

# CAN MIGRANT PREFERENCES SHAPE LOCAL POLITICS?

### EVIDENCE FROM ARGENTINA

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#### Abstract

Between 1870 and 1914, Argentina received an inflow of migrants during the 'Age of Mass Migration', when foreign-born people represented a third of the population by 1914. These migrants predominantly came from Europe. The aim of this paper is to analyse the influence of immigrants on i) political and ii) social preferences of natives, using data from 1895 and 1914 Census. I find that a higher exposure to migrants increases the Socialist Party vote share. To understand the channels of transmission, I examine associations formed by migrants

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#### I Introduction

Between 1870 and 1914, Argentina received an inflow of European migrants who settled in the country, either temporarily or permanently, during the 'Age of Mass Migration'. By 1914, European migrant share represented one-third of the whole Argentinian population.

My paper speaks to the literature on the experience of Argentina during the 'Age of Mass Migrations' (Abad et al. (2021), Pérez (2017), Droller (2018), Droller et al. (2022)). It also contributes to the vast literature on the effects of migrants on political outcomes.

The aim of this paper is to analyse the transmission of preferences by immigrants onto natives. In particular, I will enquire if exposure to migrants induced voting for non-Conservative parties in the Legislative Elections by the end of the 'Age of Mass Migration'

To address these identification concerns, I use an instrument variable (IV) approach, following recent migration literature (Tabellini (2020), Sequeira et al. (2020), Medici (WP)).

My main findings are that counties receiving a higher share of migrants observed a change in voting patterns; in particular, these locations voted for parties more politically aligned with the political preferences of those migrants. My findings contribute to the understanding of the experience of immigrants onto the receiving country (Sequeira et al. (2020), Abramitzky et al. (2014), Tabellini (2020)). Bazzi et al. (2020) find that migration to the frontier promotes individualism, while in my setting immigrants arriving to new territories increases cooperation.

### II Historical Background

#### 1 Mass Migration

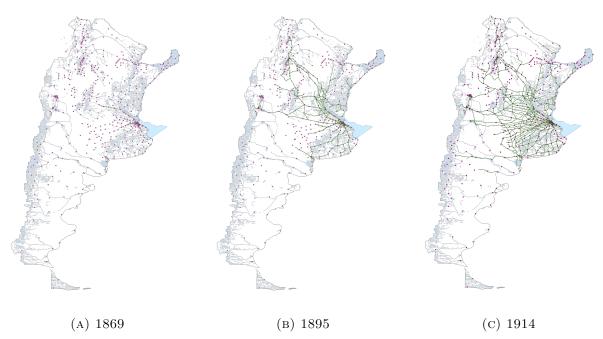
Between 1870 and 1914, Argentina experienced a major migrant net inflow of approximate three million people, whose precedence was mainly from Europe. By 1870, total population amounted to 1,877,490; in 1914, it increased four-fold to 7,885,237. With the world market integration, new waves of migrants arrived from all over Europe, even without sharing the same cultural traits as the Argentine (Devoto, 2004).

Throughout this period, immigration was facilitated by the expansion of the railway network, operated mainly by private companies from international capital (López et al., 2016). Figure 1 shows the railroad expansion between 1869 and 1914. As such, by 1914 nearly every location in the country was exposed to European migrants in a greater or lesser extent, allowing to exploit the heterogeneous treatment on Argentinian departments.

#### 2 The Rise of Left-Wing Movements

Prior to the 1870s, Left-Wing ideals were rare in the country. Exposure to Left-Wing ideas on the median voter was virtually inexistent until the last third of the XIXth century. However, with the ameliorating of the international transportation systems, ideas coming from Europe

FIGURE 1: RAILROAD EXPANSION



Sources: Dirección General de Inmigración, INDEC and IGN.

were more easily accessed on the other side of the Atlantic. The 1870s brought the first subset of migrants fleeing from political persecution (Poy, 2020).<sup>1</sup> As of the 1870s, an increase of Left-Wing ideologies began to enroot in the country, starting by Buenos Aires.

In its early stages during the 1870s and 1880s, there was not a consolidated national movement; instead, atomised heterogeneous groups. Its most prominent example was *Verein Vorwärts* (1882), lead by German Marxists. The first Left-Wing newspapers began being printed during this period; the most popular was *Vorwärts* (1886), followed by *La Questione Sociale* (1885). Left-wing newspapers in Spanish did not appear until the early 1890s.

