

 Open access • Journal Article • DOI:10.2139/SSRN.3710568

From the lockdown to the new normal: An analysis of the limitations to individual mobility in Italy following the Covid-19 crisis — [Source link](#)

Mauro Caselli, Andrea Fracasso, Sergio Scicchitano

Institutions: University of Trento

Published on: 14 Oct 2020 - Research Papers in Economics (Essen: Global Labor Organization (GLO))

Topics: Individual mobility

Related papers:

- [Mobility in times of pandemics: evidence on the spread of Covid19 in Italy's labour market areas](#)
- [How Do Sectoral Employment Structures Affect Mobility during the COVID-19 Pandemic?](#)
- [Direct and Spillover Effects from Staggered Adoption of Health Policies: Evidence from COVID-19 Stay-at-Home Orders](#)
- [Job-related "high mobility" in times of economic crisis: Analysis from four European countries](#)
- [COVID-19 and the Intentions to Migrate from Developing Countries: Evidence from Online Search Activities in Southeast Asia](#)

Share this paper:    

View more about this paper here: <https://typeset.io/papers/from-the-lockdown-to-the-new-normal-an-analysis-of-the-1yz4rit2im>

Caselli, Mauro; Fracasso, Andrea; Scicchitano, Sergio

Working Paper

From the lockdown to the new normal: An analysis of the limitations to individual mobility in Italy following the Covid-19 crisis

GLO Discussion Paper, No. 683

Provided in Cooperation with:
Global Labor Organization (GLO)

Suggested Citation: Caselli, Mauro; Fracasso, Andrea; Scicchitano, Sergio (2020) : From the lockdown to the new normal: An analysis of the limitations to individual mobility in Italy following the Covid-19 crisis, GLO Discussion Paper, No. 683, Global Labor Organization (GLO), Essen

This Version is available at:
<http://hdl.handle.net/10419/225064>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

From the lockdown to the new normal: An analysis of the limitations to individual mobility in Italy following the Covid-19 crisis*

Mauro Caselli[†]

Andrea Fracasso^{‡§}

Sergio Scicchitano[¶]

October 13, 2020

Abstract

Italy was among the first countries to introduce drastic measures to reduce mobility in order to prevent the diffusion of Covid-19. On March 9, 26 out of 111 provinces were subject to severe limitations on individual mobility between municipalities. One day later, new restrictive measures were introduced in the whole country with no regional distinctions: this continued until June 3 when the limits on movements across regions were eventually lifted. By looking at these watershed moments, this paper explores, for the first time, the impact of the adoption and the removal of restrictive measures on changes in individual mobility in Italy. By using a spatial discontinuity approach, we show that these measures were effective in that they lowered individual mobility by about 7 percentage points relative to what is accounted for by the characteristics of the local population and the disease. The analysis shows, however, that local features played an important role after the travelling bans were lifted: the catching up with pre-Covid-19 patterns has been stronger in those areas where the labour force is relatively less exposed to the risk of contagion and less likely to work from home.

Keywords: Covid-19, lockdown, mobility, risk of contagion.

JEL Classification Codes: I19, O33.

*The authors would like to thank Salvatore Marsiglia and Jasmine Mondolo for their valuable research assistance, and Fondazione Caritro for financing of a related project on local labour markets (Project 2018.0258). The authors are solely responsible for any errors. The views expressed in this paper are those of the authors and do not necessarily reflect those of INAPP.

[†]School of International Studies & Department of Economics and Management, University of Trento, Italy.

[‡]School of International Studies & Department of Economics and Management, University of Trento, Italy.

[§]Corresponding author: Via Tommaso Gar 14, Trento (TN) 38122, Italy; email: andrea.fracasso@unitn.it.

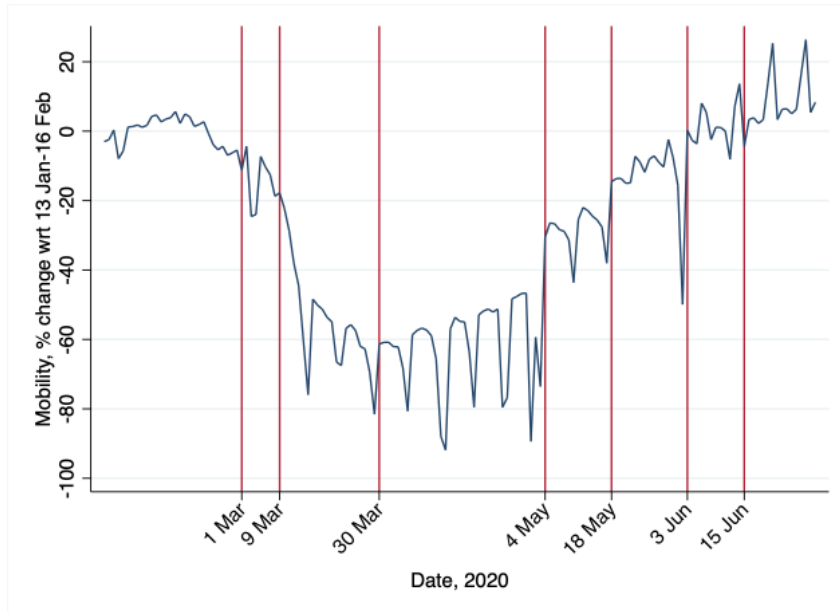
[¶]National Institute for Public Policies Analysis (INAPP), Italy and Global Labor Organisation (GLO, Germany).

1 Introduction

Facing the outbreak and diffusion of Covid-19, Italy was the first European country to announce and implement in early March 2020 severe limits on travelling and individual mobility with the aim of slowing down the contagion. Soft recommendations to ‘stay-at-home’ were gradually transformed into legally binding orders and lockdown restrictions enforced via civil and criminal law measures. These measures were progressively strengthened, starting from March 25, through the suspension of most economic activities, but for the so-called essential sectors exempted from the ban. In parallel, the authorities started facilitating working-from-home (WFH) practices, also waiving existing laws and collective agreements. These nationwide measures remained in force until May 4, when they started being progressively removed along a process that ended on June 15, when almost all restrictions were lifted. The precise timeline of the policy measures and mobility restrictions will be discussed in Section 2.

The impact of the imposition and of the lifting of restrictions on individual mobility has been, indisputably, huge. Figure 1 shows that, on average, the mobility in Italy collapsed after the measures introduced in March and restarted with their gradual removal in May and June.

Figure 1: Variations in mobility relative to January 13-February 16

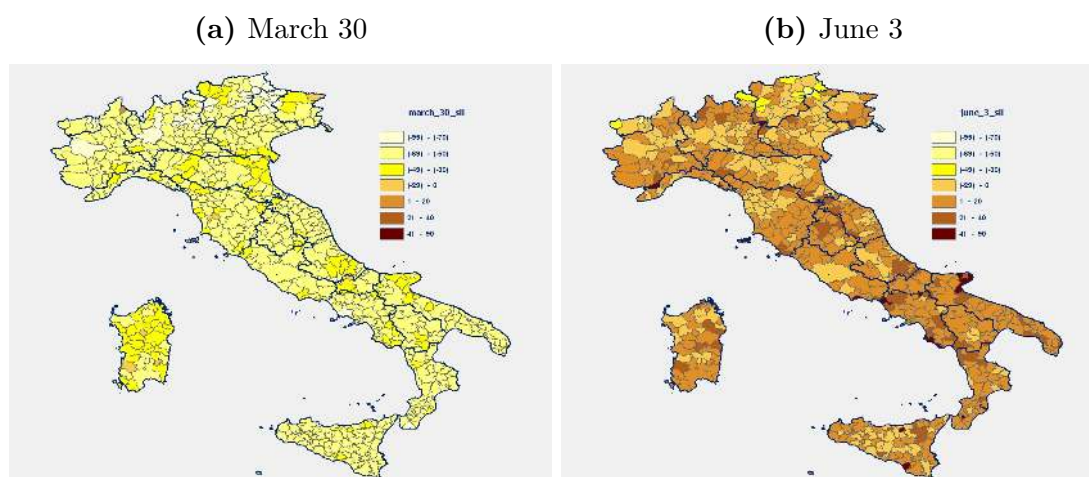


Source: City Analytics - Mobility Map, Enel X s.r.l. and Here Technologies.

In this study we analyse how local mobility patterns have changed over time and how these changes are related to the abrupt imposition of the restrictions on March 9 and their gradual removal starting on May 4. In fact, although the nationwide mobility patterns accord intuitively well with the implementation of these restrictive measures, it is not clear whether and to what extent individual mobility changed because of the policy interventions or rather due to other concurrent factors. More specifically, in this study we adopt two complementary empirical approaches to assess both the impact of the

restrictions and the implications of their lifting on local mobility, thereby exploiting both the evolution of the policy measures over time and the remarkable territorial variation in mobility patterns across municipalities and local labour market areas (LLMAs) for the identification of the effects of interest. Notably, as the mobility restrictions of March 9 were unexpectedly imposed overnight on the population of 26 provinces located in the North of the country, we exploit such policy discontinuity at the provincial border to identify the impact of the lockdown measures on mobility. Conversely, the removal of the subsequent nationwide restrictions was gradual and accompanied by a geographically differentiated modification of workers' and employers' behaviour, thereby making it possible for us to study the linkage between the progressive removal of the restrictions and the characteristics of the local labour markets, a relationship that has not been studied before. Indeed, Figure 2 shows that the fall in mobility by March 30 was rather homogeneous, while the subsequent increase in mobility after the lifting of the lockdown measures was heterogeneous across LLMAs.

Figure 2: Variations in mobility on March 30 and June 3 relative to Jan 13-Feb 16



Source: City Analytics - Mobility Map, Enel X s.r.l. and Here Technologies.

