May 2018

Fondazione Eni Enrico Mattei

Working Paper

015.2018

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Giovanni Gualtieri, Marcella Nicolini, Fabio Sabatini, Luca Zamparelli

Economic Theory
Series Editor: Matteo Manera

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By Giovanni Gualtieri, National Research Council, Institute of Biometeorology
Marcella Nicolini, University of Pavia, Department of Economics and Management
Fabio Sabatini, Sapienza University of Rome, Department of Economics and Law
Luca Zamparelli, Sapienza University of Rome, Department of Economics and Law

Summary

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Keywords: Redistribution, Inequality, Natural Disasters, Earthquakes, Multiple Shocks

JEL Classification: H10, H53, D63, D69, Z1

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Address for correspondence:
Fabio Sabatini
Sapienza University of Rome
Department of Economics and Law
Via del Castro Laurenziano 9
00161 Roma
Italy
E-mail: fabio.sabatini@uniroma1.it

Repeated shocks and preferences for redistribution*

Giovanni Gualtieri[†], Marcella Nicolini[‡], Fabio Sabatini[§], Luca Zamparelli[¶]

January 15, 2019

Abstract

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[†]National Research Council, Institute of Biometeorology, Florence, Italy. Email: g.gualtieri@ibimet.cnr.it.

[‡]University of Pavia, Department of Economics and Management, Pavia, Italy. Email: marcella.nicolini@unipv.it.

[§]Corresponding author. Sapienza University of Rome, Department of Economics and Law, Rome, Italy. Email: fabio.sabatini@uniroma1.it. Sapienza Università di Roma, Facoltà di Economia, via del Castro Laurenziano 9, 00161, Roma, Italy.

[¶]Sapienza University of Rome, Department of Economics and Law, Rome, Italy. Email: luca.zamparelli@uniroma1.it.

1 Introduction

Redistributive policies rely on the prevailing beliefs about the fairness of social competition. Previous research suggests that if a society believes that socioeconomic success only depends on merit, and that everyone should fully enjoy the fruits of her work, it will demand low redistribution.[1] If, instead, the belief prevails that wealth is mostly determined by random "luck", such as the fortune of being born in the right place into the right family, society will support higher redistribution thus levying heavier taxes (Alesina and Angeletos, 2005; Bénabou and Tirole, 2006). Empirical studies provide individual-level evidence that a stronger belief that luck matters in determining one's position in the social ladder is associated to higher support for redistribution (Fong, 2001; Alesina and La Ferrara, 2005). Even if agents largely inherit their beliefs from ancestors (Guiso et al., 2006), individual perceptions about the competing roles of luck and merit also are the outcome of a life-long learning process. Unfortunate experiences can support the belief that luck, instead of merit, plays a decisive role in income distribution, thereby raising aversion to inequality and consensus for redistributive policies (Piketty, 1995). Alesina and Angeletos (2005) theoretically show that any increase in the role of "pure random luck" in observed inequality - for example the one caused by an unpredictable shock raising the volatility of income - implies a higher optimal tax rate resulting in a stronger demand for redistribution. This mechanism is driven by a preference for fairness, which leads people to support redistribution against "social injustice", defined as welfare allocations resulting from random luck instead of merit.

We test this theory by exploiting a natural experiment provided by the 2009 L'Aquila earthquake, one of the strongest and most destructive seismic events registered in Italy in the last 40 years. The earthquake consisted of an initial shock occurred on April 6, 2009 and dozens of aftershocks, seven of which had a moment magnitude larger than or equal to 5, over the following days until April 13, 2009. A natural disaster is indeed a manifestation of "pure random luck", in this case the misfortune of living in the wrong place at the wrong time, which demonstrates the volatility of material wealth and how exogenous events can destroy the outcomes achieved with merit.

We build a novel dataset that matches the peak ground acceleration (PGA) of each shock recorded throughout the National Strong Motion Network during the earthquake with nationally representative survey data about individual opinions and beliefs collected 18 months after the shocks by

[1] Following Alesina and Angeletos (2005), hereafter we will refer to merit as the quality of being worthy of reward resulting from talent and effort.

the Italian National Election Studies (ItaNES). The empirical analysis illustrates how, consistently with theory, the average intensity of the shakes registered throughout the L'Aquila earthquake is associated with subsequent stronger beliefs that, for a society to be fair, income inequalities should be levelled by redistribution. The analysis of the single shocks occurred between April 6 and 13, however, reveals that this result is driven by the impact of the last three shakes, suggesting that the timing and repetition of the shock also play a role in shaping redistributive preferences. Despite having been destructive, the first five shakes show no statistically significant impact. The PGA of the three final shocks occurred between April 9 and 13, instead, predicts preferences for redistribution, as if some sort of cumulative effect of the shocks has been at stake. Though new in the economics literature, this result is consistent with psychological theories explaining the different behavioral outcomes of single versus multiple shocks as resulting from a dose-response relationship. It is commonly accepted in psychology that repeated shocks prompt stronger emotional and behavioral responses (e.g. Turner and Lloyd, 1995; Green et al., 2000; Williams et al., 2007).

The natural experiment provided by the earthquake allows circumventing the endogeneity problems that are usually at stake in the analysis of individual preferences and opinions. There are several reasons to safely rule out population self-selection into the province of L'Aquila along specific personal characteristics such as risk attitudes. First, no seismic event was registered in the area over the previous 24 years, when the province of L'Aquila was hit by a non-destructive earthquake that did not cause fatalities or injuries in 1985. Second, according to the National Institute of Geophysics and Volcanology (*Istituto Nazionale di Geofisica e Vulcanologia*, INGV), the 1985 earthquake did not alter the seismic classification of the epicentral area that was first assessed in 1927, when L'Aquila and the surrounding municipalities were classified as "zone 2" areas, a very broad category comprising 27% of Italian municipalities. The demographic balance and the migration balance of the epicentral area and the surrounding provinces have proved stable over the following two decades, suggesting that the event did not prompt any precautionary emigration (Istat, 2013a; 2013b). Third, data clearly show that no significant emigration flows occurred over the years following the 2009 earthquake.[2]

The omission of relevant variables may also prevent a correct identification of the impact of the shocks. Since preferences for redistribution can be affected by personal traits, we control for

[2]The crude rate of net migration (plus statistical adjustment) expressed per 1000 inhabitants is equal to -0.3, 1.0 and 0.4 in 2009, 2010 and 2011, respectively, for the province of L'Aquila (data are sourced from https://ec.europa.eu/eurostat/web/population-demography-migration-projections/data/database).

demographic characteristics, socio-economic status, political opinions, religious beliefs, and possible downturns in the economic well-being of the household. Moreover, we control for unobserved geographical factors by adding province fixed effects, and city-level variables, including the seismicity of the municipality.

To rule out the possibility that our results capture spurious correlations, we then develop a series of counterfactuals by generating placebo earthquakes with the same intensity and propagation pattern of the last three L'Aquila main shakes but having their epicenter in the centroid of each of the 6,684, 6,914, and 6,846 municipalities outside the actual epicentral areas, for a total of 20,444 placebo shakes. We then estimate the relationship of these shakes with support for redistribution. Given the relevance of repeated exposure to traumatic shocks, we also repeat the placebo procedure excluding from the sample of counterfeit epicenters those municipalities where at least one of the previous five main shakes was felt (5915, 5917 and 5921 respectively, for a total of 17,753 shocks). The different placebo tests support our results. To test the diverse outcomes associated to single versus multiple shocks, we exploit a natural counterfactual provided by an earthquake occurred in the province of Parma approximately 3.5 months before the L'Aquila earthquake, on December 23, 2008, which consisted of a single shake. Though being comparable in magnitude to the shakes registered over the L'Aquila event, the PGA of the Parma single shake does not have any significant relationship with preferences for redistribution in our sample.