In 1894, four Socialist circles formed the first grouped attempt in the Socialist Worker Centre: comprised by *Vorwärts* (German), *La Agrupación* (cosmopolitan), *Les Egaux* (French) and *Il Fascio dei Lavoratori* (Italian).

By the turn of the century, Conservative politicians passed laws in the first decade of the XXth century to try to mitigate the spread of Left-wing principles: The Residency Law (1902) and the Social Defense Law (1910). These laws included: deportation of suspected migrant left-wing member; curfew in some areas; police raids and public repression; and freedom of press restriction, particularly of the two main Socialist and Anarchist newspapers, La Vanguardia and La Protesta, respectively.

<sup>&</sup>lt;sup>1</sup>French from the *Commune de Paris*, Republican Italians after the founding of the Kingdom of Italy, and Marxist Germans escaping Bismarck regime.

#### III Data

I retrieved political information from Cantón (1968)The available information is at the county level, or *departamentos*I digitised votes for each party at the department level between 1912 and 1930<sup>2</sup> I then calculated the voting shares for each party and county.

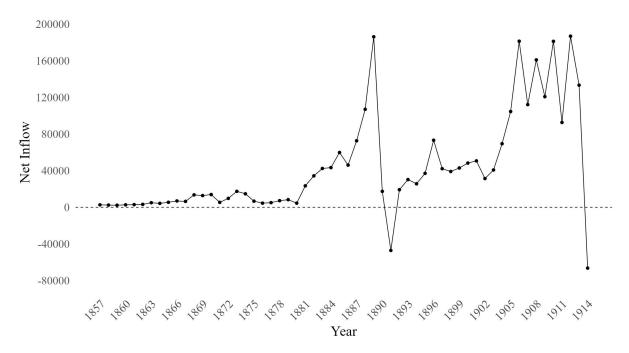


FIGURE 2: ANNUAL NET INFLOW OF MIGRANTS

Source: Dirección General de Inmigración.

The other relevant measure in the analysis is the aggregate net inflow of immigrants into Argentina. The Census data allow to calculate the migrant share at each department level for 1895 and 1914.<sup>3</sup> Figure 2 presents the annual net inflow of migrants and shows variability in the migrants waves. In terms of migrant composition, Figure 3 shows total population in Argentina by grouped country of origin for 1895 and 1914 Census. I exploit this heterogeneity as an extra source of variability in the analysis, using 1895 as base year.

<sup>&</sup>lt;sup>2</sup>1912 being the earliest year of available information; 1930 is a natural upper limit since democratic elections were interrupted that year and did not resume until the 1940s.

<sup>&</sup>lt;sup>3</sup>Due to changes in boundaries of some departments, I fix the unit of observation to the 1895 political map, as used by Fajgelbaum and Redding (2022).

(A) 1895 100% Argentina 90% ■ Italy 80% Spain ■ NW Europe 60% ■ E Europe and Portugal 50% ■ Brasil & Uruguay Other Catamar City of Bs. (B) 1914 100% ■ Argentina 90% ■ Italy 80% Spain 70% ■NW Europe 60% ■E Europe and Portugal 50% ■Brasil & Uruguay Total Barrens of The House of States 40% Corrientes Other

FIGURE 3: MIGRANT COMPOSITION BY PROVINCE

Source: 1895 and 1914 Census.

# IV Empirical Strategy

#### 1 Base Model

I exploit the departments' heterogeneous exposure to Europeans migrants by 1914 as treatment. OLS estimates the coefficient of regressing the treatment against a series of political outcomes, as shown in Equation 1:

Vote Share 
$$idp = \beta_0 + \beta_1$$
 Immigrant Share  $d + \delta X_d + \mu_p + \epsilon_{id}$  (1)

Equation 1 estimates party vote shares across the political spectrum. The available data of political ballots for party i is at a county level d, within province p. I included a series of confounders to control for observable characteristics  $X_d$  at the county level. Pre-period controls (1895) include urban share, population density, connection to the railway network, and presence of banks. Time-invariant controls include geographic variables: latitude and longitude. I also

include voter literacy rates in 1914, dating prior to the elections.  $\mu_p$  are province fixed effects.

#### 2 Identification

To deal with endogeneity resulting from migrant self-selection, I implement an instrumental variable approach. The shift-share instrument has become one of the principal approaches to dealing with endogeneity in migrations.