Anticipating the main results of the analysis, we find that the March 9 lockdown measures had a remarkable direct impact on individual mobility in the 26 affected provinces with an overnight fall in mobility rates of about 7 percentage points (on top of the 13% reduction in mobility recorded on average on that day). In addition, this fall in individual mobility due to the lockdown measures was homogeneous across local labour market areas. On the other hand, we find that the subsequent recovery in mobility, once the restrictive measures started being gradually lifted in May and June, was characterised by a remarkable spatial heterogeneity because the characteristics and the composition of the local labour force impacted significantly on the variation of mobility patterns. In particular, changes in mobility after the lifting of the lockdown are negatively associated with the local share of professions feasible for remote work and those exposed to the risk of contagion as they were probably the last occupations to be actually re-activated, even when legally possible. Variations in mobility are also negatively associated with the local activity rate, as most economic activities remained subject to restrictive measures and suffered from the collapse in global aggregate demand, and with the local share of tem-

porary contracts whose expiration was not covered by the furlough scheme adopted by the Italian government. All the results hold controlling for other local relevant features, such as the composition by age of the population, the size of the LLMA, topographic characteristics and the importance of tourism in the local economy.

Despite being the first empirical work estimating the impact of locally differentiated restrictions on individual mobility and of the lifting of nationwide measures, this work relates to a lively strand of recent literature focusing on the relationship between mobility and Covid-19. Yet, although the literature on the impact of travelling bans on the diffusion of the virus has quickly grown large (see Favero et al., 2020, and Bilgin, 2020, for Italy, Lyu and Wehby, 2020, and Glaeser et al., 2020, for the US, Fang et al., 2020, and Qiu et al., 2020, for China, and Milani, 2020, and Yilmazkuday, 2020, for cross-country analyses), the evidence on the implications of applying and removing restrictive measures on individual mobility is still limited. Engle et al. (2020) study the connection between changes in average distance travelled by individuals at the county level in the US and the emergence of Covid-19 cases, controlling for demographic variables and restriction orders to stay at home. They find that a higher local infection rate from 0% to 0.003% is associated with a reduction in mobility by 2.31, whereas the stay-at-home restrictions reduce mobility by 7.87%. This impact has a magnitude similar to that we identify in our work by looking at the March 9 lockdown in Italy. Engle et al. (2020) also find that the US counties with larger shares of population over age 65, lower voting shares for the Republican Party, and higher population density are more responsive to the orders, thereby identifying a relationship between the characteristics of the local areas and the ultimate impact of the mobility restrictions. Using data from Google Community Mobility reports and Uniform Traffic Crash Report, Barnes et al. (2020) apply a regression discontinuity design to show that the stay-at-home orders reduced traffic accidents by almost 50% in Louisiana (US) as a result of lower traffic. Using a dataset on daily individual movements derived from de-identified smartphones, Pepe et al. (2020) show a reduction of traffic between Italian provinces in the weeks following the mobility restrictions decided in early March to an extent ranging between 10% and 30%. They also find that the overall mobility fluxes between provinces decreased by 50% after the subsequent national lockdown in late March, with the majority of people not leaving their home province at all. Although their results are in line with some of our findings, our analysis goes a step further in two directions. First, we empirically assess the relationship between the restrictions and the mobility rates at a more granular geographical level (i.e., municipalities rather than provinces), also controlling for a number of potentially confounding factors. Second, our analysis also covers the impact of the removal of the mobility restrictions in May and June, thereby looking at the entire evolution of the policy measures and of their effects and investigating what variables may be relevant for the possible return to a “new normal”. Our empirical analysis innovates on the existing works also in that it exploits a unique and innovative dataset merging information from several Italian data sources (more on this in Section 3) with a view to accounting for several relevant characteristics of LLMA.

This work relates to a second strand of the literature focusing on workers’ exposure to infections, personal distancing at work, and WFH. These are important features of occupations as the ultimate impact of social distancing measures and mobility restrictions depends on the necessity to be physically close to others, on the risk of exposure to the

disease at the workplace, and on whether one can work from home or not. Previous studies on individual mobility and diffusion of the disease at the local level have revealed that these are indeed affected by the composition of the local workforce in terms of occupations and their characteristics. For instance, [Crowley and Doran \(2020\)](#) show that there is a greater potential for social distancing and remote working in towns with a high density level and a better level of education. [Almagro and Orane Hutchinson \(2020\)](#) explain the disparities in Covid-19 incidence across New York City neighbourhoods in terms of the different degrees of human interaction at work and of the heterogeneous distribution of occupations. [Koren and Peto \(2020\)](#), [Leibovici et al. \(2020\)](#) and [Mongey et al. \(2020\)](#), who use O*NET data to classify the occupations according to the degree of required face-to-face interactions and physical proximity, study the differentiated impact of social distancing measures on employment losses across jobs and local areas. Similarly, [Beland et al. \(2020\)](#) rank the workers in the US according to the degree of proximity and risk of disease exposure, and find that the labor market outcomes associated with the response to Covid-19 differ across occupations and locations.¹ Focusing on Italy and using the INAPP-ICP data that we also exploit in this work, [Barbieri et al. \(2020\)](#) rank the economic sectors and the occupations according to three features: the risk of proximity to others, the risk of disease exposure, and the possibility to work from home. On this basis, they show that the sectoral lockdowns implemented in late March 2020 by the Italian authorities (see timeline in Section 2) targeted those sectors with a significantly higher share of workers operating in physical proximity and with a lower share of workers with a high possibility to work from remote (but not those with a higher share of workers directly exposed to infections).²

Great attention has also been given to the identification of the jobs that can be performed at home so as to determine what workers might have been less impacted by social distancing measures, mobility restrictions and risks of contagion ([Baker, 2020](#); [Boeri et al., 2020](#); [Dingel and Neiman, 2020](#); [Gottlieb et al., 2020](#); [Hensvik et al., 2020](#); [Holgersen et al., 2020](#); [Mongey et al., 2020](#); [Yasenov, 2020](#)) Using O*NET data for some European countries, [Boeri et al. \(2020\)](#) calculate the share of jobs that can be carried out at home by relaxing mobility constraints and/or personal face-to-face contact. Following the methodology proposed by [Dingel and Neiman \(2020\)](#) and applying it to the INAPP-ICP data for Italy, [Cetrulo et al. \(2020\)](#) identify what occupations can be performed from home and conclude that only 30% of the Italian workforce is employed in WFH activities.³ Our work fits well in this strand of the literature as it also relates the characteristics of occupations and the composition of the local workforce to the variation in individual

¹Similarly, [Baker et al. \(2020\)](#) estimate the number of US workers facing exposure to infections or diseases at work.

²[Caselli et al. \(2020b\)](#) show that Italian industries employing more robots per worker in production tend to exhibit a lower risk of contagion due to coronavirus, calculated on the basis of the exposure, the proximity and the aggregation of individual occupations and tasks.

³Different conclusions for the US are reached by [Baker \(2020\)](#), who conclude that only 25% of the occupations in the US cannot be done at home. Looking forward, [Bonacini et al. \(2020\)](#) calculate the distributional consequences of differentiated WFH feasibility on wage inequality among Italian employees. Similarly, [Basso et al. \(2020\)](#) classify occupations on the basis of the risk of contagion and apply such classification to the US and to various European countries. They show that the cross-country differences in the shares of jobs that are relatively safe from Covid-19 is mainly determined by the potential incidence of WFH practices.

mobility across LLMAAs after the removal, rather than the imposition, of the restrictive measures.

Additional local factors can affect compliance with social distancing and, thus, the actual stringency of mobility restrictions. The perception of risk, the willingness to abide by the restrictions, and the diffusion of the virus are some among other possible determinants. [Durante et al. \(2020\)](#), for instance, find that the compliance with social distancing in Italy was influenced by civic values, and show that the mobility across Italian provinces between January and May 2020 declined significantly more in areas with higher civic capital after the national lockdown. Focusing on Italian LLMAAs, our work focuses on labour markets' characteristics and takes mainly into account the compositional factors of the labour force mentioned above (namely, the local incidence of occupations with exposure to infection, personal distancing on the job, and feasibility of remote working). Yet, we also control for other determinants affecting the organisation of labour and the characteristics of local areas, addressing in this way possible confounding factors.

The remaining of the paper proceeds as follows. Section 2 will illustrate the timeline of the policy measures and mobility restrictions, thereby providing the background to understand the empirical strategies adopted in the analysis. Section 4 will examine the impact on individual mobility of the restrictions imposed by the Italian government on 26 provinces in the North of Italy on March 9. Section 5, instead, will address the gradual opening up process and, specifically, the removal of the nationwide restrictions imposed by the government at the height of the crisis in late March. Section 6 will offer some closing remarks.

2 The timeline of policy measures and mobility restrictions

Facing the outbreak and diffusion of Covid-19, Italy was the first European country to announce severe limits on travelling and individual mobility with the aim of slowing down the contagion. In a few days, the simple recommendations to “stay at home” were transformed into restrictive measures whose transgression was punished with civil and criminal sanctions.