Our contribution bridges three strands of literature. The first investigates the determinants of the individual demand for redistribution by analyzing the role of the macroeconomic environment (Giuliano and Spilimbergo, 2014), mobility prospects (Piketty, 1995; Bénabou and Ok, 2001; Alesina et al., 2018) fairness (Alesina and Angeletos, 2005; Isaksson and Lindskog, 2009; Durante et al., 2014), beliefs about equality of opportunities (Fong, 2001; Alesina and La Ferrara, 2005), religion (Guiso et al. (2006); Dills and Hérnandez-Julian, 2014; Kirchmaier et al., 2018), linguistic diversity (Desmet et al., 2009), altruism (Dahlberg et al., 2012), racism (Lee et al., 2010), and aspects of social capital (Algan et al., 2016; Cerqueti et al., 2016). We add to this field by exploiting a natural experiment to test the role of exogenous unfortunate events in support for redistribution. Such a mechanism was only implicitly hypothesized in Piketty (1995) and theoretically demonstrated by Alesina and Angeletos (2005) but, to the best of our knowledge, it was never empirically tested in the literature.

The second strand studies the effect of natural disasters on macroeconomic and behavioral outcomes such as institutional change (Belloc et al., 2016), growth (Skidmore and Toya, 2002), trust (Toya and Skidmore, 2014), risk attitudes (Eckel et al., 2009; Said et al., 2015; Hanaoka et al., 2018), well-being (Rehdanz et al., 2015), and time preferences (Callen, 2015; Cassar et al., 2017). We contribute to this literature in several substantive ways. This paper is the first investigating the relationship between natural disasters and redistributive preferences. We suggest that natural disasters can trigger a change in social preferences that might have consequences on redistributive policies. In addition, we exploit the peculiar timing of the natural experiment provided by the L'Aquila earthquake - which lasted eight days in the form of a first strong shake and a series of equally destructive aftershocks - to study the possible role of repeated shocks. Finally, we differentiate from previous studies by operationalizing a continuous measure of the intensity of the shocks that captures exactly how hardly the shakes are felt by inhabitants. With a few exceptions (Bernile et al., 2017 and Hanaoka et al., 2018), economics studies measure the exposure to natural disasters through dichotomic or categorical indicators.[3] Finally, we add to the psychological literature studying the different outcomes of single versus multiples traumas by showing that such differences also concern the effect of non-interpersonal shocks on specific and so far uninvestigated social preferences such as support for redistribution (e.g. Turner and Lloyd, 1995; Green et al., 2000; Williams et al., 2007; Mustanski et al., 2016; Rytwinski et al., 2013).

The rest of the paper is organized as follows: Section 2 describes the dataset we assembled by matching the information concerning the L'Aquila earthquake with survey data and the empirical strategy. Section 3 presents the econometric analysis and discusses the robustness and interpretation of results. In section 4 we draw some concluding remarks.

2 Data and empirical strategy

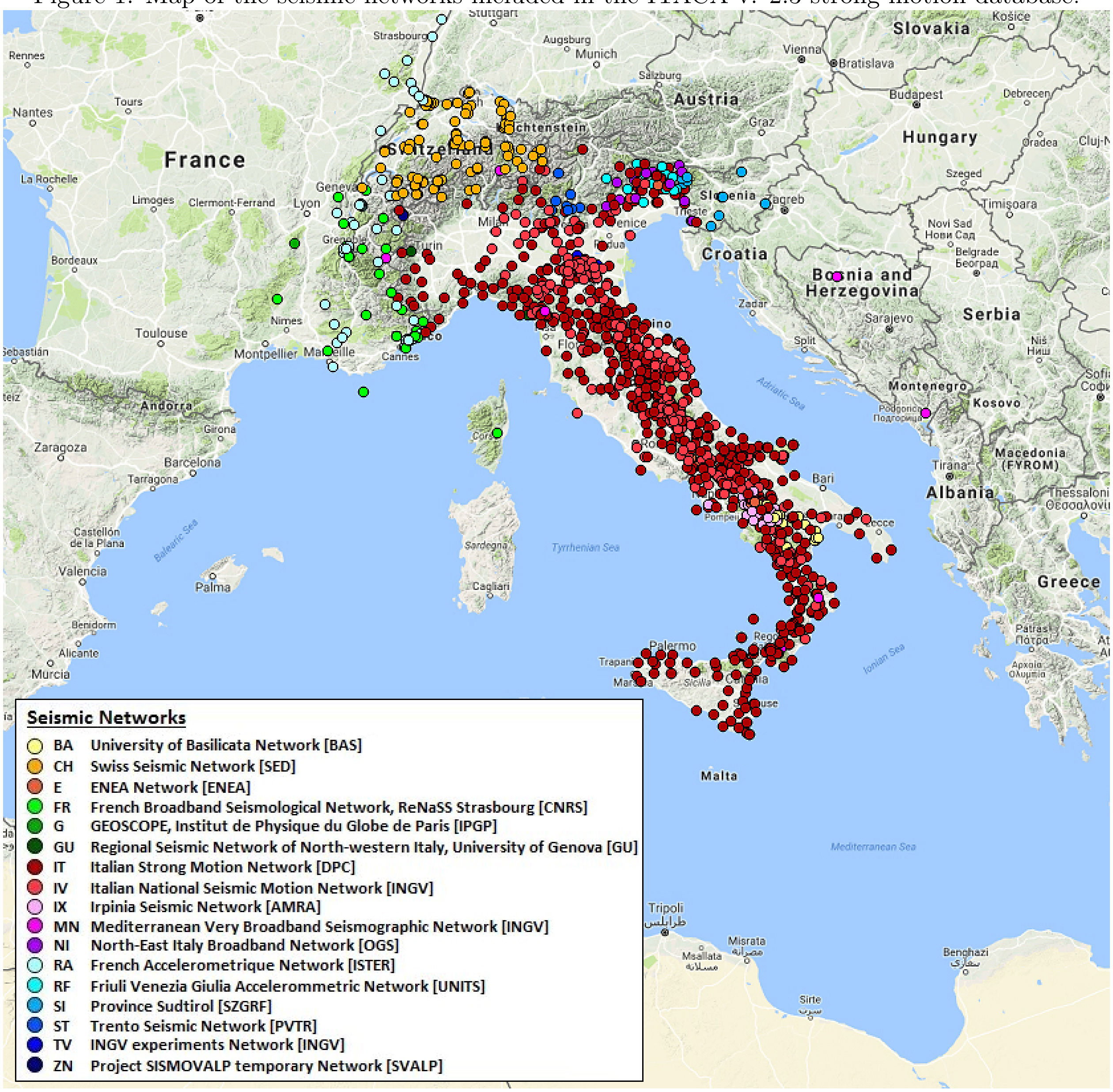
2.1 The Italian strong motion database and the L'Aquila earthquake

Data on the L'Aquila earthquake are drawn from the Italian strong motion database ITACA (ITalian ACcelerometric Archive), which was developed during different projects in the framework of an agreement between the Italian Department of Civil Protection (*Dipartimento della Protezione Civile*, DPC) and the INGV. The current release of the database (v. 2.3, January 2018) contains

[3]Bernile et al., 2017 measure the magnitude of disasters through two variables capturing the number of injuries and fatalities and the amount of financial losses, respectively. Hanaoka et al., 2018 measure the intensity of the exposure to the Great East Japan Earthquake through an indicator of the distance from the epicenter.

36,714 three-component accelerometric waveforms generated by 1,640 earthquakes with magnitude greater than 3.0 occurred in Italy between February 1972 and December 2017 (Luzi et al., 2017). ITACA contains strong motion data recorded by the major Italian networks as well as, for events occurred at the Italian borders, by neighboring networks abroad. As shown in figure 1, a total of 1,337 accelerometric stations are currently in operation, with an average spacing between stations of approximately 20 km (Gorini et al., 2010). Most stations (673) belong to the Italian Strong Motion Network (IT) – also known as *Rete Accelerometrica Nazionale* (RAN) – operated by DPC, and 259 belong to the Italian National Seismic Motion Network (IV), operated by INGV.

Figure 1: Map of the seismic networks included in the ITACA v. 2.3 strong motion database.



Source: Authors' elaboration on data described in the text.

For each seismic event the accelerometric stations record the peak ground acceleration (PGA, cm/s^2) of the shake. PGA is the largest peak acceleration recorded at a site during a seismic event. Unlike the Richter and moment magnitude scales, it is not a measure of the total energy of the earthquake, but rather of how hard the earth shakes on the surface at a given geographic point (Douglas, 2003). It thus provides an objective indicator of the intensity with which the shakes are perceived by residents.

