Online Appendix: The Violent Consequences of Trade-Induced Worker Displacement in Mexico

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Appendix A examines robustness to varying the exogenous controls included in the main analyses. The baseline controls include initial manufacturing share, initial value of cocaine seizures, initial value of non-cocaine seizures, an indicator for initial DTO presence (when available), an indicator for initial rival DTO presence (when available), an indicator for initial major DTO presence (when available), the initial overall/drug-related homicide rate (when available), an indicator for PAN party control at baseline, an indicator for PRI party control at baseline, an indicator for PRD party control at baseline, initial social marginalization index (or income, depending on availability), initial infant mortality rate (when available), initial average schooling, log distance to US border, average elevation, average temperature, average precipitation, and average slope, as well as state fixed effects.[1] The controls absorb residual variance, in some cases making point estimates considerably more precise, but the coefficient magnitudes tend to be qualitatively similar and statistically identical regardless of which sets of controls we include.

Appendix B examines impacts on changes in the political party controlling the mayorship between 2007 and 2010, focusing on whether the PAN party gained control in places where it did not already hold the mayorship.

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[1]A small number of municipalities do not hold elections. To include these municipalities, we also include a dummy equal to one if the municipality does not have an election - in which case the party control variables are set to zero.

Appendix C constructs the instrument using the actual contemporaneous change in Chinese exports to the U.S., rather than predicting this based on the initial level. Estimates are broadly similar to those in the main text.

Appendix D uses two measures of Chinese competition to instrument employment changes: domestic competition and export competition. We use data on the share of output exported in municipality i in 4 digit industry j to impute how much of the labor force is domestic versus export-oriented. We then predict a domestic Chinese competition measure using the domestic labor force and the initial composition of Chinese exports to Mexico and predict an export competition measure using the export labor force and the initial composition of Chinese exports to the U.S. Estimates using these two measures as instruments are similar to the baseline.

Appendix E instruments employment changes using three ICW measures: the baseline one from the main text and analogous weighted ICW measures for upstream and downstream industries, where the weights are constructed using the direct linkages from the input-output matrix. Again, estimates are similar to the baseline. Finally, Appendix F uses the measure of international competition from Autor, Dorn and Hanson (2013), which is constructed with contemporaneous (rather than predicted) Chinese exports to non-US OECD economies. The first stage is weaker than in the baseline - as expected since competition in the U.S. market is the most relevant for Mexico - but estimates are qualitatively similar.

We construct our ICW measure using 4 digit industries, and Appendix G shows that results are similar when 6 digit industries are used instead.[2] Moreover, the baseline analysis uses non-agricultural employment, taken from the Economic Census, to construct the denominator of the ICW and employment change measures. This provides a measure of international competition normalized by the municipality's available labor pool. When Appendix H instead uses manufacturing labor in the baseline EMIM survey, estimates are qualitatively similar, albeit noisier.

Appendix I conducts the following randomization exercise. For each of the study's outcomes, we randomly re-assign ICW. We regress the outcome of interest on the re-assigned ICW, and then repeat this exercise 1,000 times, focusing on the reduced form since there will no longer be a first stage for the IV. Appendix I plots the distribution of placebo coefficients for each of the study's outcome variables, showing the actual coefficient on ICW with a vertical red line. The actual coefficients are far in the tails of the placebo distributions, indicating that our effects are unlikely to arise by chance. For each outcome, Table I-1 reports the share of the 1000 absolute placebo coefficients that are larger in magnitude than the absolute actual ICW coefficient.[3] The p-values computed using this randomization exercise paint a broadly similar picture to those computed using conventional inference.

Finally, Appendix J provides a data appendix that shows the sources of variables used in the analysis along with hyperlinks to descriptions of the data.

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[2]There are around 250 6 digit industries, 50 4 digit industries, and 20 3 digit industries. Aggregating to the 3 digit level discards substantial variation, as some 4 digit categories already contain a substantial share of Chinese exports (i.e. 17% of China's 2007 exports to the U.S. were in the 4 digit computer industry).

[3]We use absolute coefficients to conduct a two-sided test.

A Varying Controls

Table A-1: Vary Controls: 1998-2013 Δ Homicide Rate (Full Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	All Except State FE (7)
%Δ Jobs	-8.68	-11.07	-11.58	-12.13	-12.39	-11.89	-9.95
	(5.27)	(3.82)	(3.41)	(3.28)	(3.38)	(3.28)	(3.73)
Obs	518	518	518	518	518	518	518
First Stage F-stat	7.24	17.94	17.93	17.34	14.61	12.12	7.77
Mean of Dep Var	10.52	10.52	10.52	10.52	10.52	10.52	10.52
Sample	All	All	All	All	All	All	All

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline total homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline education and log income. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-2: Vary Controls: 1998-2003 Δ Homicide Rate (Full Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	All Except State FE (7)
%Δ Jobs	-0.33	-0.74	-1.10	-1.01	-0.97	-0.95	-0.35
	(0.51)	(0.30)	(0.33)	(0.25)	(0.26)	(0.26)	(0.45)
Obs	518	518	518	518	518	518	518
First Stage F-stat	10.91	16.39	15.91	15.45	14.72	14.12	11.58
Mean of Dep Var	-3.05	-3.05	-3.05	-3.05	-3.05	-3.05	-3.05
Sample	All	All	All	All	All	All	All

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline total homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline education and log income. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-3: Vary Controls: 2007-10 Δ Drug Homicide Rate (Full Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	-15.35	-8.35	-5.90	-4.92	-4.97	-4.90	-5.44	-5.40
	(19.09)	(7.56)	(4.70)	(3.46)	(3.45)	(3.27)	(3.23)	(7.43)
Obs	520	520	520	520	520	520	520	520
First Stage F-stat	40.58	75.03	72.79	74.66	75.09	72.91	73.40	81.50
Mean of Dep Var	15.14	15.14	15.14	15.14	15.14	15.14	15.14	15.14
Sample	All	All	All	All	All	All	All	All

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-4: Vary Controls: 2007-10 Δ Log Cocaine Seizures Value (Full Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	-2.84	-1.24	-0.90	-0.66	-0.62	-0.77	-1.19	-1.90
	(1.55)	(0.82)	(0.59)	(0.38)	(0.31)	(0.32)	(0.29)	(0.52)
Obs	520	520	520	520	520	520	520	520
First Stage F-stat	40.58	75.03	72.79	74.66	75.09	72.91	73.40	81.50
Mean of Dep Var	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Sample	All	All	All	All	All	All	All	All

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-5: Vary Controls: 2007-10 Δ Log Non-Coc. Seizures Value (Full Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	0.80	1.63	1.07	1.19	1.27	1.24	0.85	0.53
	(0.49)	(0.66)	(0.51)	(0.39)	(0.31)	(0.32)	(0.28)	(0.35)
Obs	520	520	520	520	520	520	520	520
First Stage F-stat	40.58	75.03	72.79	74.66	75.09	72.91	73.40	81.50
Mean of Dep Var	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Sample	All	All	All	All	All	All	All	All