The first two cases of coronavirus in Italy were detected on January 30, 2020, while the first official cases of secondary transmission were discovered on February 21 in the municipalities of Codogno and Vo' Euganeo. Following these cases, the authorities imposed extreme lockdowns in eleven small municipalities, that were quarantined on March 1. After a few days, on March 8 the Italian Prime Minister Giuseppe Conte announced that, starting the following day, all 12 provinces in Lombardy and 14 provinces in Piedmont, Veneto, Emilia-Romagna, and Marche would be subject to a ban on various economic and social activities, and to severe limitations on individual mobility.⁴ In these so-called “protected areas”, which account for 16 million people in the Center-North of Italy, individuals were not allowed to move between municipalities, but for motivated reasons related to work, health and extraordinary circumstances (subject to authorisation and

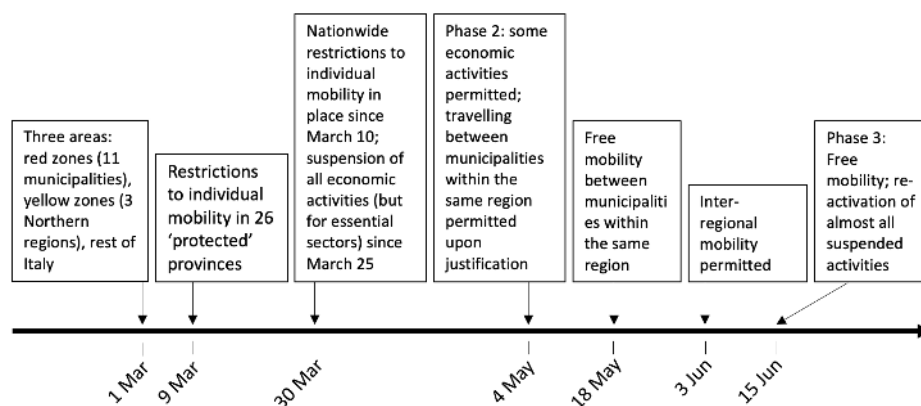
⁴Provinces in Italy are NUTS3 areas, in EU jargon. The 12 provinces in Lombardy are: Bergamo, Brescia, Como, Cremona, Lecco, Lodi, Mantova, Milano, Monza e Brianza, Pavia, Sondrio, Varese. The other 14 provinces are: Modena, Parma, Piacenza, Reggio nell'Emilia, Rimini (Emilia-Romagna), Pesaro e Urbino (Marche), Alessandria, Asti, Novara, Verbano-Cusio-Ossola, Vercelli (Piedmont), Padova, Treviso, Venezia (Veneto).

control). The residents in the rest of the country, instead, were left free to move both within and between municipalities. Such differentiated measures across administrative units did not last long. The following evening, the Italian Prime Minister announced that, starting on March 10, new measures restricting individual mobility would be imposed homogeneously on the entire national territory.

Subsequently, on March 25, the government implemented the temporary suspension of all the economic sectors, with the exception of those considered as “essential activities” (namely, necessary to either the survival of the population or to the full operation of the healthcare sector). After these decrees, around 8 million workers (34% of the total) were forced to stay at home (Barbieri et al., 2020), either working from remote or not. Indeed, institutions and companies were explicitly invited to develop new strategies to facilitate remote work, even derogating to existing laws and collective agreements with the trade unions. As a consequence, WFH was transformed from an extra-ordinary to an ordinary way of working, even for the public administration in which at least 50% of the workforce started working remotely (Bonacini et al., 2020). Following this latest measure, March 30 represented the first working day of the week when both the restrictions on individual movements and the sectoral lockdown were concurrently implemented nationwide and when individual mobility saw its largest decrease on average.

These measures remained in force until May 4, when the so-called “phase 2” started. In sum, a number of economic activities (for instance, restaurants and cafes) were permitted again, and travelling between municipalities within the same region was allowed if due to work or health reasons as well as for small gatherings with close relatives. On May 18, restrictions on mobility between municipalities of the same region were removed, and people did not need to carry with them an affidavit (*autodichiarazione*) justifying the reason for being outside. Notably, movements across regions (except in cases of absolute necessity, or for urgent work or health reasons) remained forbidden until June 3, when such restrictions were removed and the ongoing normalisation process made an important step further. The so-called “phase 3” started right afterwards, and precisely on June 15, when the ban on most economic activities and on social gatherings was lifted, with face masks and social distancing still mandatory in enclosed public spaces. Figure 3 shows a timeline depicting the main dates and policy measures taken during this period.

Figure 3: Timeline of policy measures and mobility restrictions, 2020



3 Data

Analysing the impact of imposing and lifting drastic restrictive measures on individuals' mobility requires, first of all, to look at granular data on the movements of individuals. Moreover, assessing the relationship between the removal of the restrictions and the features of local labour markets requires to build a composite dataset spanning a number of characteristics of the local workforce. Thus, we build a unique and innovative dataset borrowing information from various sources covering the following five aspects: individual mobility; epidemic-related characteristics of occupations and their composition at the local level; composition of the labour force in terms of short-term contracts; other features of local labour markets; various municipal-level controls affecting local mobility patterns, including demographic and geographic characteristics.

As to the individual mobility, one possible approach to build such measure, adopted for instance by [Pepe et al. \(2020\)](#), is to process a large-scale dataset of anonymously shared positions of smartphone users. While this method would in principle make it possible to track the exact movements of each person, the anonymity of data prevents from relating these latter to the characteristics and features of the individuals under scrutiny. An alternative approach, suitable to connect mobility patterns with relevant local factors (though at the price of losing track of specific individuals), is to focus on the overall movements occurring within geographical units, for instance by looking at the data collected by Google in its Community Mobility Reports, as done for instance by [Barnes et al. \(2020\)](#). This latter approach is the one we adopt in this work and, more precisely, we analyse for the first time the data provided by Enel X s.r.l. in partnership with Here Technologies and developed as part of the project "City Analytics - Mobility Map" launched in Spring 2020 to support government agencies and the Civil Protection department in response to Covid-19. The companies estimate the percentage change in the public's daily movements (number of trips) and kilometres travelled throughout national, regional and municipal areas in Italy using anonymized and aggregated data from connected vehicles, maps and navigation systems. Although produced to help government institutions to tackle the emergency, the aggregated data on daily mobility flows have been made freely available to the public, while no information on the actual levels of mobility flows is provided publicly.⁵

In our analysis, we use the percentage change in the daily number of trips at the municipality level compared to the daily average from 13 January 2020 to 16 February 2020, the period that is used as a baseline for each municipality. Besides using the data on individuals' mobility at the municipality level for the analysis in Section 4, in Section 5 we aggregate these data at the level of local labor market areas, which are sub-regional geographical areas identified on the basis of daily commuting patterns. LLMA are functional geographic areas that go beyond administrative boundaries and represent economically integrated spatial units where residents can easily commute to work without changing place of residence. This makes LLMA suitable analytical units to study the effects of restrictive measures on mobility: most of the residents who live in the municipalities included in a LLMA also work in the same LLMA and, thus, mainly move within them. Moreover, previous studies on workers' mobility, such as [Ciani et al. \(2017\)](#),

⁵Access to the dashboard is available at the following url: <https://www.enelx.com/it/it/smart-city/soluzioni/soluzioni-smart/dashboard-covid-19>.

have shown that changes in local population at the LLMA level are very gradual and this makes this geographical unit the most suitable to discuss geographical heterogeneity across labour markets (de Blasio and Poy, 2017; Caselli et al., 2020a).

As to the job characteristics, we consider three indicators accounting for workers' characteristics during the Covid-19 pandemic. These three indicators measure, respectively, the exposure to diseases and infections, the suitability of occupations to be performed remotely, and the relative importance of tasks requiring physical proximity. These features can be used to study mobility patterns as they influence individuals' ability to travel to work during the pandemic, given the imposition and the removal of specific restrictive measures by the authorities. In particular, we hypothesise that a greater share of professions with a high risk of diseases and infections in LLMA significantly reduces the resumption of mobility. Indeed, it has been shown that the risk of disease is higher among professions (typically those in the health sector) that did not stop during the lockdown (Barbieri et al., 2020). Similarly, we expect that a greater ability to work from home may reduce the resumption of mobility because a greater share of workers stay at home to work out of fear or as a result of restrictive measures. We also test the relationship between the degree of physical proximity at work and the recovery of mobility: since the removal of the measures implemented to reduce mobility and social contact in Italy did not explicitly take into consideration the degree of proximity of professions, we do not expect them to have a significant impact on mobility.

To build these three indicators, we exploit detailed information on the task content of jobs at the 5-digit occupation-level, using data drawn from the Survey of Professions (ICP), a survey last released in 2013 by the Italian National Institute for Public Policies Analysis (INAPP). The ICP surveys about 16,000 workers covering the whole spectrum of the Italian classification of occupations (i.e. 811 occupational codes according to the 5-digit CP2011 classification, the Italian equivalent of ILO's ISCO-08 classification). The ICP is a unique source of information on skill, task and work contents, since it evaluates the characteristics of the occupations through a particularly rich questionnaire articulated in seven sections (knowledge, skills, attitudes, generalised work activities, values, work styles and working conditions). In fact, the ICP is the Italian equivalent of the American O*Net and is the only survey replicating the O*NET structure outside the US. Both the American O*Net and the Italian ICP allow to produce occupation-level variables by relying on both survey-based worker-level information as well as on post-survey validation by experts' focus groups. The ICP sample survey ensures representativeness with respect to sector, occupation, firm size and geographical domain (macro-regions). The survey includes more than 400 variables on skill, work contents, attitudes and tasks and, on average, 20 workers for each Italian occupation are included providing representative information at the 5th digit.

These three innovative measures are borrowed from the recent contribution by Barbieri et al. (2020), who evaluate the correlation between the lockdown measures in Italy and workers' risk of contagion. For each measure, they assign an ordinal score on a scale from 0 to 100 (from less to more intense) for each 5-digit occupation.⁶ We take these values by occupation to the level of LLMA by using weighted averages based on the sample weight of each 5-digit occupation within total LLMA employment taken from the 2019

⁶We refer to Barbieri et al. (2020) for more details on the construction of each measure.

Labour Force Survey (LFS).⁷ Given that the LFS covers only 465 out of 611 LLMA, this creates some missing observations for these three variables and restricts the sample.

It is worth noticing that the use of ICP in this work is an important methodological aspect as it differentiates it from those studies adapting the O*Net classification to categorise Italian or European occupations. The task and skill variables that ICP produces and that we use are specifically related to the Italian economy and capture the exact structure of the Italian labour markets, the level of technology and the system of industrial relations that characterise the Italian economy.⁸

Local mobility for work-related reasons may reflect also the structure of employment in terms of fixed-term and open-ended contracts. As the Italian furlough scheme adopted to address the impact of the pandemic and of the lockdown was meant to preserve permanent jobs and their reactivation once the restrictive measures were gradually lifted, most of the workers with fixed-term contracts that expired during the Spring 2020 lost their jobs (Banca d'Italia, 2020). Hence, we build a variable to control for the local relative importance of short-term contracts. Since in Italy there is an intense use of fixed-term contracts but with great variation across LLMA, this variable may capture the substantial degree of heterogeneity in labour markets across different Italian areas (Garibaldi and Taddei, 2013), which in turn helps to explain the different changes in individual mobility across LLMA after the removal of the restrictions.