On April 6 2009, 01:32:40 UTC, an earthquake of moment magnitude M_W 6.3 occurred close to L'Aquila, a town of 68,500 inhabitants in Central Italy. The hypocenter was located at a depth of 8.3 km along a NW-SW normal fault with SW dip (i.e. the angle formed by the fault plane and the horizontal direction). About 300 people died because of the collapse of residential and public buildings, and damage was widespread in L'Aquila and its neighboring municipalities (Ameri et al., 2009). Table 1 reports the metadata of the L'Aquila earthquake and its main aftershocks. We observe seven aftershocks of moment magnitude larger than or equal to 5, the strongest of which occurred on April 7 ($M_W = 5.6$) and April 9 ($M_W = 5.6$;$M_W = 5.4$) (Ameri et al., 2009). A total of 19 weaker (M_L between 4.0 and 5.4) yet again surface (H $\leq$ 17.1 km) shocks were recorded by a radius of 15-20 km around the mainshock's epicenter during the same day and the following three days (Luzi et al., 2017). The effects of the L'Aquila event were recorded by a total of 62 ITACA accelerometric stations. The event represents the fourth largest earthquake recorded by strong motion instruments in Italy (i.e. since 1972), after the 23/11/1980 M_W 6.9 Irpinia, the 30/10/2016 M_W 6.5 Norcia, and the 06/05/1976 M_W 6.4 Friuli earthquakes, and it is the only big earthquake whose information can be matched with subsequent survey data concerning preferences for redistribution. Table 1 also includes the metadata of the earthquake occurred in the province of Parma approximately three months before, which will be used to compare the impact of single and multiple shocks in Section 3.2.

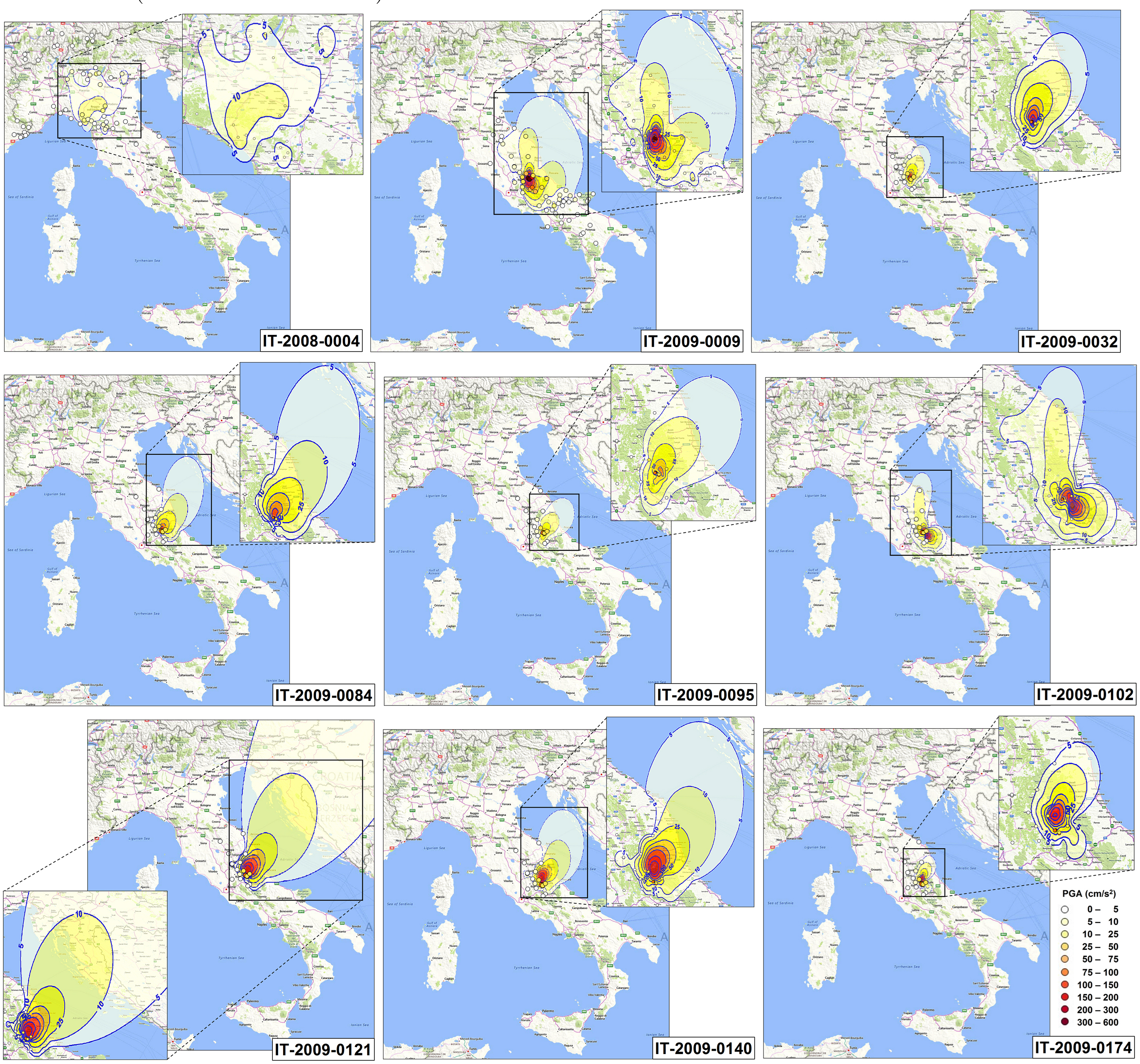
Table 1: Metadata of the shakes as reported in the ITACA database

ID	IT-2008-0004	IT-2009-0009	IT-2009-0032	IT-2009-0084	IT-2009-0095	IT-2009-0102	IT-2009-0121	IT-2009-0140	IT-2009-0174
Date-Time	23/12/2008, 00:00	06/04/2009, 01:32	06/04/09, 2:37	06/04/09, 23:15	07/04/09, 9:26	07/04/09, 17:47	09/04/09, 00:52	09/04/09, 19:38	13/04/09, 21:14
Nation	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Italy
Region	Emilia-Romagna	Abruzzo	Abruzzo	Abruzzo	Abruzzo	Abruzzo	Abruzzo	Abruzzo	Abruzzo
Province	Parma	L'Aquila	L'Aquila	L'Aquila	L'Aquila	L'Aquila	L'Aquila	L'Aquila	L'Aquila
Municipality	Neviano degli Arduini	L'Aquila	L'Aquila	L'Aquila	L'Aquila	Fossa	L'Aquila	L'Aquila	L'Aquila
Latitude (decimal degrees N)	44.544	42.342	42.36	42.463	42.336	42.303	42.489	42.504	42.498
Longitude (decimal degrees E)	10.345	13.380	13.328	13.385	13.387	13.486	13.351	13.35	13.337
Hypocentral depth, H (km)	22.9	8.3	8.7	9.7	9.6	17.1	11.0	9.3	9.0
Local magnitude, M_L	5.2	5.9	4.6	5.0	4.8	5.4	5.1	5.0	5.0
Moment Magnitude, M_W	5.5	6.3	5.1	5.1	5.1	5.5	5.4	5.2	5.0
Number of recording stations	60	62	19	25	30	59	52	43	46

Notes: All times are UTC

In our empirical analysis, we first use the average PGA recorded across these different shakes to measure the intensity with which the earthquake was felt at each geographic location between the first (IT-2009-0009) and the last (IT-2009-0174) shake, which occurred on April 6 and 13, 2009, respectively. Figure 2 shows the PGA values locally recorded by the 62 stations over the whole Italian territory sorted by time of occurrence.

Figure 2: PGA spatially interpolated contours based on PGA values recorded by the ITACA accelerometric stations during the Parma earthquake (IT-2008-0004) and the L'Aquila earthquake's main shakes (IT-2009-0009 onwards)



Source: Authors' elaboration on data described in the text.

The maximum PGA value of the first shake (IT-2009-0009) – representing one of the highest values ever recorded in Italy (Ameri et al., 2009) – was measured at a distance of 4.9 km from the epicenter. The minimum positive PGA value (0.94 cm/s^2) was recorded at a distance of 275.2 km from the epicenter

To trace the spatial variability of the ground motion in the epicentral area, we spatially interpolated the PGA values recorded by each station. Data interpolation was performed using the Kriging algorithm (Davis and Sampson, 1986), which predicts unknown values using variograms to express the spatial variation and minimizes the error of predicted values.