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-6: Vary Controls: 2007-10 Δ Drug Homicide Rate (Any DTO Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	-13.29	-7.67	-6.44	-6.03	-6.29	-6.53	-7.17	-3.34
	(19.02)	(6.66)	(4.77)	(3.88)	(3.85)	(3.82)	(3.87)	(7.26)
Obs	376	376	376	376	376	376	376	376
First Stage F-stat	48.67	63.98	56.75	55.42	54.79	52.42	55.49	57.93
Mean of Dep Var	18.81	18.81	18.81	18.81	18.81	18.81	18.81	18.81
Sample	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-7: Vary Controls: 2007-10 Δ Log Cocaine Seizures Value (Any DTO Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	-2.96	-1.76	-1.23	-1.02	-0.95	-1.05	-1.42	-2.10
	(1.71)	(1.10)	(0.80)	(0.54)	(0.39)	(0.41)	(0.38)	(0.71)
Obs	376	376	376	376	376	376	376	376
First Stage F-stat	48.67	63.98	56.75	55.42	54.79	52.42	55.49	57.93
Mean of Dep Var	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Sample	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-8: Vary Controls: 2007-10 Δ Log Non-Coc. Seizures Value (Any DTO Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	1.22	1.32	1.12	1.25	1.34	1.33	0.99	0.52
	(0.56)	(0.52)	(0.51)	(0.38)	(0.29)	(0.31)	(0.29)	(0.45)
Obs	376	376	376	376	376	376	376	376
First Stage F-stat	48.67	63.98	56.75	55.42	54.79	52.42	55.49	57.93
Mean of Dep Var	5.07	5.07	5.07	5.07	5.07	5.07	5.07	5.07
Sample	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO	Any DTO

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-9: Vary Controls: 2007-10 Δ Drug Homicide Rate (Major DTO Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	-56.55	-34.45	-30.41	-30.98	-31.71	-30.88	-30.11	-44.93
	(32.84)	(11.50)	(12.31)	(14.92)	(14.57)	(14.50)	(13.99)	(35.55)
Obs	293	293	293	293	293	293	293	293
First Stage F-stat	22.98	14.14	11.21	8.03	7.18	6.96	7.22	9.80
Mean of Dep Var	19.24	19.24	19.24	19.24	19.24	19.24	19.24	19.24
Sample	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-10: Vary Controls: 2007-10 Δ Log Cocaine Seizures Value (Major DTO Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	-7.21	-6.76	-5.92	-5.35	-4.19	-4.35	-4.11	-6.79
	(1.92)	(2.06)	(1.90)	(2.19)	(2.01)	(1.99)	(1.88)	(2.56)
Obs	293	293	293	293	293	293	293	293
First Stage F-stat	22.98	14.14	11.21	8.03	7.18	6.96	7.22	9.80
Mean of Dep Var	4.29	4.29	4.29	4.29	4.29	4.29	4.29	4.29
Sample	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

Table A-11: Vary Controls: 2007-10 Δ Log Non-Coc. Seizures Value (Major DTO Sample)

	Only Manuf. Share (1)	Add State FE (2)	Add Baseline Outcomes (3)	Add Geographic Controls (4)	Add Economic Controls (5)	Add Political Controls (6)	Add DTO Controls (7)	All Except State FE (8)
%Δ Jobs	2.07	2.23	-1.39	-1.02	0.05	-0.31	-0.42	-2.25
	(1.34)	(1.64)	(1.57)	(1.52)	(1.42)	(1.36)	(1.26)	(1.69)
Obs	293	293	293	293	293	293	293	293
First Stage F-stat	22.98	14.14	11.21	8.03	7.18	6.96	7.22	9.80
Mean of Dep Var	5.16	5.16	5.16	5.16	5.16	5.16	5.16	5.16
Sample	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO	Maj DTO

Observations are municipalities weighted by non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of the Manufacturing Industry (EMIM) in 2007 and 2010. Each column adds controls, such that the specification in column n includes all the controls in column $n-1$, plus additional controls specified in the heading of column n. I.e., column 1 controls for only the baseline manufacturing share, and column 2 controls for both baseline manufacturing share and state-level fixed effects. Column 3 adds baseline drug-related homicide rate, log baseline value of cocaine seizures, and log baseline value of non-cocaine seizures. Column 4 adds mean temperature, mean precipitation, log distance to the US, mean elevation, and mean slope. Column 5 adds baseline infant mortality, education, and social marginalization. Column 6 adds indicators for baseline PRI, PAN, and PRD control. Column 7 adds indicators for any DTO, drug gang, major DTO, and rival DTO presence, and this column corresponds to the main specification. Column 8 removes state fixed effects but keeps the rest of the controls from the previous column. %Δ Jobs Change is defined as the difference between annual manufacturing employment levels in the relevant years divided by the pre-period labor force size. Robust standard errors are in parentheses.

B Political Impacts

Table B-1: Local Politics

	PAN Gain (2007-10)		PAN Gain (2007-10)	
	(1)	(2)	(3)	(4)
%Δ Jobs	0.05	0.09	0.07	0.12
	(0.03)	(0.05)	(0.04)	(0.09)
Obs	341	108	233	187
First Stage F-stat	42.38	12.03	28.85	6.35
Mean of Dep Var	0.10	0.16	0.07	0.06
Sample	All	No DTO	Any DTO	Major DTO

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs and the instrument is the predicted change in international competition per worker (see the text for details). The outcome variable is an indicator for whether the PAN gained the mayorship when it did not hold it in the previous election, and the sample is restricted to places where the PAN was not initially in power. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

C Contemporaneous Exports to US ICW

Table C-1: Job Loss and Violence

	1998-2013 (1)	1998-2003 (2)	2007-2010 (3)	2007-2010 (4)	2007-2011 (5)	Low-Skill Young Men 2007-2010 (6)	Residual Group 2007-2010 (7)
Panel A: Violence		Dependent Variable is Change in Homicide Rate					
%Δ Jobs	-13.58	-0.86	-6.71	-5.34	-8.04	-14.94	-4.84
	(3.60)	(0.17)	(3.83)	(2.79)	(4.08)	(11.43)	(2.46)
Obs	518	518	520	520	515	520	520
First Stage F-Stat	57.74	318.05	103.57	103.57	50.61	5.84	94.44
Mean of Dep Var	10.52	-3.05	20.86	15.14	20.94	15.14	15.14
Homicide Type	All	All	All	Drug-Related	All	Drug-Related	Drug-Related
Panel B: First Stage		Dependent Variable is Percent Change Jobs					
Δ ICW	-0.41	-4.75	-3.61	-3.61	-1.52	-18.08	-4.15
	(0.05)	(0.27)	(0.35)	(0.35)	(0.21)	(7.48)	(0.43)
Obs	518	518	520	520	515	520	520
R2	0.242	0.346	0.390	0.390	0.218	0.277	0.396
Partial R2	0.057	0.275	0.172	0.172	0.056	0.042	0.187

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of Manufacturing Industry (EMIM) in 2007 and 2011 in column 5 and municipalities covered in 2007 and 2010 for all other columns. %Δ Jobs is the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size. Δ ICW measures the change in international competition per worker during the relevant years (see the text for details). In column 6, Δ ICW and %Δ Jobs consider only employment of low-skill young men, while in column 7 these variables consider employment of the residual group of laborers. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table C-2: Violence and Drug Seizures