The best way to account for the local characteristics of job contracts is to use the Integrated Sample of Mandatory Communications (*Campione Integrato delle Comunicazioni Obbligatorie*, CICO), a very large dataset based on a random sample of employees and quasi-employees from administrative-level data (*Sistema delle Comunicazioni Obbligatorie*, COB) provided by the Italian Ministry of Labour and Social Policies. In any given year and for each cohort of birth, the dataset gathers all individuals who are born on the 1st, the 9th, the 10th and the 11th of each month. It includes detailed information on the flow of all job contracts activated, transformed and dismissed for dependent and independent workers in all economic sectors between 1 January 2009 and 30 June 2019.⁹ The resulting CICO database consists in a matched employer-employee micro-level data for a total of around 19 million observations, providing information on the employee (identification code, year of birth, gender, citizenship, education level, region of birth, residence and work), the contract (start date, termination date, contract type, full/part time, professional qualification, reason for termination, collective labour agreement), the

⁷Using the sample weight rather than the raw weight of each profession is important to adjust our measures for biases due to the presence of LLMA of unequal size and some of them particularly small (Borrelli et al., 2012).

⁸More specifically, the availability of ICP variables avoid potential methodological problems which may arise when information referring to the American occupational structure (i.e., contained in the US O*Net repertoire) are matched with labour market data referring to different economies as the European ones. The existing literature on automation following Goos et al. (2014) and various recent papers on WFH in Italy, such as (Boeri et al., 2020), use the US O*Net data and create a sophisticated, but imperfect, 'bridge' between US and European (and Italian in particular) occupations, which possibly reflects labour market features specific to the US. The analysis of characteristics and advantages of using the ICP survey when addressing Italian labour markets is offered in Bonacini et al. (2020), Barbieri et al. (2020) and Cirillo et al. (2020).

⁹The data are collected by the Ministry directly from employers, since they are obliged to register the contract and provide all the information. After the collection of records, the latter are submitted, by the Ministry, to a validation procedure.

employer (identification code) and the sector of affiliation (Ateco 2007 classification, i.e. the Italian version of NACE Rev. 2).

Based on this dataset, we construct the number of contracts that expired between March and May 2019 as a percentage of employed workers at the LLMA level. Ideally, one would use the number of contracts expected to expire during the Spring 2020, however this information is not available yet. Thus, we resort to 2019 data as a reliable proxy building on the observed persistence in the variation of this variable across locations.

The last labour-market variable that we include is the percentage of active population taken from the 2011 population census. This variable can account for the different of participation in the labour market across LLMAs, which can affect individual mobility as only work was one of the reasons why individuals could move during the lockdown phase.

In addition to variables related to the labour market, we also include demographic and geographic controls that can influence individual mobility. Among the demographic controls, we include the population size in 2019 taken from Istat and the percentage of population aged 19 or under and that aged 65 or over, both taken from the 2011 population census. Moreover, we build a proxy for how the threat of contagion might have been perceived by the population using data on the excess mortality rate in the early months of 2020. The excess mortality rate, recorded by Istat, measures the rate of deaths in 2020 that is over and above the average values in the same months of previous 5 years.¹⁰ This variable is only available for about 90% of Italian municipalities, further reducing the overall sample at hand. Among the geographic variables, we include topographic characteristics, such as the surface in squared kilometres and the average altitude in metres, as well as an index from 0 to 5 for the importance of tourism in the local economy, all taken from Istat. All demographic and geographic variables are available at the municipality level and, where necessary, are aggregated at the LLMA level using local population weights.

4 March 9: Lockdown of 26 protected areas

4.1 Methodology and descriptive statistics

To assess the direct impact of the lockdown measures in the “protected areas”, we design a research strategy exploiting the fact that the Italian government applied the lockdown treatment only to 26 very large geographical areas identified on the basis of pre-existing administrative boundaries at the NUTS-3 level, i.e., provinces. This implies that each province, affected by the lockdown or not, includes municipalities and local labor market areas that exhibit diversified social, economic and epidemiological conditions.

This condition makes it possible to design an empirical approach whereby the treatment, i.e., the lockdown, of individual municipalities can be considered as good as random. To identify the impact of the lockdown on mobility, in particular, we exploit the fact that 30% of the Italian LLMAs cut across different provinces and focus the analysis

¹⁰It is worth noticing that the official figures on the exact number of deaths were made available by Istat only in the late Spring 2020, and could not be known by the public in early March. Yet, as newspapers and authorities informed the population about the available evidence on the number of deaths, patients in intensive care units, and people positive to the tests, one cannot rule out that several citizens might have had an idea about the incidence of the disease and noticed an extraordinarily high number of deaths.

on those LLMA that contain municipalities both within and outside the protected areas. This innovative approach allows us to exploit the discontinuity associated with the lockdown policy at the provincial border with a view to identifying the actual impact of the measures on individual mobility. Focusing on municipalities contiguous to the provincial boundary within a LLMA is theoretically and empirically sensible, as municipalities in a LLMA tend to exhibit characteristics that are homogeneously and smoothly distributed across treated and untreated areas, thereby reducing the impact of confounding factors. Moreover, we take advantage of the fact that the announcement of the lockdown measures and their substitution with nationwide measures took place unexpectedly and over only two days, preventing them from being anticipated by the public and manipulated by municipal authorities, thus ruling out spatial sorting effects that would confound the analysis.

From a methodological viewpoint, our approach borrows from previous works exploiting spatial discontinuity and policy-change boundaries to assess the impact of policy measures. [Giua \(2017\)](#), for instance, assesses the economic impact of the regional policy of the European Union by exploiting the administrative boundaries and a similar border strategy framework applied to the municipalities contiguous to the policy-change boundary.

Thus, our analysis considers all the municipalities that are contiguous to the policy-change boundary within the same LLMA. This implies that our sample consists of 606 municipalities belonging to 33 LLMA (as defined by Istat in 2011) that include both treated (42%) and untreated (58%) municipalities (see [Figure 4](#) for a map).¹¹

Before discussing our estimating equation, we examine the distributions of the municipal variation in individual mobility for the municipalities under lockdown and for the other municipalities, as plotted in [Figure 5](#). A cursory look at this graph makes it possible to draw three main observations. First, mobility tends to fall in most areas, either affected by the lockdown or not: this strengthens the case for elaborating a research design that allows us to distinguish the impact of the policy restrictions from other organisational and psychological effects affecting individual behaviour.¹² Second, the distribution of the mobility values for the municipalities in the protected areas lies to the left of the distribution for the other municipalities, as one would expect. Third, although the majority of municipalities record a negative change in mobility, the variation is large and some of them even present positive changes.¹³

[Table 1](#) confirms that there exists a statistically significant difference in the mean change in mobility across the two groups of municipalities. The mean change in daily mobility over the sample of municipalities is about -16%, but it varies from the -20% in the areas under lockdown to -13% in the other areas.

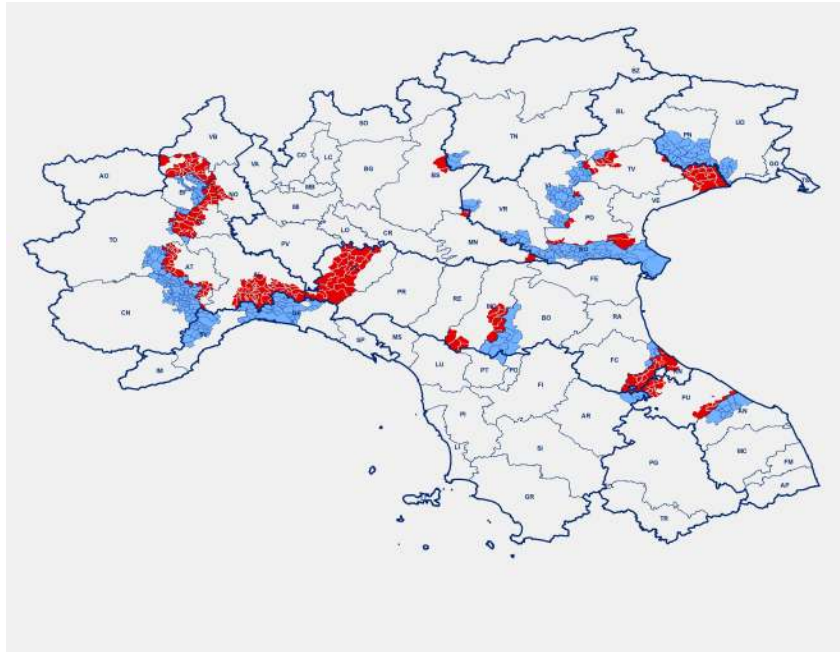
More formally, our analysis aims to relate variations in mobility between March 9 and

¹¹The sample would also include 9 municipalities for which data on mobility were not available due to the fact that these municipalities are too small for such data to be recorded in an anonymous way. Indeed, the largest one of these municipalities has only 206 residents.

¹²We refer to [Durante et al. \(2020\)](#) for a study on the role of civic culture and to [Beytia and Infante \(2020\)](#) for the impact of access to information.