As shown in the close-up map of Figure 2, a PGA minimum threshold of 5 cm/s^2 was graphically set to filter out those areas affected to a marginal extent by the event. As apparent, the effects of the shakes do not propagate uniformly across the ground, but are strongly influenced by the geomorphological structures encountered along their path. The area of maximum PGA occurs inside the surface projection of the fault. Note that, for the L'Aquila shakes, the PGA contours are elongated in the north–south direction. The attenuation of PGA with distance from the epicenter looks strongly asymmetric, with higher decay rate towards the west (Ameri et al., 2009). The spatial interpolation allows us to accurately reconstruct the ground acceleration felt in each municipality of the epicentral area during each shake.

2.2 The ItaNES survey

The survey data employed in this paper are provided by the Italian National Election Studies (ItaNES), an inter-university consortium promoting research on voting behavior in Italy. In this analysis we employ the "2011-2013 Inter-electoral panel study" released in 2014. Even if the study provides longitudinal data covering the 2011-13 period, questions concerning the tax system were only asked in the first wave. We thus only consider interviews administered in the first wave that took place 18 months after the earthquake, in February 2011, to a sample stratified by gender, age, education, region, and the demographic size of municipalities, as partitioned into 5 classes. ItaNES also administered *similar* surveys over the period 2001-2006, however the questions differ among surveys, and are posed to different samples, with a minimum overlap at the municipality level. This prevents us from exploiting a difference in differences strategy.

As for our dependent variable, individual preferences about redistribution are measured by recoding responses to the question: "Tell me to what extent do you agree with the statement: "For a society to be fair, the government should reduce differences in the socio-economic conditions of people"", possible responses being "Strongly agree", "Agree", "Not agree nor disagree", "Disagree" and "Strongly disagree". "Strongly agree" and "Agree" responses were coded as 1 to obtain a dummy variable capturing support for redistribution. This indicator is standardly used, with slight differences, to measure the individuals' demand for redistribution (e.g. Alesina and La Ferrara, 2005; Guiso et al., 2006; Algan et al., 2016). For example, Algan et al. (2016) measure the individual demand for redistribution through the score given by World Values Survey (WVS) respondents to the following statements: "Incomes should be made more equal" versus "We need larger income differences as incentives". Guiso et al. (2006) derive an indicator of demand for redistribution from the 7 points-scale degree to which respondents of the US General Social Survey (GSS) feel close to the statements "Some people think the government ought to reduce the income differences between the rich and the poor" versus "Others think that the government should not concern itself with reducing income differences". Alesina and La Ferrara (2005) model the extent of redistribution desired by individuals as their optimal tax rate, and measure it via the score given by GSS respondents to the question: "Should the government reduce income differences between rich and poor?". Similar indicators were used to measure support for redistribution by Corneo and Gruner (2002), Luttmer and Singhal (2011) and Dahlberg et al. (2012), to name just a few.

The survey also includes information on demographic characteristics, socio-economic status, political opinions, and possible downturns in the economic well-being of the household, which we consider as additional controls in our econometric model. Since PGA is measured at the level of municipality, we also add a battery of municipality-level controls including seismicity, altitude, latitude and longitude, and other geographic characteristics. Table 2 reports the descriptive statistics, while Table 7 in the Appendix presents the definitions of the explanatory variables.

We then match survey data with the information on the average PGA registered throughout the eight major shakes (section 3.1) and with the PGA level of each single shake (section 3.2). Survey respondents are attributed the PGA felt in their municipality of residence.

2.3 Empirical strategy

To study the impact of repeated shocks, e.g. the L'Aquila earthquake, on demand for redistribution, we consider a linear probability model in which our dependent variable is the dummy described

Table 2: Descriptive statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Redistribution	2,248	0.778	0.416	0	1
Age	2,247	51.226	18.124	18	98
Male	2,248	1.537	0.499	1	2
Education	2,248	2.344	0.899	0	4
Right wing	1,641	5.018	2.884	0	10
Religion	1,893	0.925	0.263	0	1
Country's econ appraisal	2,225	1.819	0.826	1	5
Family's econ appraisal	2,242	2.464	0.775	1	5
Sismicity	2,248	2.248	0.836	1	4
Latitude	2,248	42.863	2.864	9.276	46.947
Longitude	2,248	12.173	2.662	7.180	18.414
Altitude	2,248	3.863	1.324	1	5
Urban	2,248	1.913	0.744	1	3
Seaside	2,248	0.289	0.453	0	1
Mountain	2,248	1.491	0.749	1	3
Area	2,248	3.995	1.359	0.146	7.160
IT-2008-0004	2,248	0.189	0.274	0	1.80
IT-2009-0009	2,248	0.676	1.989	0	37.06
IT-2009-0032	2,248	0.265	0.914	0	9.18
IT-2009-0084	2,248	0.202	0.636	0	10.78
IT-2009-0095	2,248	0.211	0.672	0	8.17
IT-2009-0102	2,248	0.461	1.328	0	13.60
IT-2009-0121	2,248	0.342	1.142	0	19.10
IT-2009-0140	2,248	0.226	0.783	0	17.28
IT-2009-0174	2,248	0.147	0.564	0	18.02

in Section 2.2. Indeed, given a random sample, the OLS regression produces consistent and unbiased estimators of the coefficients. Heteroskedasticity is accounted for by robust standard errors clustered at the province level (Wooldridge, 2002). Preferences for redistribution are thus related to individual characteristics, such as age, educational attainment, political and religious preferences, that are widely acknowledged in the literature to explain attitudes towards redistribution.

With respect to our variable of interest, the exogeneity of the earthquake allows to circumvent the endogeneity issues that are commonly at stake in the analysis of individual beliefs. We are aware that exposure to natural disasters may also be affected by individual choices. There is evidence that people move from areas frequently struck by recurrent events, such as tornados in the United States, to reduce risk Boustan et al. (2012). However, no such evidence has ever been found in Europe and with respect to earthquakes, which have a remarkably lower frequency and predictability. We can safely rule out the possibility that individuals self-selected into the epicentral area. First, no seismic event was registered in the area from May 1985, 24 years before the earthquake we consider in this paper. The 1985 event had $M_L = 4.2$ and did not cause fatalities or injuries. Second, official statistics clearly show that any significant change occurred in the population of the area over the following years. After 1992, census data rather registered a slight increase in the population living in L'Aquila and the surrounding municipalities (Istat, 2013a; 2013b). Overall, the demographic balance and the migration balance of the epicentral area and the surrounding provinces have proved stable over the two decades preceding the 2009 earthquake. The INGV, on the other hand, did not update the seismic classification of the city, which kept the classification given in 1927 as a "Zone 2" area, a very broad category comprising 27% of Italian municipalities.

Other geographical factors, however, could prevent an accurate identification of the effect of the earthquake on individual beliefs. To tackle this issue, we also consider a battery of municipality-level controls, including the official seismic classification of the city, and province fixed effects. Thus, we first estimate the following equation to assess how preferences for redistribution relate to the average intensity of the eight main shakes occurred over the eight days of the L'Aquila earthquake between April 6 and 13, 2009.

$$redistribution_i = \alpha + \beta L'AquilaPGA_c + \gamma X_i + \delta Y_i + d_p + \varepsilon_i \tag{1}$$

where $L'AquilaPGA$ is the average peak ground acceleration registered throughout the eight main shocks of the L'Aquila earthquake at the centroid of the respondent's municipality of residence. X is a vector of individual-specific characteristics collected in the ItaNES survey, Y is a vector of municipality-level controls, and d_p is a set of province dummies.

To study the possible role of the repetition and timing of the shocks, we then assess the relationship between the PGA of each shake and redistributive preferences by estimating eight further versions of the same econometric model in which we replace the average intensity of the shakes with the PGA of each of the main eight shakes (see Table 1 and Figure 2).