Sample:	All (1)	No DTO (2)	Any DTO (3)	Major DTO (4)
Panel A: Δ Total Homicide Rate				
%Δ Jobs 2007-2010	-6.71	-0.09	-7.75	-41.08
	(3.83)	(0.90)	(3.99)	(14.77)
Obs	520	144	376	293
F-stat	103.57	6.56	165.90	9.51
Mean of Dep Var	20.86	10.04	25.05	25.71
Panel B: Δ Drug-Related Homicide Rate				
%Δ Jobs 2007-2010	-5.34	-0.28	-6.44	-29.46
	(2.79)	(1.04)	(2.91)	(11.20)
Obs	520	144	376	293
F-stat	103.57	6.56	165.90	9.51
Mean of Dep Var	15.14	5.67	18.81	19.24
Panel C: Δ Log Cocaine Seizures				
%Δ Jobs 2007-2010	-1.04	0.20	-1.19	-2.79
	(0.24)	(0.35)	(0.26)	(1.36)
Obs	520	144	376	293
F-stat	103.57	6.56	165.90	9.51
Mean of Dep Var	3.35	1.28	4.15	4.29
Panel D: Δ Log Non-Cocaine Seizures				
%Δ Jobs 2007-2010	0.82	-0.02	0.88	-0.60
	(0.28)	(0.44)	(0.29)	(1.33)
Obs	520	144	376	293
F-stat	103.57	6.56	165.90	9.51
Mean of Dep Var	3.90	0.88	5.07	5.16

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the change in international competition per worker (see the text for details). The outcome variables are the changes from 2007 to 2010 in the following variables. Panel A: total homicide rate; Panel B: drug-related homicide rate; Panel C: log value of cocaine seizures; Panel D: log value of non-cocaine seizures. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table C-3: Placebos

Dep Var Is:	Δ Homicide Rate		Δ Log Value Cocaine Seizures		Δ Log Value Non-Coc. Seizures	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: 1992-1995						
%Δ Jobs 2007-2010	-3.89	-3.50	0.69	0.68	0.30	0.43
	(0.55)	(0.54)	(0.35)	(0.37)	(0.30)	(0.33)
Obs	512	370	512	370	512	370
F-stat	102.95	164.05	102.95	164.05	102.95	164.05
Mean of Dep Var	2.93	1.47	0.57	0.57	1.26	1.37
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel B: 1995-1998						
%Δ Jobs 2007-2010	0.38	0.33	0.42	0.48	-0.06	-0.08
	(0.32)	(0.41)	(0.24)	(0.29)	(0.47)	(0.52)
Obs	519	375	519	375	519	375
F-stat	95.95	155.28	95.95	155.28	95.95	155.28
Mean of Dep Var	-1.68	-1.44	0.19	0.28	2.73	3.38
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel C: 1998-2001						
%Δ Jobs 2007-2010	0.06	0.15	0.40	0.40	0.50	0.54
	(0.23)	(0.25)	(0.41)	(0.36)	(0.35)	(0.37)
Obs	519	375	519	375	519	375
F-stat	92.23	149.65	92.23	149.65	92.23	149.65
Mean of Dep Var	-2.58	-2.33	1.56	2.09	-0.19	-0.28
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel D: 2001-2004						
%Δ Jobs 2007-2010	0.26	0.19	0.06	0.19	0.02	-0.08
	(0.35)	(0.33)	(0.51)	(0.44)	(0.41)	(0.47)
Obs	520	376	520	376	520	376
F-stat	97.45	152.12	97.45	152.12	97.45	152.12
Mean of Dep Var	-0.83	-0.95	-0.61	-0.59	-0.29	-0.34
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel E: 2004-2007						
%Δ Jobs 2007-2010	-0.71	-0.72	0.25	0.28	-0.37	-0.30
	(0.30)	(0.35)	(0.25)	(0.30)	(0.42)	(0.34)
Obs	520	376	520	376	520	376
F-stat	89.77	146.27	89.77	146.27	89.77	146.27
Mean of Dep Var	-0.59	-0.25	-0.47	-0.73	-1.04	-1.25
Sample	All	Any DTO	All	Any DTO	All	Any DTO

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the change in international competition per worker (see the text for details). Δ Homicide Rate reflects the change in the Homicide Rate during the time period stated in the panel heading, and Δ Log Value of Cocaine Seizures and Δ Log Value of Non-Cocaine Seizures are defined analogously. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table C-4: Politics and Opinions

	Δ Homicide Rate (2007-10) (1)	Change in Agreement (2005-12)			Any Change in Party of Mayor (2007-10)			
		Politicians Improve Wellbeing (2)	More Opportunities Than in Past (3)	Mexico is Democratic (4)	(5)	(6)	(7)	(8)
%Δ Jobs 2007-10	-23.43	0.09	0.09	0.17	0.08	0.05	0.08	0.12
	(12.00)	(0.05)	(0.05)	(0.08)	(0.02)	(0.05)	(0.02)	(0.13)
Obs	32	32	32	32	517	144	373	293
First Stage F-stat	10.10	10.10	10.10	10.10	103.30	6.56	165.51	9.51
Mean of Dep Var	14.92	0.02	-0.34	-0.11	0.47	0.30	0.54	0.54
Unit	State	State	State	State	Muni.	Muni.	Muni.	Muni.
Sample	All	All	All	All	All	No DTO	Any DTO	Major DTO

Observations are states weighted by the pre-period non-agricultural labor force size in columns 1-4 and municipalities weighted by the pre-period non-agricultural labor force size in columns 5-8. In columns 5-8, the sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the change in international competition per worker (see the text for details). The outcome variable in columns 5-8 is an indicator for whether there was any change in the ruling mayoral party between 2007 and 2010. Regressions in columns 1-4 have no controls and regressions in columns 5-8 include the controls described in the appendix text. Robust standard errors are in parentheses.

D Export-Oriented and Domestic-Oriented ICWs

Table D-1: Job Loss and Violence

	1998-2013 (1)	1998-2003 (2)	2007-2010 (3)	2007-2010 (4)	2007-2011 (5)	Low-Skill Young Men 2007-2010 (6)	Residual Group 2007-2010 (7)
Panel A: Violence			Dependent Variable is Change in Homicide Rate				
%Δ Jobs	-14.93	-0.70	-8.48	-7.69	-9.47	-19.12	-6.66
	(5.77)	(0.34)	(5.10)	(4.49)	(5.08)	(9.49)	(3.88)
Obs	518	518	504	504	501	504	504
First Stage F-Stat	1.89	3.51	70.25	70.25	21.25	10.37	68.61
Mean of Dep Var	10.52	-3.05	20.75	14.86	20.84	14.86	14.86
Homicide Type	All	All	All	Drug-Related	All	Drug-Related	Drug-Related
Panel B: First Stage			Dependent Variable is Percent Change Jobs				
Δ ICW	-0.54	-7.46	-4.78	-4.78	-1.62	-50.61	-5.08
[Export-Oriented]	(0.28)	(2.87)	(0.93)	(0.93)	(0.51)	(18.72)	(0.98)
Δ ICW	0.48	34.39	0.65	0.65	0.05	262.05	-3.11
[Domestic-Oriented]	(2.82)	(25.58)	(10.09)	(10.09)	(5.32)	(167.15)	(10.34)
Obs	518	518	504	504	501	504	504
R2	0.222	0.251	0.397	0.397	0.222	0.324	0.399
Partial R2	0.031	0.170	0.214	0.214	0.088	0.142	0.223