Following Adão et al. (2019), to further account for plausible endogeneity concerns, I use the "leave-out" approach whereby immigrants that eventually settled in each county are excluded.

$$\tilde{X}_{dp\tau} = \sum_{j} \alpha_{jd} O_{j\tau}^{-d}, \qquad \sum_{j=1}^{J} \alpha_{jd} \le 1 \quad \text{and} \quad \alpha_{jd} \ge 0, \forall j$$
 (2)

where  $O_{j\tau}^{-d}$  represents immigrants with country origin j entering Argentina between  $\tau$  and  $\tau - 1$ , net of the immigrants eventually settling in department d;  $\alpha_{jd}$  is the share of immigrants from country j living in country d in 1895. To obtain the final shares, the predicted inflow is divided by predicted total population by 1914.

Figure 4 illustrates the positive, strong correlation between the European migrant inflow between 1895 and 1914 with its respective instrument.

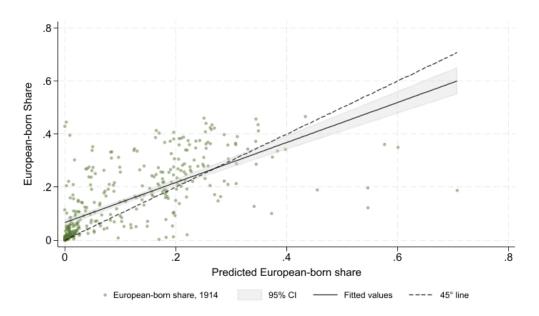


FIGURE 4: FIRST STAGE: ACTUAL VERSUS PREDICTED IMMIGRATION

#### V Estimates

Tables 1 reports the 2SLS estimates. The OLS estimates (Panel A) are reported to contrast with the 2SLS results (Panel C); reduced-form estimates are also reported (Panel B). First-stage

global significance test shows a value of over 20, suggesting that the instrument is strong enough to reject the null hypothesis for weak instruments.

Effects are especially strong for left-wing parties; however, lack of correlation between the instrument and right-wing parties fail to indicate causal effects of immigrants on the party. This is explained by the fact that other parties in the centre might also have captured the variability of the instrument.

Table 1: 2SLS Regressions

(A) Left-Wing

	( )						
	1916	1918	1920	1922	1926	1928	1930
Panel A: OLS estimates							
European-born Share, 1914	0.09***	0.09**	0.02	0.14***	0.25***	0.13***	0.19***
	(0.03)	(0.04)	(0.03)	(0.05)	(0.06)	(0.03)	(0.04)
$\mathbb{R}^2$	0.378	0.481	0.837	0.477	0.570	0.454	0.442
Panel B: Reduced Form							
Pred. European-born share, 1895 (IV)	0.07**	0.06**	-0.03	0.11***	0.13**	0.09**	0.12**
	(0.03)	(0.03)	(0.03)	(0.04)	(0.06)	(0.04)	(0.05)
$\mathbb{R}^2$	0.363	0.465	0.837	0.461	0.524	0.428	0.392
Panel C: 2SLS estimates							
European-born Share, 1914	0.21***	0.19***	-0.09	0.28***	0.31***	0.22***	0.28***
	(0.07)	(0.07)	(0.10)	(0.08)	(0.10)	(0.07)	(0.09)
N° Obs.	244	204	214	261	292	302	294
Montiel-Pflueger F-Stat	16.770	15.280	17.279	21.964	22.099	22.135	22.193
Controls	Y	Y	Y	Y	Y	Y	Y
Province FE	Y	Y	Y	Y	Y	Y	Y
Y-Mean	0.010	0.017	0.021	0.023	0.041	0.021	0.026
	(B) I	Right-W	ING				
	1916	1918	1920	1922	1926	1928	1930
Panel A: OLS estimates							
European-born Share, 1914	-0.43***	-0.22*	-0.30**	-0.33***	-0.33***	-0.19*	-0.18*
	(0.12)	(0.12)	(0.11)	(0.11)	(0.13)	(0.10)	(0.09)
$\mathbb{R}^2$	0.690	0.629	0.808	0.800	0.739	0.797	0.670
Panel B: Reduced Form							
Pred. European-born share, $1895~(IV)$	-0.11	-0.09	-0.05	-0.10	-0.04	-0.01	-0.11
				/ >	(0 1 1)	(0.09)	(0.10)
	(0.10)	(0.11)	(0.08)	(0.09)	(0.14)	(0.09)	(0.10)
$ m R^2$	(0.10) 0.676	0.625	0.801	0.792	0.732	0.793	0.668
R <sup>2</sup> Panel C: 2SLS estimates							
<u> </u>							
Panel C: 2SLS estimates	0.676	0.625	0.801	0.792	0.732	0.793	0.668
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Panel C: 2SLS estimates European-born Share, 1914	0.676 -0.34 (0.24)	0.625 -0.27 (0.33)	0.801 -0.14 (0.22)	0.792 -0.23 (0.19)	0.732 -0.10 (0.31)	0.793 -0.03 (0.20)	0.668 -0.26 (0.21)
Panel C: 2SLS estimates European-born Share, 1914 N° Obs.	0.676 -0.34 (0.24) 244	0.625 -0.27 (0.33) 204	0.801 -0.14 (0.22) 214	0.792 -0.23 (0.19) 261	0.732 -0.10 (0.31) 292	0.793 -0.03 (0.20) 302	0.668 -0.26 (0.21) 294