Unfortunately our data do not allow to observe individual preferences before and after the shocks. To rule out the possibility that our results capture spurious correlations driven by a coincidence we develop a series of counterfactuals. We first generate three placebo earthquakes in all similar to each of the L'Aquila shakes that proved being significantly correlated with preferences for redistribution in our sample. We randomly assign the epicenter of the placebo shakes to the municipalities in which the accelerometric stations registered a null PGA during the actual earthquake (6,684, 6,914, and 6,846 for the sixth, the seventh and eighth shake respectively). By replicating the propagation pattern of the actual shakes, we are able to reconstruct how the shock would have been felt in each municipality laying in the counterfeit epicentral area. We then assess how the placebo shakes correlate with preferences for redistribution. We additionally repeat the placebo tests on a reduced sample from which we exclude those municipalities in which at least one of the previous five shakes had a $PGA > 0$ (5915, 5917 and 5921 for the sixth, the seventh and the eighth shake respectively). We finally exploit information obtained from the placebo tests to conduct further robustness checks on the estimations of the econometric model in Section 3.3 To further test the role of multiple vs. single shocks, we exploit a natural counterfactual provided by an earthquake occurred 3.5 months before in the province of Parma on December 23, 2008. Differently from the L'Aquila earthquake, this seismic event consisted of one single shock of significant magnitude ($M_L = 5.2$ and $M_W = 5.5$) with magnitude, acceleration and propagation pattern comparable to those of the main shakes registered throughout the 2009 event.

3 Results

In this section we present the results of the econometric analysis. We start by analyzing how the average intensity of the multiple shakes occurred over the L'Aquila earthquake between April 6 and 13 relates to preferences for redistribution (Section 3.1). We then present results for each single shake (3.2). In the following subsections, we first present the results of the placebo analysis (3.3). Then, we use a natural counterfactual to test the different effects of single vs. multiple shocks (3.4). Finally, we briefly discuss our results (3.5).

3.1 The average intensity of the shock and support for redistribution

The baseline estimation in column 1 of Table 3 shows how preferences for redistribution correlate with age, gender, education, and other personal traits, such as political and religious orientation. In the following tables, the PGA is reported in decimeters for a more straightforward interpretation of results. In line with standard predictions, right wing-biased respondents are less inclined to support redistribution (e.g. Brooks and Brady, 1999; Gelman et al., 2007; Powdthavee and Oswald, 2014). Christians are also less likely to support redistribution, consistently with previous findings (e.g. Guiso et al., 2006). In column 2 we also control for perceived variations in the business cycle. Individuals believing that the economic situation of the country has generally improved support redistribution less. This result may be due to the belief that everyone will ultimately benefit from the economic expansion thank to increased social mobility (see for example Bénabou and Ok, 2001). Unfortunately, our survey data do not contain information on individuals' perception of mobility prospects. The self-reported level of the household economic welfare, on the other hand, is not significantly correlated with support for redistribution.

In column 3 we add the average PGA registered throughout the eight main shakes of the L'Aquila earthquake. The coefficient is positive and significant at 10% level. Column 4 shows that results are robust to the addition of province fixed effects. In column 5, in addition to controlling for province dummies, we add a battery of municipality-level controls. Results still hold and we do not observe any systematic relationship of municipal covariates with support for redistribution. In addition, we control for the classification of seismicity at the municipality level provided by the INGV. In further robustness checks we also control for news consumption through television and the Internet to test for the possible role of information (see for example Kuzmienko et al., 2015), for the use of other types of media and contents, the work status of respondents and their self-reported interest in politics. In all cases the additional controls are not statistically significant while our main finding on L'Aquila earthquake is not affected.[4]

The size of the effect of the average PGA is economically relevant. The magnitude of the coefficient implies that a 10 centimeters per square second increase in the average peak ground acceleration of the shakes causes an increase in the likelihood of supporting redistribution of 3.2 percentage points.[5] In absolute value, the effect is approximately three times higher than that of political orientation and comparable to that of education.

3.2 Multiple shocks and support for redistribution

In this section we assess the possible role of repeated shocks by estimating equation (1) for each of the eight main shakes occurred during the L'Aquila earthquake. Results are reported in Table 4. Shakes are labelled with the ID established in the ITACA database and are reported in

[4]Results are available upon request.

[5]A 10 centimeters per square second acceleration is clearly perceptible by people and causes vibrations of objects on the ground. A 20 centimeters per square second acceleration is strong enough to make people lose their balance.

Table 3: L'Aquila earthquake and support for redistribution

	(1)	(2)	(3)	(4)	(5)
Age	0.074***	0.072***	0.072***	0.055**	0.054**
	(0.027)	(0.027)	(0.026)	(0.027)	(0.027)
Male	0.074***	0.034*	0.033*	0.023	0.023
	(0.027)	(0.020)	(0.020)	(0.020)	(0.020)
Education	0.023*	0.031**	0.030**	0.028**	0.028**
	(0.012)	(0.012)	(0.012)	(0.013)	(0.013)
Right wing	-0.018***	-0.013***	-0.013***	-0.012***	-0.012***
	(0.003)	(0.004)	(0.004)	(0.004)	(0.004)
Christian	-0.087***	-0.084***	-0.084***	-0.070**	-0.071**
	(0.031)	(0.031)	(0.031)	(0.032)	(0.032)
Country's econ. sit.		-0.059***	-0.059***	-0.062***	-0.062***
		(0.014)	(0.014)	(0.014)	(0.014)
Household's econ sit.		-0.001	-0.001	-0.010	-0.009
		(0.015)	(0.015)	(0.016)	(0.016)
L'Aquila average PGA			0.013*	0.032*	0.032*
			(0.001)	(0.002)	(0.002)
Seismicity					-0.045
					(0.031)
Latitude					0.003
					(0.002)
Longitude					-0.004
					(0.061)
Altitude					-0.011
					(0.014)
Urban					-0.005
					(0.019)
Coastal					-0.030
					(0.036)
Mountain					-0.014
					(0.023)
Area					0.009
					(0.013)
Constant	0.550***	0.637***	0.634***	0.723***	0.778
	(0.124)	(0.127)	(0.126)	(0.129)	(0.769)
Province dummies	NO	NO	NO	YES	YES
Observations	1,622	1,608	1,608	1,608	1,608
R-squared	0.029	0.042	0.043	0.115	0.117

Notes: Standard errors clustered at the Municipality level in parentheses; *, **, *** significant at 10%, 5% and 1% level respectively.

chronological order from April 6 to 13, 2009. We observe that the first five shakes, occurred between the 6th and the 7h of April, are not significantly correlated with our dependent variable. The sixth shake, occurred on April 9, is statistically significant at 10% level. Statistical significance increases for the last two shocks, occurred on April 9 and 13 respectively.

The size of the effect is economically relevant. Considering for example the seventh shock, the magnitude of the coefficient implies that a 10 centimeters per square second increase in the peak ground acceleration causes an increase in the likelihood of supporting redistribution of 3.0 percentage points. In absolute value, the effect is comparable to that of education, about half of that of religion (studied for example in Guiso et al., 2006; Dills and Hérnandez-Julian, 2014; Kirchmaier et al., 2018) and approximately three times higher than that of political orientation, which was investigated in numerous studies (e.g. Corneo and Gruner, 2002 Gelman et al., 2007; Powdthavee and Oswald, 2014). In all regressions we control for personal traits, the seismicity of the municipality of residence, the other city-level variables reported in the last column of Table 3, (which we omit from the Table for the sake of brevity), and province fixed effects. All covariates maintain the same sign and significance throughout the eight shocks.

3.3 Placebo tests

To further check the robustness of our results, we implement a placebo test in the spirit of Abadie and Hainmueller (2010) and Belloc et al. (2016). For each of the three statistically significant shakes (IT-2009-0121, IT-2009-0140, and IT-2009-0174), we generate a series of placebo earthquakes with the same intensity and propagation pattern but having their epicenter in the centroid of each of the 6,684, 6,914, and 6,846 Italian municipalities outside of the actual epicentral areas of the sixth, the seventh and the eighth shake respectively, i.e., those municipalities in which the strong motion network registered a null PGA during the actual shakes. For each placebo event, we reconstruct a propagation pattern by calculating the PGA of the shakes striking each municipality laying in the counterfeit epicentral area based on the relationship between the distance from the epicenter and the ground acceleration observed during each of the actually significant shakes. Overall, we thus generate $6684 + 6914 + 6846$ placebo shocks.