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of Manufacturing Industry (EMIM) in 2007 and 2011 in column 5 and municipalities covered in 2007 and 2010 for all other columns. %Δ Jobs is the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size. Δ ICW [Export-Oriented] measures the predicted change in international competition per worker during the relevant years and Δ ICW [Domestic-Oriented] measures the predicted change in domestic copetition per worker during the relevant years (see the text for details). In column 6, Δ ICW and %Δ Jobs consider only employment of low-skill young men, while in column 7 these variables consider employment of the residual group of laborers. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table D-2: Violence and Drug Seizures

Sample:	All (1)	No DTO (2)	Any DTO (3)	Major DTO (4)
Panel A: Δ Total Homicide Rate				
%Δ Jobs 2007-2010	-8.48	-0.86	-10.40	-47.21
	(5.10)	(0.85)	(6.07)	(18.85)
Obs	504	138	366	285
F-stat	70.25	2.35	78.81	3.46
Mean of Dep Var	20.75	10.05	24.89	25.54
Panel B: Δ Drug-Related Homicide Rate				
%Δ Jobs 2007-2010	-7.69	-2.37	-9.34	-42.51
	(4.49)	(1.50)	(5.24)	(14.01)
Obs	504	138	366	285
F-stat	70.25	2.35	78.81	3.46
Mean of Dep Var	14.86	5.69	18.41	18.82
Panel C: Δ Log Cocaine Seizures				
%Δ Jobs 2007-2010	-1.18	-0.18	-1.47	-3.99
	(0.29)	(0.33)	(0.39)	(1.84)
Obs	504	138	366	285
F-stat	70.25	2.35	78.81	3.46
Mean of Dep Var	3.36	1.29	4.16	4.30
Panel D: Δ Log Non-Cocaine Seizures				
%Δ Jobs 2007-2010	0.97	0.51	0.89	-0.12
	(0.26)	(0.55)	(0.33)	(1.34)
Obs	504	138	366	285
F-stat	70.25	2.35	78.81	3.46
Mean of Dep Var	3.90	0.89	5.07	5.17

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instruments are predicted changes in international and domestic competition per worker (see the text for details). The outcome variables are the changes from 2007 to 2010 in the following variables. Panel A: total homicide rate; Panel B: drug-related homicide rate; Panel C: log value of cocaine seizures; Panel D: log value of non-cocaine seizures. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table D-3: Placebos

Dep Var Is:	Δ Homicide Rate		Δ Log Value Cocaine Seizures		Δ Log Value Non-Coc. Seizures	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: 1992-1995						
%Δ Jobs 2007-2010	-5.06	-4.78	0.64	0.48	0.21	0.01
	(1.09)	(1.23)	(0.34)	(0.42)	(0.49)	(0.68)
Obs	496	360	496	360	496	360
F-stat	68.25	74.44	68.25	74.44	68.25	74.44
Mean of Dep Var	2.94	1.46	0.57	0.57	1.26	1.37
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel B: 1995-1998						
%Δ Jobs 2007-2010	-0.41	-0.59	0.91	1.06	-0.11	-0.39
	(0.68)	(0.73)	(0.62)	(0.75)	(0.44)	(0.60)
Obs	503	365	503	365	503	365
F-stat	68.76	73.29	68.76	73.29	68.76	73.29
Mean of Dep Var	-1.68	-1.43	0.19	0.28	2.72	3.37
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel C: 1998-2001						
%Δ Jobs 2007-2010	0.17	0.14	0.25	0.20	0.05	-0.19
	(0.29)	(0.34)	(0.46)	(0.45)	(0.59)	(0.78)
Obs	503	365	503	365	503	365
F-stat	80.53	100.63	80.53	100.63	80.53	100.63
Mean of Dep Var	-2.57	-2.32	1.57	2.10	-0.20	-0.29
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel D: 2001-2004						
%Δ Jobs 2007-2010	-0.22	-0.14	-0.24	0.11	0.21	0.23
	(0.29)	(0.33)	(0.64)	(0.53)	(0.34)	(0.47)
Obs	504	366	504	366	504	366
F-stat	75.55	85.85	75.55	85.85	75.55	85.85
Mean of Dep Var	-0.83	-0.95	-0.61	-0.59	-0.29	-0.33
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel E: 2004-2007						
%Δ Jobs 2007-2010	-0.59	-0.60	0.21	0.26	-0.88	-0.90
	(0.39)	(0.48)	(0.26)	(0.31)	(0.71)	(0.72)
Obs	504	366	504	366	504	366
F-stat	72.70	82.17	72.70	82.17	72.70	82.17
Mean of Dep Var	-0.59	-0.25	-0.47	-0.73	-1.04	-1.25
Sample	All	Any DTO	All	Any DTO	All	Any DTO

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instruments are predicted changes in international and domestic competition per worker (see the text for details). Δ Homicide Rate reflects the change in the Homicide Rate during the time period stated in the panel heading, and Δ Log Value of Cocaine Seizures and Δ Log Value of Non-Cocaine Seizures are defined analogously. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table D-4: Politics and Opinions

| | Δ Homicide Rate (2007-10) (1) | Change in Agreement (2005-12) | | | Any Change in Party of Mayor (2007-10) | | | |
		Politicians Improve Wellbeing (2)	More Opportunities Than in Past (3)	Mexico is Democratic (4)	(5)	(6)	(7)	(8)
%Δ Jobs 2007-10	-23.08	0.09	0.09	0.14	0.04	0.08	0.03	-0.16
	(11.87)	(0.04)	(0.04)	(0.07)	(0.03)	(0.07)	(0.03)	(0.12)
Obs	32	32	32	32	502	138	364	285
First Stage F-stat	30.57	30.57	30.57	30.57	70.35	2.35	78.95	3.46
Mean of Dep Var	14.92	0.02	-0.34	-0.11	0.47	0.30	0.54	0.54
Unit	State	State	State	State	Muni.	Muni.	Muni.	Muni.
Sample	All	All	All	All	All	No DTO	Any DTO	Major DTO

Observations are states weighted by the pre-period non-agricultural labor force size in columns 1-4 and municipalities weighted by the pre-period non-agricultural labor force size in columns 5-8. In columns 5-8, the sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instruments are predicted changes in international and domestic competition per worker (see the text for details). The outcome variable in columns 5-8 is an indicator for whether there was any change in the ruling mayoral party between 2007 and 2010. Regressions in columns 1-4 have no controls and regressions in columns 5-8 include the controls described in the appendix text. Robust standard errors are in parentheses.

