

Tough on criminal wealth? Exploring the link between organized crime's asset confiscation and regional entrepreneurship*

Small Business Economics

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Table A1. Examples of legislation included in the measure of Local Institutional Responsiveness

Region	Relevant legislation with dispositions regarding the management of confiscated assets	Representative Initiatives
Abruzzo		
Basilicata	LR n. 7/2011	Reduction of credit uncertainty
Calabria	LR n. 5/2007, LR n. 28/2010	Assignment of confiscated assets to public institutions for initiatives that restore the rule of law; funding of sport and recreational activities on confiscated real estate
Campania	LR n. 7/2012	Creation of a Foundation coordinating initiatives and restoring governance; reduction of credit uncertainty following confiscation; public funding of entrepreneurial and social initiatives using confiscated assets
Emilia-Romagna	LR n. 3/2011	Technical assistance and financing of real estate redeployment projects
Friuli-Venezia Giulia		
Lazio	LR n.15/2001; LR n.24/2009; delibera 575/2011	Dedicated funding for the redeployment of confiscated real estate to governmental uses; an Observatory for monitoring confiscated assets; reduction of credit uncertainty following confiscation
Liguria	LR n.7/2012; LR n.21/2013	Public funding of entrepreneurial and social initiatives using confiscated assets in the agri-food sector
Lombardia	LR n. 9/2011	Public funding of initiatives aimed at asset redeployment; well-defined real estate assignment procedures
Marche		

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Molise		
Piemonte	LR n. 14/2007	Public funding of initiatives aimed at real estate redeployment
Puglia	Delibera 1693/2005; Delibera 2328/2013	Public funding of initiatives aimed at real estate redeployment with social goals
Sardegna		
Sicilia	LR n.15/2008; LR n. 11/2011	Public funding of initiatives aimed at real estate redeployment; reduction of credit uncertainty for entrepreneurs through public sponsorship; simplified allocation procedures; tax benefits for enterprises operating on confiscated assets; best practices concerning symbolic reuse (police stations, police vehicles)
Toscana		
Trentino-Alto Adige/Südtirol	LR n. 15/2011	Financing of initiatives aimed at asset redeployment
Umbria		
Valle d'Aosta/Vallée d'Aoste	LR n.11/2010	Financing of initiatives aimed at real estate redeployment
Veneto	LR n.48/2012	Creation of fund supporting initiatives aimed at the reuse of assets for social goal; reduction of credit uncertainty following confiscation

Table A2. Results of Fixed Effect Panel Regression predicting Founding Rates in Italian Provinces
(Excluding Mafia Intensive ATECO sectors)

	coef	Se
Economic Assets Confiscation	6.25**	(1.53)
Operational Assets Confiscation	-1.09**	(0.36)
Operational Assets Confiscation X Local Institutional Responsiveness	0.42	(0.28)
Local Institutional Responsiveness	5.24	(40.44)
Innovation Intensity	-35.05**	(11.17)
Immigration Rate	-61.14	(46.75)
Unemployment	8.90	(7.30)
Prosperity Rank	1.47	(0.87)
Population Density	11.99**	(3.93)
Business Density	0.07**	(0.02)
Intensity of Mafia Activity	-4.47	(8.30)
Province fixed effects		Y
Year fixed effects		Y
Constant	-3,531.41*	(1,715.53)
Observations		412
R-squared (within)		0.28
Number of provinces		103

Robust standard errors in parentheses

** p < 0.01, * p < 0.05

We identified sectors that are more prone to mafia infiltration based on expert assessment (Transcrime 2015). The industries at risk of organized crime infiltration can be identified as follows: Retail, Renewable Energies, Waste Disposal, Construction, and Hospitality (Restaurants and Hotels). The related ATECO codes are B, E, F, and I.