For each of the three significant shakes, we then randomly assign the epicenter of the relative placebo shocks to the municipalities that were not hit by the shock. This allows us to estimate the

Table 4: Multiple shocks and support for redistribution

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Date	April 6	April 6	April 6	April 7	April 7	April 9	April 9	April 13
Age	0.054**	0.053*	0.053**	0.053**	0.054**	0.054**	0.054**	0.054**
	(0.027)	(0.027)	(0.027)	(0.027)	(0.027)	(0.027)	(0.027)	(0.027)
Male	0.024	0.023	0.023	0.024	0.024	0.023	0.023	0.023
	(0.021)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Education	0.029**	0.028**	0.028**	0.028**	0.028**	0.028**	0.028**	0.028**
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Right wing	-0.012***	-0.012***	-0.012***	-0.012***	-0.012***	-0.012***	-0.012***	-0.012***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Christian	-0.072**	-0.071**	-0.071**	-0.071**	-0.071**	-0.071**	-0.072**	-0.072**
	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)
Country's econ. sit.	-0.062***	-0.063***	-0.062***	-0.062***	-0.062***	-0.062***	-0.063***	-0.063***
	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)
Household's econ sit.	-0.009	-0.009	-0.009	-0.009	-0.009	-0.009	-0.009	-0.009
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Seismicity	-0.043	-0.044	-0.044	-0.044	-0.045	-0.044	-0.045	-0.045
	(0.031)	(0.031)	(0.031)	(0.031)	(0.031)	(0.031)	(0.031)	(0.031)
IT-2009-0009	0.019							
	(0.001)							
IT-2009-0032		0.018						
		(0.002)						
IT-2009-0084			0.034					
			(0.002)					
IT-2009-0095				0.025				
				(0.003)				
IT-2009-0102					0.026			
					(0.002)			
IT-2009-0121						0.025*		
						(0.001)		
IT-2009-0140							0.030**	
							(0.001)	
IT-2009-0174								0.026**
								(0.001)
Municipality-level controls	YES	YES	YES	YES	YES	YES	YES	YES
Province dummies	YES	YES	YES	YES	YES	YES	YES	YES
Observations	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608
R-squared	0.117	0.117	0.117	0.117	0.117	0.117	0.117	0.117

Notes: Standard errors clustered at the Municipality level in parentheses; *, **, *** significant at 10%, 5% and 1% level respectively.

reaction of the individuals in the sample to three swarms of placebo earthquakes. More specifically, the test is developed along the following steps for each of the significant shakes.

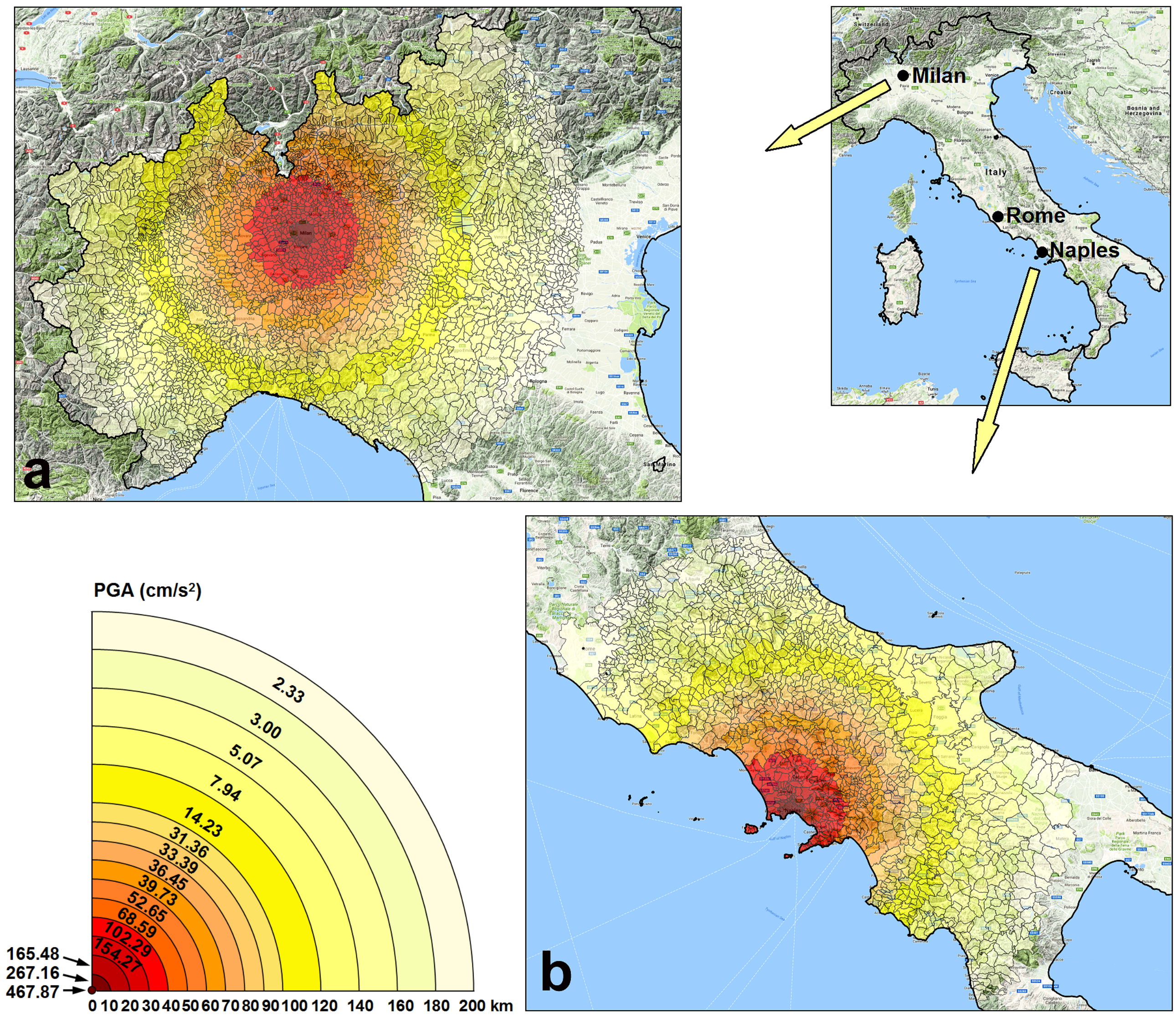
First, the PGA values recorded by the accelerometric stations during the shake are averaged for each municipality. This allows to impute to those municipalities covered by more than one accelerometric station one and only one PGA value. Second, we build a stylized version of the actual shock by assuming that the shakes propagate across the ground in the very same way they did during the actual shakes, so that the related PGA values change as a sole function of the radial distance from the epicenter. As a result, the false epicentral areas have a circular geometry and are partitioned into 12 circular sectors, each one with a specific value of PGA according to the distance from the placebo epicenter. The PGA mean values calculated by radial distance from the earthquake's epicenters are reported in Tables 8-10 in the Appendix for the sixth, seventh and eighth shake respectively.

Then, after imputing to the i municipality the PGA value of the epicenter's municipality (L'Aquila, in all the three cases), the PGA values of each circular sector have been calculated by averaging the PGA values of all municipalities comprised in that specific radial bin, i.e. by considering the radial distance of the centroid of those municipalities from the centroid of the epicenter municipality.

Following Belloc et al. (2016), the purpose of the tests is to check how many times the randomly generated placebo estimates happen to be too close to the true estimates. If in our results we were erroneously rejecting the null hypothesis that the coefficients of interest are equal to 0 in columns (6), (7) and (8) of Table 4 (i.e., we were attributing to the shocks an effect that does not exist in reality), we should observe placebo coefficients close to our true estimate, represented by the vertical line in Figure 5, which reports the probability density function of the estimates of the coefficients of the placebo shocks for the sixth shake - i.e. first of the three significant shakes, which occurred on April 9, 2009.