E Linkage ICWs

Table E-1: Job Loss and Violence

	1998-2013 (1)	1998-2003 (2)	2007-2010 (3)	2007-2010 (4)	2007-2011 (5)	Low-Skill Young Men 2007-2010 (6)	Residual Group 2007-2010 (7)
Panel A: Violence			Dependent Variable is Change in Homicide Rate				
%Δ Jobs	-11.38	-0.88	-5.51	-4.03	-8.19	-10.73	-3.15
	(3.18)	(0.26)	(3.05)	(2.15)	(4.75)	(5.79)	(1.74)
Obs	518	518	520	520	515	520	520
First Stage F-Stat	4.27	11.79	31.90	31.90	10.09	15.00	34.41
Mean of Dep Var	10.52	-3.05	20.86	15.14	20.94	15.14	15.14
Homicide Type	All	All	All	Drug-Related	All	Drug-Related	Drug-Related
Panel B: First Stage			Dependent Variable is Percent Change Jobs				
Δ ICW	-1.01	-5.81	-4.88	-4.88	-1.83	-63.54	-5.11
[Main]	(0.41)	(2.26)	(1.15)	(1.15)	(0.68)	(23.88)	(1.18)
Δ ICW	0.02	-0.06	-0.14	-0.14	-0.01	0.31	-0.16
[Upstream]	(0.01)	(0.03)	(0.04)	(0.04)	(0.02)	(0.69)	(0.04)
Δ ICW	-0.01	-0.05	0.11	0.11	0.01	0.78	0.12
[Downstream]	(0.01)	(0.05)	(0.04)	(0.04)	(0.03)	(0.81)	(0.04)
Obs	518	518	520	520	515	520	520
R2	0.245	0.312	0.394	0.394	0.215	0.336	0.403
Partial R2	0.060	0.237	0.177	0.177	0.053	0.120	0.196

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican munici-
palities covered by the Mexican Monthly Survey of Manufacturing Industry (EMIM) in 2007 and 2011 in column 5 and municipalities covered in
2007 and 2010 for all other columns. %Δ Jobs is the difference between annual manufacturing employment levels in the relevant years divided
by the pre-period non-agricultural labor force size. Δ ICW [Main] measures the predicted change in own international competition per worker
during the relevant years (see the text for details). Δ ICW [Upstream] and Δ ICW [Downstream] are defined analgously, but for upstream and
downstream industries, respectively. In column 6, Δ ICW and %Δ Jobs consider only employment of low-skill young men, while in column 7
these variables consider employment of the residual group of laborers. Regressions include the controls described in the appendix text, and robust
standard errors are in parentheses.

Table E-2: Violence and Drug Seizures

Sample:	All (1)	No DTO (2)	Any DTO (3)	Major DTO (4)
Panel A: Δ Total Homicide Rate				
%Δ Jobs 2007-2010	-5.51	-0.59	-6.92	-20.22
	(3.05)	(0.62)	(3.72)	(12.13)
Obs	520	144	376	293
F-stat	31.90	8.80	21.00	3.65
Mean of Dep Var	20.86	10.04	25.05	25.71
Panel B: Δ Drug-Related Homicide Rate				
%Δ Jobs 2007-2010	-4.03	-0.13	-5.08	-11.40
	(2.15)	(0.77)	(2.57)	(9.36)
Obs	520	144	376	293
F-stat	31.90	8.80	21.00	3.65
Mean of Dep Var	15.14	5.67	18.81	19.24
Panel C: Δ Log Cocaine Seizures				
%Δ Jobs 2007-2010	-1.02	0.31	-1.28	-2.54
	(0.29)	(0.32)	(0.35)	(1.37)
Obs	520	144	376	293
F-stat	31.90	8.80	21.00	3.65
Mean of Dep Var	3.35	1.28	4.15	4.29
Panel D: Δ Log Non-Cocaine Seizures				
%Δ Jobs 2007-2010	0.80	-0.24	1.01	0.15
	(0.29)	(0.27)	(0.31)	(0.85)
Obs	520	144	376	293
F-stat	31.90	8.80	21.00	3.65
Mean of Dep Var	3.90	0.88	5.07	5.16

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instruments are the predicted changes in own, upstream, and downstream international competition (see the text for details). The outcome variables are the changes from 2007 to 2010 in the following variables. Panel A: total homicide rate; Panel B: drug-related homicide rate; Panel C: log value of cocaine seizures; Panel D: log value of non-cocaine seizures. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table E-3: Placebos

Dep Var Is:	Δ Homicide Rate		Δ Log Value Cocaine Seizures		Δ Log Value Non-Coc. Seizures	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: 1992-1995						
%Δ Jobs 2007-2010	-3.46	-3.78	0.51	0.71	0.12	0.33
	(0.77)	(0.81)	(0.35)	(0.38)	(0.36)	(0.43)
Obs	512	370	512	370	512	370
F-stat	31.62	20.18	31.62	20.18	31.62	20.18
Mean of Dep Var	2.93	1.47	0.57	0.57	1.26	1.37
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel B: 1995-1998						
%Δ Jobs 2007-2010	0.36	0.07	0.46	0.56	-0.21	-0.30
	(0.37)	(0.47)	(0.32)	(0.42)	(0.45)	(0.57)
Obs	519	375	519	375	519	375
F-stat	33.15	22.25	33.15	22.25	33.15	22.25
Mean of Dep Var	-1.68	-1.44	0.19	0.28	2.73	3.38
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel C: 1998-2001						
%Δ Jobs 2007-2010	0.25	0.41	0.49	0.49	0.11	0.12
	(0.24)	(0.26)	(0.35)	(0.35)	(0.50)	(0.58)
Obs	519	375	519	375	519	375
F-stat	35.59	24.91	35.59	24.91	35.59	24.91
Mean of Dep Var	-2.58	-2.33	1.56	2.09	-0.19	-0.28
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel D: 2001-2004						
%Δ Jobs 2007-2010	-0.10	-0.14	0.08	0.14	0.19	0.09
	(0.25)	(0.30)	(0.46)	(0.46)	(0.34)	(0.45)
Obs	520	376	520	376	520	376
F-stat	34.80	24.35	34.80	24.35	34.80	24.35
Mean of Dep Var	-0.83	-0.95	-0.61	-0.59	-0.29	-0.34
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel E: 2004-2007						
%Δ Jobs 2007-2010	-0.17	-0.36	0.07	0.15	-0.34	-0.32
	(0.55)	(0.57)	(0.19)	(0.24)	(0.37)	(0.37)
Obs	520	376	520	376	520	376
F-stat	34.13	22.79	34.13	22.79	34.13	22.79
Mean of Dep Var	-0.59	-0.25	-0.47	-0.73	-1.04	-1.25
Sample	All	Any DTO	All	Any DTO	All	Any DTO

