policies in Times of COVID-19', *Journal of Public Economics*, **192**, 104316.

Barnett Howell, Z. and Mobarak, A. M. (2020) 'Should Low-Income Countries Impose the Same Social Distancing Guidelines as Europe and North America to Halt the Spread of Covid-19?', *Y-Rise Policy Briefs*, accessed at https://yrise.yale.edu/should-low-income-countries-impose-the-same-social-distancingguidelines-as-europe-and-north-america-to-halt-the-spread-of-covid-19/ on February 21, 2024.

Bergthold, L. (1991) 'The Fat Kid on the Seesaw: American Business and Health Care Cost Containment, 1970-1990', *Annual Review of Public Health*, **12**, 157–175.

Bohle, D. and Regan, A. (2021) 'The Comparative Political Economy of Growth Models: Explaining the Continuity of FDI-Led Growth in Ireland and Hungary', *Politics & Society*, **49**, 75–106.

Bosa, I., Castelli, A., Castelli, M., Ciani, O., Compagni, A., Galizzi, M. M., Garofano, M., Ghislandi, S., Giannoni, M., Marini, G., and Vainieri, M (2021) 'Corona-Regionalism? Differences in Regional Responses to COVID-19 in Italy', *Health Policy (Amsterdam, Netherlands)*, **125**, 1179–1187.

Brown, H. (2016) 'Does Globalization Drive Interest Group Strategy? A Cross-National Study of outside Lobbying and Social Media', *Journal of Public Affairs*, **16**, 294–302.

Bruycker, I. D. and Beyers, J. (2019) 'Lobbying Strategies and Success: Inside and outside Lobbying in European Union Legislative Politics', *European Political Science Review*, **11**, 57–74.

Bulfone, F. and Tassinari, A. (2020) 'Under Pressure. Economic Constraints, Electoral Politics and Labour Market Reforms in Southern Europe in the Decade of the Great Recession', *European Journal of Political Research*, **60**, 509–538.

Busemeyer, M. R. (2012) 'Business as a Pivotal Actor in the Politics of Training Reform: Insights from the Case of Germany', *British Journal of Industrial Relations*, **50**, 690–713.

Busetta, G., Campolo, M. G. and Panarello, D. (2023) 'Economic Expectations and Anxiety during the COVID-19 Pandemic: A One-Year Longitudinal Evaluation on Italian University Students', *Quality & Quantity*, **57**, 59–76.

Capano, G. (2020) 'Policy Design and State Capacity in the COVID-19 Emergency in Italy: If You Are Not Prepared for the (Un)Expected, You Can Be Only What You Already Are', *Policy & Society*, **39**, 326–344.

Capano, G., Howlett, M., Jarvis, D. S. L., Ramesh, M., and Goyal, N. (2020) 'Mobilizing Policy (In)Capacity to Fight COVID-19: Understanding Variations in State Responses', *Policy & Society*, **39**, 285–308.

Clark, L. (1999) 'The Politics of Regulation: A Comparative-Historical Study of Occupational Health and Safety Regulation in Australia and the United States', *Australian Journal of Public Administration*, **58**, 94–104.

Conte, V. (2020, March 22) ‘Confindustria al governo: “Non si può chiudere tutto”. Sindacati: “Pronti allo sciopero generale”’, *La Repubblica*. Accessed at https://www.repubblica.it/economia/2020/03/22/news/caos_serrata_confindustria_al_governo_non_si_puo_chiudere_tutto_scrivete_bene_il_decreto_-251987770/ on May 17, 2021.

Cross, M., Ng, S.-K. and Scuffham, P. (2020) ‘Trading Health for Wealth: The Effect of COVID-19 Response Stringency’, *International Journal of Environmental Research and Public Health*, **17**, 8725.

Culpepper, P. D. (2010) *Quiet Politics and Business Power: Corporate Control in Europe and Japan*, Cambridge, Cambridge University Press.

Culpepper, P. D. (2015) ‘Structural Power and Political Science in the Post-Crisis Era’, *Business and Politics*, **17**, 391–409.

Culpepper, P. D. (2021) ‘Quiet Politics in Tumultuous Times: Business Power, Populism, and Democracy’, *Politics & Society*, **49**, 133–143.

Culpepper, P. D. and Regan, A. (2014) ‘Why don’t governments need trade unions anymore? The death of social pacts in Ireland and Italy’, *Socioeconomic Review*, **12**, 723–745.

Deb, P., Furceri, D., Ostry, J. D., and Tawk, N. (2020) ‘The Economic Effects of Covid-19 Containment Measures’, CEPR Discussion Paper No. DP15087.