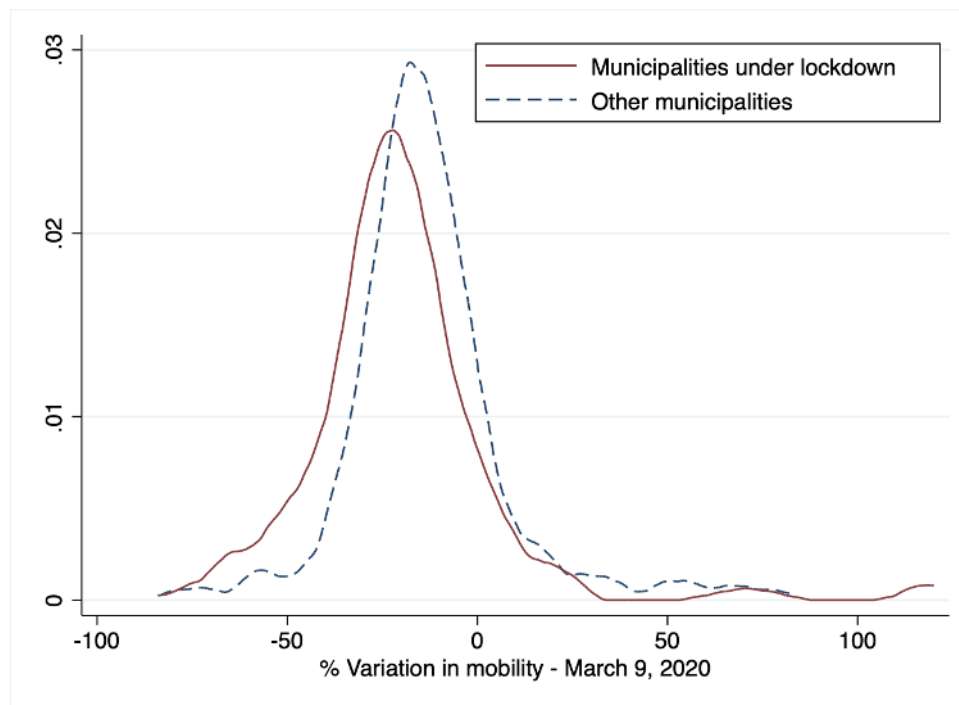
¹³Although seemingly surprising, this finding can potentially be explained by a diversion effect, whereby unrestricted areas receive part of the traffic previously occurring in the restricted areas. Unfortunately, we cannot directly test this hypothesis and, thus, this is an interesting venue for further research in the future.

Figure 4: Treated and untreated municipalities on March 9



Municipalities under lockdown on March 9: red; other municipalities: blue.

Figure 5: Distribution of variation in mobility relative to January 13-February 16



the average daily mobility in the period 13 January-16 February (dM_{9march}) to the policy treatment variable that takes value one for municipalities located in the provinces subject

Table 1: Mean tests

	Lockdown areas	Other areas	Diff.	P-value
dM_{9March}	-20.150	-13.093	-7.057	0.000***

Notes: The sample includes 606 municipalities contiguous to the policy-change boundary within the same LLMA. *** indicates coefficients significantly different from zero at the 1% level.

to the lockdown and 0 otherwise. The functional form that we estimate, accordingly, is:

$$dM_{j,9March} = \gamma + \eta L_j + \mu_i + \epsilon_j, \quad (1)$$

where $dM_{j,9March}$ is the change in mobility in municipality j from the average daily mobility in the period 13 January-16 February to March 9, L_j is a dummy variable taking value one if the municipality j is in a province subject to the lockdown, μ_i is a fixed effect for LLMA i where municipality j is located, and ϵ_j is a random error.

To identify the parameter of interest, η , we exploit the policy variation across municipalities at the provincial border while limiting the impact of other confounding factors. Accordingly, following the approach to study policy-change boundaries (see, for instance [Giua, 2017](#)), we include fixed effects at the level of LLMA to control for all the characteristics that are invariant across municipalities within the same LLMA.

Notably, although a border strategy framework does not require to control for local covariates in the estimation to the extent that the policy treatment can be considered as good as random, we do include in the specifications also some control variables capturing possibly relevant differences across neighbouring municipalities in terms of demographic or geographic characteristics. It is worth stressing that this is simply meant to refine the estimation of the direct impact of the March 9 lockdown, given that the validity of the identification strategy stays in the exogeneity of the policy treatment across municipalities contiguous to the policy change. As explained above, our identification strategy is indeed motivated by the fact that the government selected the lockdown areas using a large geographical scale (e.g., one region and various provinces in three other regions) and this rules out any relevant statistical relationship between the adoption of the lockdown and the characteristics across the municipalities contiguous to the provincial border, and even more so within the same LLMA.

Admittedly, the inclusion of LLMA fixed effects does not make it possible to encompass any of the controls calculated at the LLMA level. This implies that the three indicators of occupations' characteristics (occupations' exposure to transmittable diseases, the need for physical proximity on the job, and the feasibility of WFH) and the proxy for the share of fixed-term contracts expiring in the lockdown period cannot be directly analysed. However, this does not represent a problem for the investigation of the March 9 lockdown as these features are theoretically less relevant for the lockdown than for the opening up phase. Differently from the gradual and differentiated removal of mobility and sectoral restrictions imposed after March 25, the March 9 lockdown was indeed implemented overnight, unexpectedly (as it was the first intervention of this kind in any advanced economy) and designed to cover every person independently from her occupation and economic activity. In addition, it was not accompanied by measures to facilitate WFH. Accordingly, while it is appropriate to investigate whether the recovery in mobility is associated with the features of local labour markets, as we shall do in Section

5, these latter are less relevant for the impact of the lockdown.

Moreover, we offer some additional empirical evidence corroborating the tenet that the lockdown can be treated as good as random. We regress the excess mortality rate that occurred in March and April 2020 on the lockdown dummy so as to verify whether the treatment is correlated with government’s real-time confidential information on the number of patients who were seriously ill in January and February and eventually died by the end of April. The regressions also include fixed effects at the LLMA level for consistency. The results indicate that the treatment dummy had no statistically significant effect on the excess mortality rate (p-value = 0.375), which provides further evidence in favour of the fact that the lockdown can be considered exogenous.

4.2 Results

Table 2 reports a set of results based on the estimation of equation (1) where the change in mobility between March 9 and the average daily mobility in the period January 13-February 16 is regressed on the policy lockdown dummy and a number of local controls, including LLMA fixed effects. Among the controls at the municipal level, we include the activity rate, population size, the percentage of residents aged 19 or under, the percentage of residents aged 65 or above, surface size, altitude and an index for the importance of tourism in the local economy.¹⁴ In the last column, we also include the excess mortality rate among the controls. It is worth noticing that the observations on the excess mortality rate for the first two months of the year reduce the overall sample by 10%. Thus, we present separately the estimations with and without this variable.

Table 2: Effect of lockdown on changes in mobility, March 9: baseline

	(1)	(2)	(3)
Lockdown	-7.107*** (2.676)	-7.453*** (2.717)	-7.741*** (2.789)
Excess mortality rate, Jan-Feb			0.722 (1.213)
Controls	No	Yes	Yes
LLMA fixed effects	Yes	Yes	Yes
Observations	606	602	538
R-squared	0.144	0.177	0.191
F-stat	7.052	3.717	3.230

Notes: The sample includes the municipalities contiguous to the policy-change boundary within the same LLMA. The dependent variable is the variation in mobility on March 9 relative to January 13-February 16 at the level of municipalities. The controls include: participation rate in percentage, population size in 2019 (logs), percentage of residents aged 19 or under, percentage of residents aged 65 or over, surface size in squared kilometres (logs), altitude in metres (logs), and tourism index (0-5). *** indicates coefficients significantly different from zero at the 1% level.

The results in Table 2 show that, even when controlling for a number of observables at

¹⁴The full set of results including the coefficients for all the additional controls can be found in Appendix A.

the municipal level and for the unobserved effects at the LLMA level, the average impact of the lockdown on local mobility is just over 7 percentage points. This is 33% of overall decrease in mobility in the areas under lockdown.

This figure is in line with the results found by [Engle et al. \(2020\)](#) for the stay-at-home orders in the US. This finding suggests that the observed decline in mobility after the lockdown should not be considered as the result of different levels of awareness and fear in the population across municipalities, in turn motivated by higher death rates and the like, but the pure and direct effect of the restrictive measures adopted by the government on March 8. This corroborates the idea that individual mobility was directly and immediately affected by the restrictive measures imposed, even though for just one day, by the Italian authorities on this limited number of provinces located in the North of Italy.

Table 3: Effect of lockdown on changes in mobility, March 9: robustness checks

	Winsor 5% (1)	Trim 5% (2)	$dM < 0$ only (3)	No centres (4)	No top 5% (5)	No bottom 5% (6)
Lockdown	-5.982*** (1.917)	-5.090*** (1.616)	-9.718*** (2.346)	-7.449*** (2.839)	-7.545*** (2.853)	-7.350*** (2.628)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
LLMA f.e.	Yes	Yes	Yes	Yes	Yes	Yes
Observations	602	544	574	569	570	571
R-squared	0.186	0.192	0.199	0.181	0.180	0.165
F-stat	2.187	1.837	2.918	3.550	3.523	2.556

Notes: The sample includes the municipalities contiguous to the policy-change boundary within the same LLMA. The dependent variable is the variation in mobility on March 9 relative to January 13-February 16 at the level of municipalities. The controls include: participation rate in percentage, population size in 2019 (logs), percentage of residents aged 19 or under, percentage of residents aged 65 or over, surface size in squared kilometres (logs), altitude in metres (logs), and tourism index (0-5). *** indicates coefficients significantly different from zero at the 1% level.

Next, to account for possible different degrees of mobility in certain municipalities, we show that the results presented above are robust to changes in the sample. Table 3 shows the results based on adjustments to the baseline sample. In Columns (1) and (2), respectively, we winsorise and trim the top and bottom 5% of observations so as to verify that outliers are not driving the results. In Column (3) we exclude all the municipalities that exhibit positive changes in mobility despite being subject to the lockdown measures. Column (4) takes into account the existence of municipalities that, according to Istat, are the “centre” (*capoluogo*) of a LLMA. In Column (5) and (6), respectively, we exclude the top and bottom 5% of municipalities in terms of population. Our results are confirmed across all these checks.

The last set of empirical tests we offer in this section is a set of placebo experiments to strengthen the causal interpretation we give to our findings. In Column (1) of Table 4, we look at the changes in mobility measured on March 1, before the lockdown was adopted in the 26 provinces. In Column (2), we consider the change measured on March 30, after the adoption of the new nationwide measures on mobility and the suspension of most economic activities (as discussed in Section 2). The estimations for the changes in mobility measured on May 4, at the beginning of the re-opening phases, are reported in Column

Table 4: Effect of lockdown on changes in mobility: placebo

	March 1 (1)	March 30 (2)	May 4 (3)
Lockdown	-2.854 (3.316)	-4.042 (2.927)	1.813 (3.101)
Controls	Yes	Yes	Yes
LLMA fixed effects	Yes	Yes	Yes
Observations	605	600	605
R-squared	0.151	0.187	0.192
F-stat	1.172	7.042	8.125

Notes: The sample includes the municipalities contiguous to the policy-change boundary within the same LLMA. The dependent variable is the variation in mobility on March 9 relative to January 13-February 16 at the level of municipalities. The controls include: participation rate in percentage, population size in 2019 (logs), percentage of residents aged 19 or under, percentage of residents aged 65 or over, surface size in squared kilometres (logs), altitude in metres (logs), and tourism index (0-5).