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instruments are the predicted changes in own, upstream, and downstream international competition (see the text for details). Δ Homicide Rate reflects the change in the Homicide Rate during the time period stated in the panel heading, and Δ Log Value of Cocaine Seizures and Δ Log Value of Non-Cocaine Seizures are defined analogously. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table E-4: Politics and Opinions

| | Δ Homicide Rate (2007-10) (1) | Change in Agreement (2005-12) | | | Any Change in Party of Mayor (2007-10) | | | |
		Politicians Improve Wellbeing (2)	More Opportunities Than in Past (3)	Mexico is Democratic (4)	(5)	(6)	(7)	(8)
%Δ Jobs 2007-10	-24.02	0.11	0.09	0.19	0.05	0.02	0.05	-0.03
	(12.01)	(0.04)	(0.05)	(0.08)	(0.03)	(0.04)	(0.03)	(0.10)
Obs	32	32	32	32	517	144	373	293
First Stage F-stat	19.37	19.37	19.37	19.37	31.79	8.80	20.89	3.65
Mean of Dep Var	14.92	0.02	-0.34	-0.11	0.47	0.30	0.54	0.54
Unit	State	State	State	State	Muni.	Muni.	Muni.	Muni.
Sample	All	All	All	All	All	No DTO	Any DTO	Major DTO

Observations are states weighted by the pre-period non-agricultural labor force size in columns 1-4 and municipalities weighted by the pre-period non-agricultural labor force size in columns 5-8. In columns 5-8, the sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instruments are the predicted changes in own, upstream, and downstream international competition per worker (see the text for details). The outcome variable in columns 5-8 is an indicator for whether there was any change in the ruling mayoral party between 2007 and 2010. Regressions in columns 1-4 have no controls and regressions in columns 5-8 include the controls described in the appendix text. Robust standard errors are in parentheses.

F   Contemporaneous Exports to OECD ICW

Table F-1: Job Loss and Violence

	1998-2013 (1)	1998-2003 (2)	2007-2010 (3)	2007-2010 (4)	2007-2011 (5)	Low-Skill Young Men 2007-2010 (6)	Residual Group 2007-2010 (7)
Panel A: Violence		Dependent Variable is Change in Homicide Rate					
%Δ Jobs	-13.14	-0.89	-8.84	-7.10	-6.89	-39.26	-6.00
	(3.46)	(0.17)	(5.46)	(4.63)	(7.22)	(57.55)	(4.04)
Obs	518	518	520	520	515	520	520
First Stage F-Stat	38.77	276.39	8.79	8.79	4.79	0.43	9.37
Mean of Dep Var	10.52	-3.05	20.86	15.14	20.94	15.14	15.14
Homicide Type	All	All	All	Drug-Related	All	Drug-Related	Drug-Related
Panel B: First Stage		Dependent Variable is Percent Change Jobs					
Δ ICW	-0.34	-3.06	-2.07	-2.07	-1.14	-5.80	-2.34
	(0.06)	(0.18)	(0.70)	(0.70)	(0.52)	(8.82)	(0.76)
Obs	518	518	520	520	515	520	520
R2	0.241	0.346	0.337	0.337	0.202	0.251	0.340
Partial R2	0.056	0.274	0.100	0.100	0.037	0.008	0.110

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by the Mexican Monthly Survey of Manufacturing Industry (EMIM) in 2007 and 2011 in column 5 and municipalities covered in 2007 and 2010 for all other columns. %Δ Jobs is the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size. Δ ICW measures the change in international competition per worker during the relevant years (see the text for details). In column 6, Δ ICW and %Δ Jobs consider only employment of low-skill young men, while in column 7 these variables consider employment of the residual group of laborers. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table F-2: Violence and Drug Seizures

Sample:	All (1)	No DTO (2)	Any DTO (3)	Major DTO (4)
Panel A: Δ Total Homicide Rate				
%Δ Jobs 2007-2010	-8.84	3.16	-10.10	-24.62
	(5.46)	(9.61)	(5.85)	(16.27)
Obs	520	144	376	293
F-stat	8.79	0.18	9.44	10.17
Mean of Dep Var	20.86	10.04	25.05	25.71
Panel B: Δ Drug-Related Homicide Rate				
%Δ Jobs 2007-2010	-7.10	-2.82	-7.99	-17.67
	(4.63)	(9.37)	(4.82)	(14.53)
Obs	520	144	376	293
F-stat	8.79	0.18	9.44	10.17
Mean of Dep Var	15.14	5.67	18.81	19.24
Panel C: Δ Log Cocaine Seizures				
%Δ Jobs 2007-2010	-1.11	3.44	-1.19	-1.84
	(0.60)	(7.25)	(0.62)	(1.98)
Obs	520	144	376	293
F-stat	8.79	0.18	9.44	10.17
Mean of Dep Var	3.35	1.28	4.15	4.29
Panel D: Δ Log Non-Cocaine Seizures				
%Δ Jobs 2007-2010	-0.38	-1.37	-0.31	-3.12
	(0.91)	(2.90)	(0.92)	(1.80)
Obs	520	144	376	293
F-stat	8.79	0.18	9.44	10.17
Mean of Dep Var	3.90	0.88	5.07	5.16

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the change in international competition per worker (see the text for details). The outcome variables are the changes from 2007 to 2010 in the following variables. Panel A: total homicide rate; Panel B: drug-related homicide rate; Panel C: log value of cocaine seizures; Panel D: log value of non-cocaine seizures. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table F-3: Placebos

Dep Var Is:	Δ Homicide Rate		Δ Log Value Cocaine Seizures		Δ Log Value Non-Coc. Seizures	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: 1992-1995						
%Δ Jobs 2007-2010	-4.25	-3.65	0.67	0.85	-0.22	-0.08
	(1.34)	(1.18)	(0.43)	(0.42)	(0.74)	(0.81)
Obs	512	370	512	370	512	370
F-stat	8.63	9.34	8.63	9.34	8.63	9.34
Mean of Dep Var	2.93	1.47	0.57	0.57	1.26	1.37
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel B: 1995-1998						
%Δ Jobs 2007-2010	0.46	0.54	1.10	1.33	-1.08	-1.05
	(0.64)	(0.64)	(0.77)	(0.87)	(0.92)	(0.90)
Obs	519	375	519	375	519	375
F-stat	9.37	10.19	9.37	10.19	9.37	10.19
Mean of Dep Var	-1.68	-1.44	0.19	0.28	2.73	3.38
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel C: 1998-2001						
%Δ Jobs 2007-2010	-0.28	0.14	0.49	0.46	-0.17	-0.18
	(0.53)	(0.38)	(0.43)	(0.40)	(0.80)	(0.80)
Obs	519	375	519	375	519	375
F-stat	10.15	11.28	10.15	11.28	10.15	11.28
Mean of Dep Var	-2.58	-2.33	1.56	2.09	-0.19	-0.28
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel D: 2001-2004						
%Δ Jobs 2007-2010	0.77	0.27	-0.50	-0.63	-0.10	-0.18
	(0.70)	(0.54)	(0.72)	(0.76)	(0.56)	(0.58)
Obs	520	376	520	376	520	376
F-stat	10.21	11.36	10.21	11.36	10.21	11.36
Mean of Dep Var	-0.83	-0.95	-0.61	-0.59	-0.29	-0.34
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel E: 2004-2007						
%Δ Jobs 2007-2010	-0.40	-0.18	0.31	0.37	-0.78	-0.64
	(0.72)	(0.70)	(0.50)	(0.54)	(0.66)	(0.57)
Obs	520	376	520	376	520	376
F-stat	10.04	10.86	10.04	10.86	10.04	10.86
Mean of Dep Var	-0.59	-0.25	-0.47	-0.73	-1.04	-1.25
Sample	All	Any DTO	All	Any DTO	All	Any DTO