The top panel of Figure 5 shows that the estimates generated in the test are almost always to the left (meaning smaller in value than) the true estimated coefficients, equal to 0.03. Coefficients of the 6,684 counterfeit earthquakes are distributed around zero. The fake estimated coefficient is statistically significant at the 5% (10%) level in the 4.62% (7.25%) of cases. We then conduct a second test by dropping from the sample not only the epicentral area of the sixth shake but also the municipalities in which at least one of the previous five shakes was felt (i.e. where a $PGA > 0$

Figure 3: Examples of the application of the placebo test based on the IT-2009-0121 shake to the municipalities of: (a) Milan; (b) Naples.



was registered). The number of counterfeit epicenters then becomes 5,915. The bottom panel of Figure 5 shows that, also in this case, the estimates generated in the test are almost always to the left (meaning smaller in value than) the true estimated coefficients. The fake estimated coefficient is larger that the estimated one and statistically significant at the 5% (10%) level in the 4.53% (6.99%) of cases. We get comparable results for the other two significant shakes.[6] Overall these results suggest that our findings on the relationship between the actual intensity of the shakes and support for redistribution (Table 4, columns 6, 7 and 8) are not driven by a small number of treated individuals in our sample and the potentially correlated nature of the error terms.

We then exploit the findings of the placebo test to run a further robustness check: we drop from the estimation sample those "suspect" municipalities for which the placebo shocks have a statistically significant and large coefficient and estimate our model again for the last three shakes. Results do not change and are synthetically reported in Table 5, where we omit the coefficients of individual and municipality-level controls for the sake of brevity. Results also hold if we keep the full sample and include a dummy for the same municipalities.

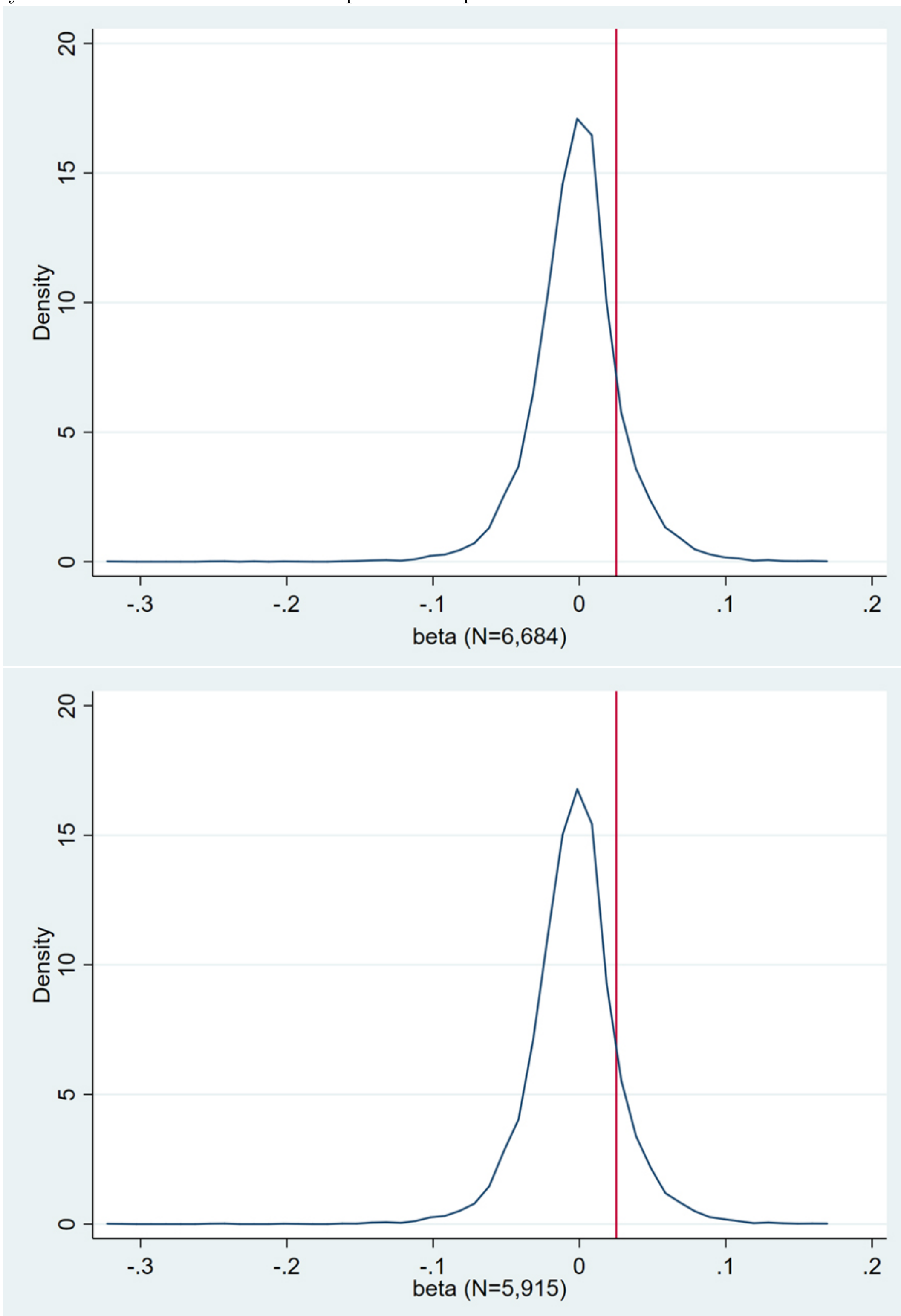
Table 5: Multiple shocks and support for redistribution - Reduced sample

Date	April 9	April 9	April 13
IT-2008-0004	0.026*		
	(0.014)		
IT-2009-0140		0.030**	
		(0.014)	
IT-2009-0174			0.026**
			(0.013)
Individual controls	YES	YES	YES
Municipality controls	YES	YES	YES
Province fixed effects	YES	YES	YES
Observations	1,587	1,603	1,597
R-squared	0.127	0.120	0.129

Notes: Standard errors clustered at the Municipality level in parentheses; *, **, *** significant at 10%, 5% and 1% respectively.

[6] The probability density functions of placebo tests for IT-2009-0140 and IT-2009-0174 are not reported for the sake of brevity but are available upon request.

Figure 4: Kernel density function of the placebo point estimates obtained based on the placebo geometry of the sixth shake of the L'Aquila earthquake



3.4 An isolated shock and support for redistribution: The Parma earthquake

To test the different impact of single versus multiple shocks, we exploit a natural counterfactual provided by an earthquake occurred in the province of Parma, approximately 500 km North of L'Aquila, just 3,5 months before the L'Aquila events. The Parma earthquake consisted of only one main shock occurred on December 23, 2008, with $M_M = 5.5$ (which was stronger than that of seven of the eight shakes occurred during the L'Aquila earthquake). The metadata of the shake are reported in Table 1 (column 1) an the propagation is illustrated in the top-left panel of Figure 2. The shake is comparable in terms of energy, acceleration and propagation to those registered during the L'Aquila earthquake, while being less destructive (as evident from the PGA contour plots reported in Figure 3).

Results are reported in Table 6. The ground acceleration adverted during the earthquake (event IT-2008-0004 in the ITACA dataset) is positively but not significantly correlated with support for redistribution. Covariates are not shown to the sake of brevity, however the sign, size, and significance of their coefficients do not differ from those reported in Table 4. This result supports the intuition that the repetition of the traumatic shock plays a role in shaping social preferences.

Table 6: The Parma shock and support for redistribution

Date	2008, Dec 23
IT-2008-0004	0.111 (0.011)
Individual controls	YES
Municipality controls	YES
Province fixed effects	YES
Observations	1,608
R-squared	0.117

Notes: Standard errors clustered at the Municipality level in parentheses; *, **, *** significant at 10%, 5% and 1% respectively.

3.5 Discussion

In Section 3.1 we illustrated a positive and significant relationship between the average intensity of the shakes registered throughout the L'Aquila earthquake and individuals' support for redistribution. The analysis of the single shocks carried out in Section 3.2 revealed a complex picture, showing that the average result was driven by the effect of the last three shakes occurred between April 9 and 13, 2009. Individuals that were repeatedly subjected to the trauma of the earthquake exhibited a support for redistribution increasing with the intensity of the last shocks they experienced. This result suggests that some sort of cumulative effect of the shocks might have been at stake, as if the repetition of the shock had increased its saliency in respondents' perception, thereby strengthening their behavioral response.