Demirgüç-Kunt, A., Lokshin, M. and Torre, I. (2020) *The Sooner, the Better: The Early Economic Impact of Non-Pharmaceutical Interventions During the COVID-19 Pandemic*, Rochester, NY, Social Science Research Network.

Di Porto, E., Naticchioni, P. and Scrutinio, V. (2022) ‘Lockdown, Essential Sectors, and Covid-19: Lessons from Italy’, *Journal of Health Economics*, **81**, 102572.

Dipartimento della Protezione Civile (2020) ‘COVID-19 Italia—Monitoraggio situazione’, accessed at https://github.com/pcm-dpc/COVID-19 on July 30, 2021.

Engler, S., Brunner, P., Loviat, R., Abou-Chadi, T., Leemann, L., Glaser, A., and Kübler, D. (2021) ‘Democracy in Times of the Pandemic: Explaining the Variation of COVID-19 Policies across European Democracies’, *West European Politics*, **44**, 1077–1102.

Fairfield, T. (2015) ‘Structural Power in Comparative Political Economy: Perspectives from Policy Formulation in Latin America’, *Business and Politics*, **17**, 411–441.

Feltrin, P. (2020) ‘Decisione politica, interessi organizzati e territori nello “stato di emergenza”’, *EUT Edizioni Università di Trieste*.

Ferraresi, M., Kotsogiannis, C., Rizzo, L., and Secomandi, R. (2020) ‘The ‘Great Lockdown’ and Its Determinants’, *Economics Letters*, **197**, 109628.

Frangi, L., Zhang, T. and Hebdon, R. (2020) ‘Tweeting and Retweeting for Fight for $15: Unions as Dinosaur Opinion Leaders?’, *British Journal of Industrial Relations*, **58**, 301–335.

Fuchs, D. (2007). *Business Power in Global Governance*, Boulder: Lynne Rienner Publishers.

Fuchs, D. and Lederer, M. M. (2007) ‘The Power of Business’, *Business and Politics*, **9**, 1–17.

Fuller, J. A., Hakim, A., Victory, K. R., Date, K., Lynch, M., Dahl, B., and Henao, O. (2021) ‘Mitigation Policies and COVID-19–Associated Mortality — 37 European Countries, January 23–June 30, 2020’, *Morbidity and Mortality Weekly Report*, **70**, 58–62.

Furlong, S. R. and Kerwin, C. M. (2004) ‘Interest Group Participation in Rule Making: A Decade of Change’, *Journal of Public Administration Research and Theory*, **15**, 353–370.

Gadarian, S. K., Goodman, S. W. and Pepinsky, T. B. (2021) ‘Partisanship, Health Behavior, and Policy Attitudes in the Early Stages of the COVID-19 Pandemic’, *PLOS One*, **16**, e0249596.

Gerring, J. and Cojocaru, L. (2016) ‘Selecting Cases for Intensive Analysis: A Diversity of Goals and Methods’, *Sociological Methods & Research*, **45**, 392–423.

Greene, W. H. (2012) *Econometric Analysis*, Boston, MA, Pearson, pp. 434–438.

Goldstein, D. A. N. and Wiedemann, J. (2022) ‘Who Do You Trust? The Consequences of Partisanship and Trust for Public Responsiveness to COVID-19 Orders’, *Perspectives on Politics*, **20**, 412–438.