(3). We expect not to find a significant coefficient in any of these cases. Indeed, in the first case, there was still little awareness of the diffusion of the pandemic in Italy. On the second date, the new restrictive measures covered equally all the municipalities in the country, with no discontinuity at provincial borders. In the third case, inter-regional restrictions were still in force while authorities started removing intra-regional restrictions. In none of these cases, the coefficient of the policy treatment is significantly different from zero.¹⁵ These placebo experiments show that the March 9 lockdown measures on 26 provinces help to explain only the observed changes in mobility occurred the day after their announcement and not other changes that predate or follow these announcements.

5 June 3: Re-opening

5.1 Methodology and descriptive statistics

Next, we analyse the opening up phase and, thus, the effects of the lifting of the measures on mobility. In this case, we cannot rely on the same research strategy described above as the restrictions were lifted simultaneously for the entire country. As no control group is available, we consider all the LLMA. Our aim is to explore, via a cross-sectional analysis, whether, after the lifting of the restrictive measures, mobility patterns tended to resume the levels observed before the lockdown and the suspension of the economic activities, and to what extent such mobility patterns differed according to the characteristics and the composition of the local labour force and other local factors.

To answer this question, we estimate the following functional form:

$$dM_{i,3june} = \alpha + \beta X_i + \delta Z_i + \epsilon_i, \quad (2)$$

¹⁵The small changes in the samples are due to the time-varying availability of municipal data on individual mobility across dates.

where $dM_{i,3june}$ is the change in mobility in LLMA i on June 3, X_i is a matrix of local (predetermined) factors related to the characteristics and the composition of the local labour force that may potentially impact on mobility, Z_i is a matrix of covariates accounting for demographic and geographical characteristics and local amenities, and ϵ_i is a random error.

The dependent variable is the variation in mobility on June 3, that is after the re-opening phase and, in particular, on the day in which people across Italy were allowed to move again across regions. We use two different ways to construct our dependent variable. The first way calculates the percentage change in mobility on June 3 relative to the baseline period, that is the average mobility between January 13 and February 16. This is the same way mobility changes on March 9 were calculated. As no figures on the levels of mobility for the baseline period are provided, we cannot add any additional control for that. The second way calculates the percentage change in mobility on June 3 relative to March 30, that is the first working day of the week when both the restrictions on individual movements and the sectoral lockdown were concurrently implemented nationwide and when individual mobility saw its largest decrease on average. In this case, we add the change in mobility on March 30 relative to the baseline period among the regressors to account for mean reversal processes.

Among the variables in X , we consider three indicators that refer to the exposure to the risk of contagion, the suitability of occupations to be performed remotely, and the relative importance of tasks requiring physical proximity. Among the characteristics of LLMAs and their labour force, we also include the percentage of fixed-term contracts that expired during the period March-May 2019 over the total number of employed workers to proxy for the number of contracts expiring during the lockdown period and to take into account the importance of fixed-term contracts in local labour markets, and the percentage of active people over the total population. All these variables related to the characteristics of the local labour force are considered exogenous as they are measured well before the outbreak of the pandemic and the restrictions were put in place.

On the other hand, matrix Z includes a set of controls for demographic and geographical characteristics and local amenities. In particular, it includes the log of the size of the local population in 2019, the percentage of local residents aged 19 or under and that aged 65 or over, the excess mortality rate in the period January-May 2020 to proxy for the local spread of Covid-19, the log of the size of the local area in squared kilometres, the log of the altitude in metres, and an index for the touristic attractiveness and importance of an area. Summary statistics for all the regressors included in this analysis are provided in Table 5.

5.2 Results

Table 6 shows the determinants of variations in mobility on June 3. The first two columns use the percentage change in mobility on June 3 relative to the baseline period, that is the average mobility between January 13 and February 16, while the last two columns use the percentage change in mobility on June 3 relative to March 30. In addition to the set of variables included in matrix X related to the characteristics of local labour markets, Table 6 also includes region fixed effects in two specifications (columns 2 and 4). This is to account for unobservable differences across regions in the population, the

Table 5: Summary statistics, LLMA level

	Mean	St. dev.
Disease exposure	8.921	3.006
Remote work feasibility	46.948	2.642
Physical proximity	55.214	3.091
Fixed-term contracts expired, %	3.254	9.691
Participation rate, %	49.788	5.051
Population 2019, log	11.009	1.055
Residents < 19 years, %	18.517	2.311
Residents > 65 years, %	21.566	3.243
Excess mortality rate	0.108	0.266
Surface squared km, log	6.069	0.731
Altitude metres, log	5.111	1.200
Tourism index	3.175	1.057

Notes: The number of observations is 462.

structure of local economies and other features (e.g., weather) that can affect mobility patterns but cannot be measured at a more disaggregated level.

Table 6: Determinants of changes in mobility after re-opening, June 3: baseline

	wrt Jan 13-Feb 16		wrt Mar 30	
	(1)	(2)	(3)	(4)
Mobility changes, March 30			-0.809*** (0.054)	-0.757*** (0.064)
Disease exposure	-0.607*** (0.176)	-0.471*** (0.176)	-0.650*** (0.171)	-0.486*** (0.168)
Remote work feasibility	-0.972*** (0.242)	-1.082*** (0.240)	-0.836*** (0.239)	-0.953*** (0.234)
Physical proximity	-0.251 (0.189)	-0.303 (0.186)	-0.173 (0.189)	-0.198 (0.189)
Fixed-term contracts expired, %	-0.714*** (0.058)	-0.673*** (0.062)	-0.648*** (0.055)	-0.599*** (0.059)
Participation rate, %	-0.649*** (0.110)	-0.448** (0.211)	-0.659*** (0.108)	-0.364* (0.215)
Region fixed effects	No	Yes	No	Yes
Observations	462	462	462	462
R-squared	0.423	0.495	0.451	0.525
F-stat	52.26	17.37	66.72	20.27

Notes: The dependent variable is the variation in mobility on June 3 relative to January 13-February 16 (columns 1 and 2) or March 30 (columns 3 and 4) at the level of LLMA. ***, ** and * indicate coefficients significantly different from zero at the 1%, 5% and 10% level respectively.

We find that LLMA with an economic structure characterised by a higher proportion of professions exposed to diseases and infections exhibit a significantly smaller increase in mobility after re-opening. This result is in line with our hypothesis as the fear of contracting Covid-19 and the measures imposed on the workplace to minimise such risk have led many people to continue staying at home. It also confirms that the index of risk exposure to diseases and infections is higher among professions that could not stop during the lockdown: thus, it is logical to expect that the recovery of mobility will be

lower where there is a higher incidence of such a risk. In addition, the effect of disease exposure becomes somewhat smaller when we include region fixed effects. This is possibly due to the fact that different LLMA within a region and, more generally, nearby areas tend to exhibit similar economic structures.

The results also show a negative and significant effect of remote work feasibility on mobility. Thus, as expected, LLMA characterised by professions more suitable for flexible work arrangements exhibit lower mobility patterns relative to LLMA with occupations less suitable for remote work when mobility restrictions are lifted. Indeed, by June, remote work had become more standard in Italy (Bonacini et al., 2020) and employees who could work from remote were still taking advantage of this possibility both to avoid outside contacts in fear of contracting Covid-19 and to take care of children who were still attending school remotely. On the other hand, having an economic structure that favours professions that require physical proximity does not affect mobility patterns after re-opening.

With regards to the other variables related to local labour markets, we find that LLMA with a higher percentage of fixed-term contracts that expired during the period March-May 2019 exhibit lower increases in mobility. We hypothesise that this is due to the fact that the use of fixed-term contracts in a given LLMA is persistent over time and such contracts were not covered by the furlough scheme adopted by the Italian government. Thus, when the pandemic hit and the lockdown came in place, most fixed-term contracts expiring during that period were not renewed with negative consequences on employment and mobility.

The participation rate also shows a negative and significant effect on mobility, although its significance decreases when regional fixed effects are included. Thus, LLMA with higher participation rates tend to exhibit smaller increases in mobility after re-opening. This seems to be a surprising result as we possibly expect that areas with a higher activity rate, and thus with more people going to work or looking for a job, also show higher increases in mobility. However, it is not too surprising if we think that during normal periods everyone moves, while during the lockdown only people who had to move for work, health or emergencies could do so. Thus, this negative effect is suggesting that after re-opening there was a catching-up effect, whereby people from areas with more inactive population could start moving again.

With regards to mobility changes on March 30, the coefficient in the last two specifications is negative and significant. We can interpret this result as equivalent to mean reversal, that is in the areas in which the lockdown and the restrictive measures had a particularly strong impact on mobility by the end of March, people started to move more in the period following the re-opening.

All the above results do not differ significantly across specifications and, in particular, they are not affected significantly by whether we look at the changes in mobility on June 3 relative to the period pre-Covid-19 (our baseline) or relative to March 30. This is probably related to the fact that the decrease in mobility due to the restrictions put in place to fight the Covid-19 pandemic was rather homogeneous across LLMA, while the increase in mobility following the opening up phases exhibited a more heterogeneous process related to the characteristics of local labour markets interacted with the possible fear of contracting Covid-19. In part, this difference can also be observed in the additional results below (Table 8).

Next, we run some specifications to study whether our main results are robust to inclusion of additional controls. Column (1) of Table 7 corresponds to the column (4) of Table 6 for easier comparison. While column (2) adds demographic controls, in particular population size, the percentage of the population aged 19 or under and that aged 65 or over and the excess mortality rate in the period January-May 2020, column (3) adds geographic controls, in particular the surface size, the altitude and the attractiveness and importance of tourism.