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the change in international competition per worker (see the text for details). Δ Homicide Rate reflects the change in the Homicide Rate during the time period stated in the panel heading, and Δ Log Value of Cocaine Seizures and Δ Log Value of Non-Cocaine Seizures are defined analogously. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table F-4: Politics and Opinions

| | Δ Homicide Rate (2007-10) (1) | Change in Agreement (2005-12) | | | Any Change in Party of Mayor (2007-10) | | | |
		Politicians Improve Wellbeing (2)	More Opportunities Than in Past (3)	Mexico is Democratic (4)	(5)	(6)	(7)	(8)
%Δ Jobs 2007-10	-21.25	0.11	0.09	0.16	0.04	0.17	0.04	-0.04
	(11.82)	(0.04)	(0.04)	(0.07)	(0.04)	(0.40)	(0.04)	(0.10)
Obs	32	32	32	32	517	144	373	293
First Stage F-stat	42.75	42.75	42.75	42.75	8.80	0.18	9.45	10.17
Mean of Dep Var	14.92	0.02	-0.34	-0.11	0.47	0.30	0.54	0.54
Unit	State	State	State	State	Muni.	Muni.	Muni.	Muni.
Sample	All	All	All	All	All	No DTO	Any DTO	Major DTO

Observations are states weighted by the pre-period non-agricultural labor force size in columns 1-4 and municipalities weighted by the pre-period non-agricultural labor force size in columns 5-8. In columns 5-8, the sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the change in international competition per worker (see the text for details). The outcome variable in columns 5-8 is an indicator for whether there was any change in the ruling mayoral party between 2007 and 2010. Regressions in columns 1-4 have no controls and regressions in columns 5-8 include the controls described in the appendix text. Robust standard errors are in parentheses.

G 6-Digit Industrial Data

Table G-1: Job Loss and Violence

	1998-2013 (1)	1998-2003 (2)	2007-2010 (3)	2007-2010 (4)	2007-2011 (5)	Low-Skill Young Men 2007-2010 (6)	Residual Group 2007-2010 (7)
Panel A: Violence	Dependent Variable is Change in Homicide Rate						
%Δ Jobs	-14.71	-1.23	-6.91	-5.10	-7.98	-10.06	-4.58
	(5.09)	(0.41)	(4.36)	(3.03)	(4.94)	(5.26)	(2.71)
Obs	518	518	520	520	515	520	520
First Stage F-Stat	5.84	11.83	49.28	49.28	20.51	17.00	58.13
Mean of Dep Var	10.52	-3.05	20.86	15.14	20.94	15.14	15.14
Homicide Type	All	All	All	Drug-Related	All	Drug-Related	Drug-Related
Panel B: First Stage	Dependent Variable is Percent Change Jobs						
Δ ICW	-0.68	-9.48	-5.05	-5.05	-1.68	-33.84	-5.81
	(0.28)	(2.76)	(0.72)	(0.72)	(0.37)	(8.21)	(0.76)
Obs	518	518	520	520	515	520	520
R2	0.227	0.288	0.374	0.374	0.211	0.303	0.377
Partial R2	0.038	0.210	0.149	0.149	0.048	0.076	0.161

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican munici-palities covered by the Mexican Monthly Survey of Manufacturing Industry (EMIM) in 2007 and 2011 in column 5 and municipalities covered in 2007 and 2010 for all other columns. %Δ Jobs is the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size. Δ ICW measures the predicted change in international competition per worker during the relevant years (see the text for details). In column 6, Δ ICW and %Δ Jobs consider only employment of low-skill young men, while in column 7 these variables consider employment of the residual group of laborers. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table G-2: Violence and Drug Seizures

Sample:	All (1)	No DTO (2)	Any DTO (3)	Major DTO (4)
Panel A: Δ Total Homicide Rate				
%Δ Jobs 2007-2010	-6.91	0.10	-8.63	-43.42
	(4.36)	(0.77)	(5.20)	(20.92)
Obs	520	144	376	293
F-stat	49.28	14.35	34.18	4.90
Mean of Dep Var	20.86	10.04	25.05	25.71
Panel B: Δ Drug-Related Homicide Rate				
%Δ Jobs 2007-2010	-5.10	1.13	-6.93	-29.91
	(3.03)	(1.25)	(3.75)	(15.01)
Obs	520	144	376	293
F-stat	49.28	14.35	34.18	4.90
Mean of Dep Var	15.14	5.67	18.81	19.24
Panel C: Δ Log Cocaine Seizures				
%Δ Jobs 2007-2010	-1.11	0.18	-1.35	-3.83
	(0.27)	(0.33)	(0.35)	(1.86)
Obs	520	144	376	293
F-stat	49.28	14.35	34.18	4.90
Mean of Dep Var	3.35	1.28	4.15	4.29
Panel D: Δ Log Non-Cocaine Seizures				
%Δ Jobs 2007-2010	0.90	-0.49	1.09	0.36
	(0.26)	(0.35)	(0.29)	(1.23)
Obs	520	144	376	293
F-stat	49.28	14.35	34.18	4.90
Mean of Dep Var	3.90	0.88	5.07	5.16

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the predicted change in international competition per worker (see the text for details). The outcome variables are the changes from 2007 to 2010 in the following variables. Panel A: total homicide rate; Panel B: drug-related homicide rate; Panel C: log value of cocaine seizures; Panel D: log value of non-cocaine seizures. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table G-3: Placebos

Dep Var Is:	Δ Homicide Rate		Δ Log Value Cocaine Seizures		Δ Log Value Non-Coc. Seizures	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: 1992-1995						
%Δ Jobs 2007-2010	-4.55	-4.55	0.75	0.83	0.23	0.42
	(1.04)	(1.34)	(0.39)	(0.42)	(0.42)	(0.50)
Obs	512	370	512	370	512	370
F-stat	48.57	32.77	48.57	32.77	48.57	32.77
Mean of Dep Var	2.93	1.47	0.57	0.57	1.26	1.37
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel B: 1995-1998						
%Δ Jobs 2007-2010	0.13	-0.12	0.62	0.75	-0.16	-0.33
	(0.45)	(0.53)	(0.45)	(0.57)	(0.48)	(0.61)
Obs	519	375	519	375	519	375
F-stat	51.67	36.34	51.67	36.34	51.67	36.34
Mean of Dep Var	-1.68	-1.44	0.19	0.28	2.73	3.38
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel C: 1998-2001						
%Δ Jobs 2007-2010	0.30	0.46	0.58	0.46	0.12	0.08
	(0.27)	(0.30)	(0.37)	(0.39)	(0.56)	(0.64)
Obs	519	375	519	375	519	375
F-stat	54.15	39.77	54.15	39.77	54.15	39.77
Mean of Dep Var	-2.58	-2.33	1.56	2.09	-0.19	-0.28
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel D: 2001-2004						
%Δ Jobs 2007-2010	-0.22	-0.22	0.08	0.19	0.25	0.22
	(0.28)	(0.32)	(0.53)	(0.50)	(0.39)	(0.51)
Obs	520	376	520	376	520	376
F-stat	53.32	39.41	53.32	39.41	53.32	39.41
Mean of Dep Var	-0.83	-0.95	-0.61	-0.59	-0.29	-0.34
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel E: 2004-2007						
%Δ Jobs 2007-2010	-0.37	-0.58	0.19	0.18	-0.51	-0.59
	(0.52)	(0.49)	(0.22)	(0.25)	(0.53)	(0.57)
Obs	520	376	520	376	520	376
F-stat	52.08	36.50	52.08	36.50	52.08	36.50
Mean of Dep Var	-0.59	-0.25	-0.47	-0.73	-1.04	-1.25
Sample	All	Any DTO	All	Any DTO	All	Any DTO