Google LLC (2020) 'Google COVID-19 Community Mobility Reports', accessed at https://www.google.com/covid19/mobility on 31 May, 2021.
Grant, W. (1985) *The Political Economy of Corporatism*, New York, NY, St Martin's Press.
Hale, T., Petherick, A., Phillips, T., and Webster, S. (2020) 'Variation in Government Responses to COVID-19', Blavatnik School of Government, Working Paper, Version 9.0.
Hausman, J. A. and Taylor, W. E. (1981) 'Panel Data and Unobservable Individual Effects', *Econometrica*, **49**, 1377–1398.
Heaney, M. T. (2006) 'Brokering Health Policy: Coalitions, Parties, and Interest Group Influence', *Journal of Health Politics, Policy and Law*, **31**, 887–944.
Hegele, Y. and Schnabel, J. (2021) 'Federalism and the Management of the COVID-19 Crisis: Centralisation, Decentralisation and (Non-)Coordination', *West European Politics*, **44**, 1052–1076.
Iglesias, C. A. and Moreno, A. (2020) *Sentiment Analysis for Social Media*, Basel: Multidisciplinary Digital Publishing Institute.
IPSOS (2021) 'Italia covid oggi, sondaggi: l'opinione dei cittadini', accessed at: https://www.ipsos.com/it-it/Italia-covid-oggi-sondaggi-opinione-cittadini on May 17, 2021.
Johnston, A., Hamann, K. and Field, B. (2021) 'A Strike against the Left: General Strikes and Public Opinion of Incumbent Governments in Spain', *Political Studies*, **70**, 837–864.
Kavakli, K. (2020) 'Did Populist Leaders Respond to the COVID-19 Pandemic More Slowly? Evidence from a Global Sample', accessed at https://covidcrisislab.unibocconi.eu/sites/default/files/media/attach/Kerim-Can-Kavakli.pdf on June 21, 2021.
König, M. and Winkler, A. (2020) 'Monitoring in Real Time: Cross-Country Evidence on the COVID-19 Impact on GDP Growth in the First Half of 2020', *Covid Economics*, **57**, 132–153.
König, M. and Winkler, A. (2021) 'COVID-19: Lockdowns, Fatality Rates and GDP Growth', *Inter Economics*, **56**, 32–39.
Kriesi, H. and Oana, I.-E. (2023) 'Protest in Unlikely Times: Dynamics of Collective Mobilization in Europe during the COVID-19 Crisis', *Journal of European Public Policy*, **30**, 740–765.
Lehmbruch, G. and Schmitter, P. C. (eds). (1982) *Patterns of Corporatist Policy-Making*, London, Sage.
Lindblom, C. E. (1977) *Politics and Markets: The World's Political Economic Systems*, New York, NY, Basic Books.
Mania, R. (2020, March 22) 'Chiusura a metà', *La Repubblica*. Accessed at https://rep.repubblica.it/pwa/generale/2020/03/22/news/chiusura_a_meta_-252024017/ on May 27, 2021.
Marocco, M. and Polli, C. (2022) 'Structure and consistency of Employers' Associations in Italy: An analysis through firms' data', Presentation at the online workshop '*The Presence, Role & Economic Impact of Employers' Associations in Europe*', organised in the context of the EmpRep Action. February 18.
Massaro, M., Tamburro, P., La Torre, M., Dal Mas, F., Thomas, R., Cobianchi, L., and Barach, P. (2021) 'Non-Pharmaceutical Interventions and the Infodemic on Twitter: Lessons Learned from Italy during the Covid-19 Pandemic', *Journal of Medical Systems*, **45**, 50–12.
Matthews Pillemer, F., Blendon, R. J., Zaslavsky, A. M., and Lee, B. Y. (2015) 'Predicting support for non-pharmaceutical interventions during infectious outbreaks: a four region analysis', *Disasters*, **39**, 125–145.
Meardi, G. and Tassinari, A. (2022) 'Crisis Corporatism 2.0? The Role of Social Dialogue in the Pandemic Crisis in Europe', *Transfer: European Review of Labour and Research*, **28**, 83–100.
Mohammad, S. M. and Turney, P. D. (2013) 'Crowdsourcing a Word-Emotion Association Lexicon', *Computational Intelligence*, **29**, 436–465.
Morgan, G., and Ibsen, C. L. (2021) 'Quiet Politics and the Power of Business: New Perspectives in an Era of Noisy Politics', *Politics & Society*, **49**, 3–16.

Olson, M. (1971) *The Logic of Collective Action: Public Goods and the Theory of Groups*, Cambridge, Harvard University Press.

Ortenzi, F., Albanese, E. and Fadda, M. (2020) ‘A Transdisciplinary Analysis of COVID-19 in Italy: The Most Affected Country in Europe’, *International Journal of Environmental Research and Public Health*, **17**, 9488.

Panarello, D. and Tassinari, G. (2022) ‘One Year of COVID-19 in Italy: Are Containment Policies Enough to Shape the Pandemic Pattern?’, *Socio-Economic Planning Sciences*, **79**, 101120.

Perez, S. A. and Matsaganis, M. (2019) ‘Export or Perish: Can Internal Devaluation Create Enough Good Jobs in Southern Europe?’, *South European Society and Politics*, **24**, 259–285.

Pleyers, G. (2020) ‘The Pandemic is a Battlefield. Social Movements in the COVID-19 Lockdown’, *Journal of Civil Society*, **16**, 295–312.

Popic, T. and Moise, A. D. (2022) ‘Government Responses to the COVID-19 Pandemic in Eastern and Western Europe: The Role of Health, Political and Economic Factors’, *East European Politics*, **38**, 507–528.

Pritoni, A. and Sacchi, S. (2019) ‘Interest Groups and the «Jobs Act»: Lobbying with What Effects?’ *Rivista Italiana di Politiche Pubbliche*, (2/2019), 181–212.

Puca, M. and Pignatti, C. (2022) *Le Misure a Supporto Di Lavoratori e Imprese Durante La Pandemia Di COVID-19 in Italia*, Geneva, International Labour Organization.