Table 7: Determinants of changes in mobility after re-opening, June 3: robustness checks

	Baseline (1)	Demo controls (2)	Geo controls (3)
Mobility changes, March 30	-0.757*** (0.064)	-0.794*** (0.077)	-0.816*** (0.084)
Disease exposure	-0.486*** (0.168)	-0.381** (0.170)	-0.400** (0.172)
Remote work feasibility	-0.953*** (0.234)	-0.708*** (0.261)	-0.608** (0.269)
Physical proximity	-0.198 (0.189)	-0.182 (0.198)	-0.134 (0.194)
Fixed-term contracts expired, %	-0.599*** (0.059)	-0.646*** (0.057)	-0.665*** (0.062)
Participation rate, %	-0.364* (0.215)	-0.686** (0.279)	-0.780*** (0.280)
Population 2019, log		-1.668*** (0.585)	-3.085*** (0.928)
Residents < 19 years, %		-1.255* (0.663)	-1.203* (0.648)
Residents > 65 years, %		-1.442*** (0.488)	-1.686*** (0.486)
Excess mortality rate		-2.567 (2.825)	-1.899 (2.824)
Surface squared km, log			2.651** (1.026)
Altitude metres, log			0.131 (0.612)
Tourism index			0.724 (0.671)
Region fixed effects	yes	yes	yes
Observations	462	462	462
R-squared	0.525	0.543	0.555
F-stat	20.27	19.22	17.90

Notes: The dependent variable is the variation in mobility on June 3 relative to March 30 at the level of LLMA. ***, ** and * indicate coefficients significantly different from zero at the 1%, 5% and 10% level respectively.

The results show that the coefficients on variables related to the characteristics of the local labour force do not differ significantly across specifications, although the coefficients on disease exposure and remote work feasibility become significant at the 5% level. With regards to the other controls, less populated and larger areas, and those with a greater incidence of people aged between 19 and 65 exhibit larger increases in mobility after the re-opening phase. This could be related to the fact that people in more isolated areas

were less likely to run into other people and, thus, were less afraid to move around.

Finally, we examine changes in mobility patterns on other dates that are part of the re-opening period. In addition to June 3 (i.e., free inter-regional mobility), we look at May 4 (i.e., beginning of phase 2), May 18 (i.e., free mobility between municipalities within the same region), and June 15 (i.e., beginning of phase 3). This analysis can provide further evidence in favour of the fact that the heterogenous mobility patterns are associated with the re-opening phase.

Table 8: Determinants of changes in mobility after re-opening: May vs June

	May 4 (1)	May 18 (2)	June 3 (3)	June 15 (4)
Mobility changes, March 30	-0.477*** (0.061)	-0.588*** (0.060)	-0.816*** (0.084)	-0.824*** (0.089)
Disease exposure	-0.179 (0.118)	-0.270* (0.151)	-0.400** (0.172)	-0.514** (0.210)
Remote work feasibility	-0.319* (0.190)	-0.379* (0.223)	-0.608** (0.269)	-0.433 (0.321)
Physical proximity	0.0402 (0.168)	0.163 (0.203)	-0.134 (0.194)	0.367 (0.240)
Fixed-term contracts expired, %	-0.313*** (0.046)	-0.490*** (0.048)	-0.665*** (0.062)	-0.600*** (0.055)
Participation rate, %	0.0291 (0.210)	-0.441* (0.235)	-0.780*** (0.280)	-1.322*** (0.377)
Population 2019, log	-1.600** (0.673)	-1.354* (0.755)	-3.085*** (0.928)	-5.015*** (1.052)
Residents < 19 years, %	0.623 (0.431)	-0.00784 (0.539)	-1.203* (0.648)	-1.773** (0.795)
Residents > 65 years, %	-0.790** (0.361)	-1.552*** (0.435)	-1.686*** (0.486)	-3.099*** (0.609)
Excess mortality rate	2.565 (2.326)	0.588 (2.189)	-1.899 (2.824)	-7.100** (2.948)
Surface squared km, log	2.103*** (0.780)	1.542* (0.883)	2.651** (1.026)	2.432* (1.324)
Altitude metres, log	-0.432 (0.390)	-0.300 (0.399)	0.131 (0.612)	-0.669 (0.592)
Tourism index	-1.870*** (0.491)	-1.153** (0.553)	0.724 (0.671)	3.393*** (0.943)
Region fixed effects	yes	yes	yes	yes
Observations	462	462	462	462
R-squared	0.485	0.592	0.555	0.522
F-stat	14.75	24.48	17.90	14.25

Notes: The dependent variable is the variation in mobility on May 4, May 18, June 3 or June 15 relative to March 30 at the level of LLMA. ***, ** and * indicate coefficients significantly different from zero at the 1%, 5% and 10% level respectively.

Table 8 shows the results of these additional regressions in chronological order. Column (3) reports the same results as column (3) of Tables 7 to compare more easily the changes in the coefficients over time. The effects of the two significant indicators for the composition of the local labour force based on disease exposure and remote work feasibility lose their significance when we look at mobility changes occurred in May. In the same way, the participation rate becomes a significant determinant of mobility changes only in

June. On the other hand, the significance of the demographic and geographic variables does not seem to change much between May and June. These results suggest that the removal of restrictions over time interacted with the characteristics of local labour markets to produce heterogeneous changes in mobility patterns following the Covid-19 pandemic.

6 Closing remarks

This work aims to improve our understanding of the determinants of local mobility patterns following the Covid-19 pandemic in Italy. In particular, it aims to identify empirically the contribution of the governmental restrictions and their removal on individuals' mobility and how they interacted with the characteristics of local labour markets. By adopting two complementary empirical approaches, we exploit the remarkable territorial variation in mobility patterns across municipalities and local labour market areas, as well as the evolution of the policy restrictions in Italy over time, to identify their impact on local mobility.

By exploiting the unexpected and territorially limited travelling ban applied on 26 provinces on March 9, we show that the restrictive measures lowered individual mobility by 7 percentage points. Thus, we are able to confirm the estimated magnitude of the impact of stay-at-home orders that was found for the US. In addition, our results are the first to shed light on the locally diversified impact on the nationwide lifting of the policy measures, and they show that this effect is mediated by the composition of the local labour force and by other demographic characteristics.

Being the first empirical work that assesses the impact of the imposition and of the lifting of the mobility restrictions in Italy following the Covid-19 pandemic, our findings contribute to various strands of the literature as well as to the policy debate. Our analysis informs researchers engaged with modelling the diffusion of the pandemic, such as the SIR modelling ([Acemoglu et al., 2020](#); [Favero et al., 2020](#)), as it confirms the importance of accounting in such models for the restrictions on individual mobility as well as for the role played by local socio-economic conditions, in particular those associated with the structure of local labour markets. Moreover, our results bear on policymakers on two dimensions. First, they confirm that restrictions on individual mobility are effective tools to contain the circulation of people and, arguably, of the virus. Second, they warn the authorities to consider carefully how the gradual removal and softening of the restrictions may interact with the characteristics of local economies and labour markets, thus showing that the lifting of restrictive measures should be tailored to local needs.

References

- Acemoglu, D., Chernozhukov, V., Werning, I., and Whinston, M. D. (2020). Optimal Targeted Lockdowns in a Multi-Group SIR Model. NBER Working Papers 27102, National Bureau of Economic Research, Inc.
- Almagro, M. and Orane Hutchinson, A. (2020). The determinants of the differential exposure to COVID-19 in New York City and their evolution over time. *Covid Economics: Vetted and Real-Time Papers*, 13:31–50.
- Baker, M. G. (2020). Nonrelocatable Occupations at Increased Risk During Pandemics: United States, 2018. *American Journal of Public Health*, 110:1126–1132.
- Baker, M. G., Peckham, T. K., and Seixas, N. S. (2020). Estimating the burden of United States workers exposed to infection or disease: A key factor in containing risk of COVID-19 infection. *PLoS ONE*, 15.
- Banca d’Italia (2020). Bollettino economico. Technical Report 2, Banca d’Italia, Rome.
- Barbieri, T., Basso, G., and Scicchitano, S. (2020). Italian Workers at Risk During the Covid-19 Epidemic. GLO Discussion Paper Series 513, Global Labor Organization (GLO).
- Barnes, S. R., Beland, L.-P., Huh, J., and Kim, D. (2020). The Effect of COVID-19 Lockdown on Mobility and Traffic Accidents: Evidence from Louisiana. GLO Discussion Paper Series 616, Global Labor Organization (GLO).
- Basso, G., Boeri, T., Caiumi, A., and Paccagnella, M. (2020). The new hazardous jobs and worker reallocation. Technical report, CEPR Discussion Paper No. DP15100.
- Beland, L.-P., Brodeur, A., and Wright, T. (2020). The Short-Term Economic Consequences of COVID-19: Exposure to Disease, Remote Work and Government Response. IZA Discussion Papers 13159, Institute of Labor Economics (IZA).
- Beytia, P. and Infante, C. C. (2020). Digital Pathways, Pandemic Trajectories. Using Google Trends to Track Social Responses to COVID-19. SocArXiv yndb7, Center for Open Science.
- Bilgin, N. M. (2020). Tracking COVID-19 Spread in Italy with Mobility Data. Koç University-TUSIAD Economic Research Forum Working Papers 2012, Koç University-TUSIAD Economic Research Forum.
- Boeri, T., Caiumi, A., and Paccagnella, M. (2020). Mitigating the work-safety trade-off. *Covid Economics: Vetted and Real-Time Papers*, 2:60–66.
- Bonacini, L., Gallo, G., and Scicchitano, S. (2020). Working from home and income inequality: Risks of a ‘new normal’ with COVID-19. *Journal of Population Economics*, forthcoming.
- Borrelli, F., Carbonetti, G., De Felici, L., and Solari, F. (2012). Metodologie di stima per piccole aree applicabili a variabili di censimento. Working Papers 3/2012, Istat.