While this result is new in the economic studies on the outcomes of natural disasters, there is consensus in the psychological literature that single and multiple shocks have different outcomes, with most studies suggesting that repeated shocks prompt stronger emotional and behavioral responses. Distinct outcomes have been found for single versus multiple traumas - generally defined as emotional responses to terrible events like an accident, an assault or a natural disaster[7] - in terms of distress (Williams et al., 2007), recurrent headache (Stesland et al., 2013), self-confidence (Allen and Lauterbach, 2007), coping abilities (Dale et al., 2009), vagal regulation (Dale et al., 2009), automatic freezing-like responses (Hagenaars et al., 2012), interpersonal sensitivity (Hagenaars et al., 2011), distrust (Foa et al., 1992), post-traumatic stress disorder and distress tolerance difficulties (Gerber et al., 2018), and depression (Mustanski et al., 2016; Rytwinski et al., 2013). The difference between single and multiple traumas seems to be more pronounced for non-interpersonal shocks such as life-threatening accidents and natural disasters (Green et al., 2000; Williams et al., 2007). Gerber et al., 2018 define a threshold of 3 over which the repetition of interpersonal shocks triggers increasing mental reactions. In all cases, there is evidence that the strength of behavioral reactions to traumas increases with the number of shocks following a dose-response relationship (Turner and Lloyd, 1995).

A dose-response interpretation also seems to fit our results. In our sample, the significant and positive relationship between redistributive preferences and the intensity of the l'Aquila shakes is triggered only after a certain number of shocks. After the first five shocks, support for redistribution becomes significantly increasing with the ground acceleration experienced by respondents for each of the last three shakes.

Despite the rich economic literature on the behavioral and macroeconomic consequences of natural disasters like earthquakes and tornados, most of the existing studies view the shocks in isolation (e.g. Callen, 2015; Belloc et al., 2016) or as aggregated events (e.g. Toya and Skidmore, 2014; Skidmore and Toya, 2002). We add to this literature not only by studying so far uninvestigated social preferences like support for redistribution, but also presenting evidence that shock experiences may

[7] American Psychological Association, https://www.apa.org/helpcenter/recovering-disasters.aspx, last accessed on December 7, 2018.

have cumulated effects and trigger a behavioral response depending both on intensity and repetition.

Even if all placebo tests support our results, findings must be taken with caution, given the impossibility to exploit a difference in differences strategy due to the cross-sectional nature of the data. However, our findings and measurement approach represent a novelty that certainly calls for further investigations about the concurring roles of intensity, repetition, and timing of natural disasters in shaping support for redistribution and social preferences in general.

4 Conclusions

In this paper we document that individuals who experienced one of the major earthquakes occurred in Italy in the last three decades exhibit on average a significantly stronger preference for redistribution. Unfortunate exogenous shocks like natural disasters can raise the belief that luck matters more than merit in determining one's position in the social ladder. Other studies previously documented, theoretically and empirically, that beliefs about the importance of luck are a good predictor of the individual support for redistribution (e.g. Alesina and Angeletos, 2005; Alesina and La Ferrara, 2005; Bénabou and Tirole, 2006). The natural experiment provided by the L'Aquila earthquake allows us to bring evidence that the demand for redistribution is associated with the exposure to an exogenous and randomly distributed traumatic shock.

The first part of the empirical analysis shows that the individual support for redistribution is increasing with the average ground acceleration - i.e. the intensity of the shock - experienced during the several main shakes occurred over the eight days of the L'Aquila earthquake. We then show that the shocks are not all alike. We rather observe a cumulative effect such that only the last three shocks prove to be significant predictors of support for redistribution, suggesting that some sort of dose-response relationship might be at stake between the exposure to shocks and social preferences.

Despite the exogeneity of the earthquake, the cross-sectional nature of the data could prevent a correct identification of its impact on preferences for redistribution. To deal with identification concerns, we developed three counterfactuals and used them to perform placebo tests. Results of the tests suggest an interpretation of our findings consistent with the theory that any increase in the role of "pure random luck" implies a higher preference for redistribution (Alesina and Angeletos (2005)).

Although this work has focused on a specific natural disaster, the impact of pure random luck may prove important in other contexts, even in light of its policy implications. Alesina and Glaeser (2004) and Guiso et al. (2006), in fact, document a relationship between the proportion of people supporting redistribution and the share of GDP spent on social welfare across countries and American states respectively. Given the implications that consensus for redistribution has on the actual implementation of redistributive policies, our findings call for further investigations on the relationships connecting natural disasters, individuals' opinions and beliefs, and public policies.

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Appendix

Table 7: Variables description

Age	Log of age
Male	Dummy equal to 1 if respondent is male
Education	Ordinal variable coded as follows: 0=No education; 1=Primary school; 2=Junior high school; 3=High school; 4=University
Right wing	Ordinal variable ranging from 0 to 10, where 0 is extreme left and 10 is extreme right
Christian	Dummy equal to 1 for Christians and Jews, and 0 for other religions, atheists and agnostics, as in Guiso et al. (2006)
Country's econ. situation	Ordinal variable ranging from 1 to 5 that codes the response to the question: "In your opinion, the economic situation of Italy in the last year is:" 1= greatly worse; 2= partially worse; 3=unchanged; 4=partially improved; 5=greatly improved
Household econ. situation	Ordinal variable ranging from 1 to 5 that codes the response to the question: "In your opinion, the economic situation of your family in the last year is:" 1= greatly worse; 2= partially worse; 3=unchanged; 4=partially improved; 5=greatly improved
L'Aquila average PGA	Average PGA recorded in the municipality of residence out of the eight main shakes occurred on L'Aquila earthquake, measured in dm/s^2
Seismicity	Ordinal variable ranging from 1 to 4 that reports the ISTAT official classification of municipalities according to their seismic class
Latitude	Municipality latitude defined in decimal degrees
Longitude	Municipality longitude defined in decimal degrees
Altitude	Ordinal variable ranging from 1 to 5 that reports the ISTAT official classification of municipalities according to their altitude class
Urban	Ordinal variable ranging from 1 to 3 that reports the ISTAT official classification of municipalities according to their urbanization class
Coastal	Dummy equal to 1 for coastal municipalities
Mountain	Ordinal variable ranging from 1 to 3 that reports the ISTAT official classification of municipalities according to their mountain status
Area	Log of Municipality area in square km

Table 8: PGA mean values calculated by radial distance from sixth shake's actual epicenter (IT-2009-0121)

Circular sector id	Radial distance from earthquake's epicenter (km)		Mean PGA (cm/s^2)	Involved municipalities
	Min	Max		
0	0	0	292.58	1
1	0	10	153.74	3
2	10	20	126.42	13
3	20	30	72.8	18
4	30	40	54.64	44
5	40	50	42.68	74
6	50	60	28.89	102
7	60	70	15.79	114
8	70	80	17.37	99
9	80	90	20.58	100
10	90	100	20	91
11	100	125	9.09	257
12	125	150	1.79	207

Table 9: PGA mean values calculated by radial distance from seventh shake's actual epicenter (IT-2009-0140)

Circular sector id	Radial distance from earthquake's epicenter (km)		Mean PGA (cm/s^2)	Involved municipalities
	Min	Max		
0	0	0	337.69	1
1	0	10	145.21	2
2	10	20	93.36	13
3	20	30	42.55	18
4	30	40	29.34	44
5	40	50	25.35	74
6	50	60	17.16	102
7	60	70	9.92	114
8	70	80	10.13	99
9	80	90	12.87	100
10	90	100	13.53	91
11	100	125	8.11	257
12	125	150	3.55	207

Table 10: PGA mean values calculated by radial distance from eighth shake's actual epicenter (IT-2009-0174)

Circular sector id	Radial distance from earthquake's epicenter (km)		Mean PGA (cm/s^2)	Involved municipalities
	Min	Max		
0	0	0	261.84	1
1	0	10	106.29	2
2	10	20	47.35	13
3	20	30	25.61	18
4	30	40	18.44	44
5	40	50	12.59	74
6	50	60	8.88	102
7	60	70	7.75	114
8	70	80	7.77	99
9	80	90	8.97	100
10	90	100	8.45	91
11	100	125	4.33	257
12	125	150	1.25	207

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Tel. +39 02.520.36934
Fax. +39.02.520.36946

E-mail: letter@feem.it
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