Pulejo, M. and Querubín, P. (2021) ‘Electoral Concerns Reduce Restrictive Measures during the COVID-19 Pandemic’, *Journal of Public Economics*, **198**, 104387.

Rasmussen, M. K. (2015) ‘The Battle for Influence: The Politics of Business Lobbying in the European Parliament’, *Journal of Common Market Studies*, **53**, 365–382.

Rathgeb, P. and Tassinari, A. (2022) ‘How the Eurozone Disempowers Trade Unions: The Political Economy of Competitive Internal Devaluation’, *Socio-Economic Review*, **20**, 323–350.

Regalia, I. and Regini, M. (2018) ‘Trade Unions and Employment Relations in Italy during the Economic Crisis’, *South European Society and Politics*, **23**, 63–79.

Rozanova, L., Temerev, A. and Flahault, A. (2020) ‘Comparing the Scope and Efficacy of COVID-19 Response Strategies in 16 Countries: An Overview’, *International Journal of Environmental Research and Public Health*, **17**, 9421.

Russo, I., Frontini, F. and Quochi, V. (2016) *OpeNER Sentiment Lexicon Italian—LMF*, Pisa, Institute for Computational Linguistics “A. Zampolli”, National Research Council.

Sabat, I., Neumann-Böhme, S., Varghese, N. E., Barros, P. P., Brouwer, W., van Exel, J., Schreyögg, J., and Stargardt, T. (2020) ‘United but Divided: Policy Responses and People’s Perceptions in the EU during the COVID-19 Outbreak’, *Health Policy (Amsterdam, Netherlands)*, **124**, 909–918.

Shotton, P. A. and Chalmers, A. W. (2015) ‘Social Media and the Politics of Interest Representation’. In Shotton, P. A. and Nixon, P. G. (eds) *Lobbying the European Union*, London, Routledge, 125–136.

Simonazzi, A., Ginzburg, A. and Nocella, G. (2013) ‘Economic Relations between Germany and Southern Europe’, *Cambridge Journal of Economics*, **37**, 653–675.

Singer, M. (2021) ‘It’s NOT the Economy When People Are Dying: Accountability for Household Economic and Health Outcomes during the Pandemic’, *Journal of Elections, Public Opinion and Parties*, **31**, 155–166.

Szasz, A. (1984) ‘Industrial Resistance to Occupational Safety and Health Legislation: 1971–1981’, *Social Problems*, **32**, 103–116.

Tassinari, A., and Sacchi, S. (2021) ‘A Biased Pendulum: Italy’s Oscillations between Concertation and Disintermediation’. In Ebbinhaus, B. and Weishaupt, T. (eds) *The Role of Social Partners in Managing Europe’s Great Recession*, London, Routledge, 187–211.

Toshkov, D., Carroll, B. and Yesilkagit, K. (2021) 'Government Capacity, Societal Trust or Party Preferences: What Accounts for the Variety of National Policy Responses to the COVID-19 Pandemic in Europe?', *Journal of European Public Policy*, **29**, 1009–1028.

Trein, P. and Vagionaki, T. (2022) 'Learning Heuristics, Issue Salience and Polarization in the Policy Process', *West European Politics*, **45**, 906–929.

Union News (2020) 'Unions Warn of Mass Walkouts Over Government Return-to-work Guidelines', *Union News*.

Vezzoni, C., Ladini, R., Molteni, F., Dotti Sani, G.M., Biolcati, F., Chiesi, A., Maraffi, M., Guglielmi, S., Pedrazzani, A., and Segatti, P. (2020) 'Investigating the Social, Economic and Political Consequences of Covid-19: A Rolling Cross-Section Approach', *Survey Research Methods*, 187–194.

Walker, E. T. and Rea, C. M. (2014) 'The Political Mobilization of Firms and Industries', *Annual Review of Sociology*, **40**, 281–304.

Widner, K., MacDonald, M. and Gunderson, A. (2020) 'Lobbying Inside (and) Out: Interest Group Behavior on Social Media', *APSA Pre-Prints*.

Wilson, T., Wiebe, J. and Hoffmann, P. (2005) 'Recognizing Contextual Polarity in Phrase-Level Sentiment Analysis'. In *Proceedings of HLT-EMNLP-2005*. Accessed at https://aclanthology.org/H05-1044.pdf on May 21, 2021.

Wright, C. F. (2017) 'Employer Organizations and Labour Immigration Policy in Australia and the United Kingdom: The Power of Political Salience and Social Institutional Legacies', *British Journal of Industrial Relations*, **55**, 347–371.

Yan, B. et al. (2020) 'Why Do Countries Respond Differently to COVID-19? A Comparative Study of Sweden, China, France, and Japan', *American Review of Public Administration*, **50**, 762–769.