- Caselli, M., Fracasso, A., and Traverso, S. (2020a). Globalization, robotization, and electoral outcomes: Evidence from spatial regressions for Italy. *Journal of Regional Science*, forthcoming.
- Caselli, M., Fracasso, A., and Traverso, S. (2020b). Mitigation of risks of Covid-19 contagion and robotisation: Evidence from Italy. *Covid Economics: Vetted and Real-Time Papers*, 17:174–188.
- Cetrulo, A., Guarascio, D., and Virgillito, M. E. (2020). The Privilege of Working From Home at the Time of Social Distancing. *Intereconomics*, 55(3):142,Äì147.
- Ciani, E., David, F., and de Blasio, G. (2017). Local labour market heterogeneity in Italy: estimates and simulations using responses to labour demand shocks. Temi di discussione (Economic working papers) 1112, Bank of Italy, Economic Research and International Relations Area.
- Cirillo, V., Fanti, L., Mina, A., and Ricci, A. (2020). Digitizing firms: skills, work organization and the adoption of new enabling technologies. Working Paper 53, INAPP.
- Crowley, F. and Doran, J. (2020). Covid-19, occupational social distancing and remote working potential: An occupation, sector and regional perspective. *Regional Science Policy & Practice*, n/a(n/a).
- de Blasio, G. and Poy, S. (2017). The impact of local wage regulation on employment: A border analysis from Italy in the 1950s. *Journal of Regional Science*, 57(1):48–74.
- Dingel, J. I. and Neiman, B. (2020). How many jobs can be done at home? *Journal of Public Economics*, 189:104235.
- Durante, R., Guiso, L., and Gulino, G. (2020). Asocial Capital: Civic Culture and Social Distancing during COVID-19. CEPR Discussion Papers 14820, C.E.P.R. Discussion Papers.
- Engle, S., Stromme, J., and Zhou, A. (2020). Staying at Home: Mobility Effects of Covid-19. *Covid Economics*, 4:86–102.
- Fang, H., Wang, L., and Yang, Y. (2020). Human mobility restrictions and the spread of the novel coronavirus (2019-ncov) in china. *Journal of Public Economics*, 191:104272.
- Favero, C. A., Ichino, A., and Rustichini, A. (2020). Restarting the economy while saving lives under Covid-19. CEPR Discussion Papers 14664, C.E.P.R. Discussion Papers.
- Garibaldi, P. and Taddei, F. (2013). Italy : a dual labour market in transition: country case studies on labour market segmentation. ILO Working Papers 994816943402676, International Labour Organization.
- Giua, M. (2017). Spatial discontinuity for the impact assessment of the EU regional policy: the case of Italian Objective 1 regions. *Journal of Regional Science*, 57(1):109–131.

- Glaeser, E. L., Gorbach, C. S., and Redding, S. J. (2020). How Much does COVID-19 Increase with Mobility? Evidence from New York and Four Other U.S. Cities. Working Paper 27519, National Bureau of Economic Research.
- Goos, M., Manning, A., and Salomons, A. (2014). Explaining Job Polarization: Routine-Biased Technological Change and Offshoring. *American Economic Review*, 104(8):2509–2526.
- Gottlieb, C., Grobovsek, J., and Poschke, M. (2020). Working from home across countries. *Covid Economics*, 8:70–91.
- Hensvik, L., Le Barbanchon, T., and Rathelot, R. (2020). Which Jobs Are Done from Home? Evidence from the American Time Use Survey. IZA Discussion Papers 13138, Institute of Labor Economics (IZA).
- Holgersen, H., Jia, Z., and Svenkerud, S. (2020). Who and how many can work from home in Norway?. Evidence from task descriptions. Discussion Papers 935, Statistics Norway, Research Department.
- Koren, M. and Peto, R. (2020). Business disruptions from social distancing. *PLoS ONE*, 15(9):e0239113.
- Leibovici, F., Santacre, A. M., and Famiglietti, M. (2020). Social distancing and contact-intensive occupations. St. Louis Fed On the Economy Blog.
- Lyu, W. and Wehby, G. L. (2020). Comparison of Estimated Rates of Coronavirus Disease 2019 (COVID-19) in Border Counties in Iowa Without a Stay-at-Home Order and Border Counties in Illinois With a Stay-at-Home Order. *JAMA Network Open*, 3(5):e2011102–e2011102.
- Milani, F. (2020). COVID-19 Outbreak, Social Response, and Early Economic Effects: A Global VAR Analysis of Cross-Country Interdependencies. *Journal of Population Economics*, forthcoming.
- Mongey, S., Pilossoph, L., and Weinberg, A. (2020). Which Workers Bear the Burden of Social Distancing Policies? NBER Working Papers 27085, National Bureau of Economic Research, Inc.
- Pepe, E., Bajardi, P., Gauvin, L., Privitera, F., Cattuto, C., and Tizzoni, M. (2020). COVID-19 outbreak response: first assessment of mobility changes in Italy following lockdown. Technical report, The COVID19 MM working group.
- Qiu, Y., Chen, X., and Shi, W. (2020). Impacts of social and economic factors on the transmission of coronavirus disease 2019 (COVID-19) in China. *Journal of Population Economics*, 33:1127–1172.
- Yasenov, V. (2020). Who can work from home? IZA Discussion Paper 13197, IZA.
- Yilmazkuday, H. (2020). Stay-at-home works to fight against covid-19: International evidence from google mobility data. SSRN, mimeo.

Appendix

A Full Results from Section 4

Table A1: Effect of lockdown on changes in mobility, March 9: baseline

	(1)	(2)	(3)
Lockdown	-7.107*** (2.676)	-7.453*** (2.717)	-7.741*** (2.789)
Participation rate, %		-0.512 (0.419)	-0.445 (0.443)
Population 2019, log		-0.376 (1.367)	-0.413 (1.462)
Residents < 19 years		0.149 (0.690)	-0.245 (0.744)
Residents > 65 years		0.530 (0.508)	0.453 (0.545)
Surface squared km, log		-1.325 (1.898)	-1.102 (1.965)
Altitude metres, log		-0.069 (1.777)	-0.069 (1.810)
Tourism index		0.045 (0.676)	0.041 (0.723)
Excess mortality rate, Jan-Feb			0.722 (1.213)
LLMA fixed effects	Yes	Yes	Yes
Observations	606	602	538
R-squared	0.144	0.177	0.191
F-stat	7.052	3.717	3.230

Notes: The sample includes the municipalities contiguous to the policy-change boundary within the same LLMA. The dependent variable is the variation in mobility on March 9 relative to January 13-February 16 at the level of municipalities. *** indicates coefficients significantly different from zero at the 1% level.

Table A2: Effect of lockdown on changes in mobility, March 9: robustness checks

	Winsor 5%	Trim 5%	$dM < 0$ only	No centres	No top 5%	No bottom 5%
	(1)	(2)	(3)	(4)	(5)	(6)
Lockdown	-5.982*** (1.917)	-5.090*** (1.616)	-9.718*** (2.346)	-7.449*** (2.839)	-7.545*** (2.853)	-7.350*** (2.628)
Participation rate, %	-0.291 (0.296)	-0.237 (0.256)	-0.166 (0.366)	-0.475 (0.433)	-0.505 (0.433)	-0.311 (0.426)
Population 2019, log	-0.559 (0.964)	-1.316 (0.821)	1.025 (1.182)	-0.219 (1.579)	0.069 (1.547)	-1.497 (1.384)
Residents < 19 years	0.308 (0.487)	0.371 (0.449)	-0.041 (0.611)	0.116 (0.713)	0.110 (0.713)	-0.494 (0.740)
Residents > 65 years	0.172 (0.358)	-0.052 (0.317)	0.140 (0.448)	0.604 (0.528)	0.592 (0.527)	0.169 (0.535)
Surface squared km, log	-0.766 (1.339)	0.308 (1.124)	-2.623 (1.648)	-1.224 (1.997)	-1.420 (2.004)	0.050 (1.851)
Altitude metres, log	-0.407 (1.254)	-0.487 (1.027)	-0.872 (1.535)	-0.320 (1.979)	-0.427 (2.017)	-0.837 (1.688)
Tourism index	-0.150 (0.477)	-0.231 (0.409)	-0.513 (0.599)	0.122 (0.704)	0.092 (0.703)	0.066 (0.664)
LLMA f.e.	Yes	Yes	Yes	Yes	Yes	Yes
Observations	602	544	574	569	570	571
R-squared	0.186	0.192	0.199	0.181	0.180	0.165
F-stat	2.187	1.837	2.918	3.550	3.523	2.556

Notes: The sample includes the municipalities contiguous to the policy-change boundary within the same LLMA. The dependent variable is the variation in mobility on March 9 relative to January 13-February 16 at the level of municipalities. *** indicates coefficients significantly different from zero at the 1% level.

Table A3: Effect of lockdown on changes in mobility: placebo

	March 1 (1)	March 30 (2)	May 4 (3)
Lockdown	-2.854 (3.316)	-4.042 (2.927)	1.813 (3.101)
Participation rate, %	-0.035 (0.502)	-0.354 (0.445)	-0.740 (0.474)
Population 2019, log	-2.387 (1.648)	-4.109*** (1.474)	-5.203*** (1.549)
Residents < 19 years	-1.077 (0.799)	-1.373* (0.724)	-0.979 (0.780)
Residents > 65 years	-1.136* (0.584)	-0.114 (0.542)	-0.357 (0.566)
Surface squared km, log	2.019 (2.304)	1.089 (2.042)	0.918 (2.165)
Altitude metres, log	0.439 (2.158)	1.199 (1.909)	2.309 (2.028)
Tourism index	0.420 (0.810)	-0.154 (0.726)	0.206 (0.762)
LLMA fixed effects	Yes	Yes	Yes
Observations	605	600	605
R-squared	0.151	0.187	0.192
F-stat	1.172	7.042	8.125

Notes: The sample includes the municipalities contiguous to the policy-change boundary within the same LLMA. The dependent variable is the variation in mobility on each date relative to January 13-February 16 at the level of municipalities. *** and * indicate coefficients significantly different from zero at the 1% and 10% level respectively.