Notes: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01. The Table reports OLS (Panel A), reduced-form (Panel B) and 2SLS (Panel C) estimates with robust standard errors corrected for heteroskedasticity in parentheses. The City of Buenos Aires is excluded. The F-statistic tests global statistical significance for weak instruments in the first-stage regression.

0.389

0.305

0.405

0.284

0.190

0.342

0.481

#### VI Mechanisms

#### 1 Civic capital and immigrants

Europeans were successful in forming civic capital. During the XIXth century a new form of voluntary, non-profit associations emerged: mutual-aid societies. They can easily be traced across Europe at the time.<sup>4</sup> Putnam et al. (1993) covers Italian 'Società di mutuo soccorso', being Italy one of the most prominent countries in forming these type of organisations. These associations emerged as risk-sharing device and were in charge of providing assistance in several fields: healthcare, work insurance, invalidity insurance, pension system, education, etc. Thus they constitute a suitable measure of civic capital (Buggle and Durante, 2021).

In the 1850's, the first associations formed in Argentina were prominently European: L'Union et Secours Mutuels (1854), Asociación Española de Socorros Mutuos (1857) or Unione e Benevolenza (1858) were amongst the first relevant associations to emerge in the City of Buenos Aires. Over time, these associations expanded to the rest of the country. By 1914, over 500,000 people belonged to one of the 1,202 associations, whereby the membership share over total population was equal to 6.47%; in the City of Buenos Aires, this share stood at 16.34%, the highest of the country.

To quantify civic capital, I observe yearly non-profit associations formation from the 1914 Census. As measures for the analysis, I study the intensive and extensive margins of association in a given department by 1914. This data contains information on the nationality of the majority of its members. This allows me to be classify each association in three large groups: (a) European; (b) Argentine; and (c) Mixed. Figure 5 presents the yearly association formation classified into these three groups.

<sup>&</sup>lt;sup>4</sup>Examples range from the 'sociedades de socorros mutuos' (or short 'mutuales') of Spain (Miñambres, 1998) or the 'friendly societies' in the UK (Gosden, 1973), to the 'sociétés de secours mutuels' in France (Mitchell, 1991) and the German 'gegenseitige Unterstützungs-Gesellschaft' (Brooks and Guinnane, 2017).

Argentine Sum of Net Inflow (% of Total Pop.) Mixed European 40 Association Count 30 20% 20 10 1887 1890 1899 188A 1893 1896 1902 1881

FIGURE 5: ASSOCIATION FORMATION AND NATIONAL IMMIGRATION SHARES

Sources: Dirección General de Inmigración and 1914 Census.

#### VII Conclusion

In this work I set to analyse whether the Mass Migration to Argentina had an impact in political preference of the natives. The findings illustrate a new insight behind the political transformation of Argentina at the start of the  $XX^{th}$  century. OLS and IV results for Left-Wing parties suggest that migrants had a positive effect on the parties' votes. OLS estimates suggest that a higher presence of migrants led to decrease in votes of the Right-Wing parties. This is explained by both association formation by migrants which eventually led to spillovers onto natives, as well as a subset of migrants who were active and successful in spreading leftist ideologies. In the case of the Radical party, coefficients are also positive, except that the null hypothesis cannot be rejected.

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