Observations are municipalities weighted by the pre-period non-agricultural labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the predicted change in international competition per worker (see the text for details). Δ Homicide Rate reflects the change in the Homicide Rate during the time period stated in the panel heading, and Δ Log Value of Cocaine Seizures and Δ Log Value of Non-Cocaine Seizures are defined analogously. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table G-4: Politics and Opinions

| | Δ Homicide Rate (2007-10) (1) | Change in Agreement (2005-12) | | | Any Change in Party of Mayor (2007-10) | | | |
		Politicians Improve Wellbeing (2)	More Opportunities Than in Past (3)	Mexico is Democratic (4)	(5)	(6)	(7)	(8)
%Δ Jobs 2007-10	-22.05	0.10	0.08	0.18	0.04	0.03	0.04	-0.13
	(11.86)	(0.04)	(0.04)	(0.07)	(0.03)	(0.04)	(0.03)	(0.15)
Obs	32	32	32	32	517	144	373	293
First Stage F-stat	38.89	38.89	38.89	38.89	49.12	14.35	33.99	4.90
Mean of Dep Var	14.92	0.02	-0.34	-0.11	0.47	0.30	0.54	0.54
Unit	State	State	State	State	Muni.	Muni.	Muni.	Muni.
Sample	All	All	All	All	All	No DTO	Any DTO	Major DTO

Observations are states weighted by the pre-period non-agricultural labor force size in columns 1-4 and municipalities weighted by the pre-period non-agricultural labor force size in columns 5-8. In columns 5-8, the sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period non-agricultural labor force size - and the instrument is the predicted change in international competition per worker (see the text for details). The outcome variable in columns 5-8 is an indicator for whether there was any change in the ruling mayoral party between 2007 and 2010. Regressions in columns 1-4 have no controls and regressions in columns 5-8 include the controls described in the appendix text. Robust standard errors are in parentheses.

H   Manufacturing Labor Force as Denominator

Table H-1: Job Loss and Violence

	1998-2013 (1)	1998-2003 (2)	2007-2010 (3)	2007-2010 (4)	2007-2011 (5)	Low-Skill Young Men 2007-2010 (6)	Residual Group 2007-2010 (7)
Panel A: Violence			Dependent Variable is Change in Homicide Rate				
%Δ Jobs	-14.36	-1.52	-13.65	-18.99	-12.69	-61.58	-16.44
	(4.98)	(0.43)	(8.01)	(8.02)	(9.89)	(49.02)	(6.85)
Obs	518	518	515	515	510	515	515
First Stage F-Stat	22.41	15.68	14.86	14.86	10.23	1.77	17.35
Mean of Dep Var	12.34	-3.17	37.37	26.92	29.22	26.92	26.92
Homicide Type	All	All	All	Drug-Related	All	Drug-Related	Drug-Related
Panel B: First Stage			Dependent Variable is Percent Change Jobs				
Δ ICW	-0.35	-3.47	-1.39	-1.39	-0.58	-3.57	-1.69
	(0.07)	(0.88)	(0.36)	(0.36)	(0.18)	(2.68)	(0.41)
Obs	518	518	515	515	510	515	515
R2	0.298	0.276	0.235	0.235	0.208	0.178	0.242
Partial R2	0.058	0.161	0.037	0.037	0.020	0.003	0.045

Observations are municipalities weighted by the pre-period manufacturing labor force size. The sample includes all non-rural Mexican munici-palities covered by the Mexican Monthly Survey of Manufacturing Industry (EMIM) in 2007 and 2011 in column 5 and municipalities covered in 2007 and 2010 for all other columns. %Δ Jobs is the difference between annual manufacturing employment levels in the relevant years divided by the pre-period manufacturing labor force size. Δ ICW measures the predicted change in international competition per worker during the rel-evant years (see the text for details). In column 6, Δ ICW and %Δ Jobs consider only employment of low-skill young men, while in column 7 these variables consider employment of the residual group of laborers. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table H-2: Violence and Drug Seizures

Sample:	All (1)	No DTO (2)	Any DTO (3)	Major DTO (4)
Panel A: Δ Total Homicide Rate				
%Δ Jobs 2007-2010	-13.65	-1.70	-20.73	-18.68
	(8.01)	(1.48)	(11.19)	(27.20)
Obs	515	142	373	290
F-stat	14.86	6.82	8.33	0.85
Mean of Dep Var	37.37	18.99	41.64	43.81
Panel B: Δ Drug-Related Homicide Rate				
%Δ Jobs 2007-2010	-18.99	-4.17	-26.86	-43.48
	(8.02)	(2.16)	(11.86)	(41.08)
Obs	515	142	373	290
F-stat	14.86	6.82	8.33	0.85
Mean of Dep Var	26.92	12.41	30.29	31.82
Panel C: Δ Log Cocaine Seizures				
%Δ Jobs 2007-2010	-4.00	-0.23	-4.95	-4.52
	(1.42)	(0.72)	(1.85)	(5.59)
Obs	515	142	373	290
F-stat	14.86	6.82	8.33	0.85
Mean of Dep Var	4.18	1.72	4.75	4.91
Panel D: Δ Log Non-Cocaine Seizures				
%Δ Jobs 2007-2010	2.75	-0.64	4.08	-2.12
	(1.53)	(0.79)	(2.32)	(4.31)
Obs	515	142	373	290
F-stat	14.86	6.82	8.33	0.85
Mean of Dep Var	4.29	2.13	4.79	4.87

Observations are municipalities weighted by the pre-period manufacturing labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period manufacturing labor force size - and the instrument is the predicted change in international competition per worker (see the text for details). The outcome variables are the changes from 2007 to 2010 in the following variables. Panel A: total homicide rate; Panel B: drug-related homicide rate; Panel C: log value of cocaine seizures; Panel D: log value of non-cocaine seizures. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table H-3: Placebos

Dep Var Is:	Δ Homicide Rate		Δ Log Value Cocaine Seizures		Δ Log Value Non-Coc. Seizures	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: 1992-1995						
%Δ Jobs 2007-2010	-13.68	-17.20	2.18	3.31	-0.08	0.10
	(4.11)	(6.56)	(1.88)	(2.93)	(1.69)	(2.59)
Obs	507	367	507	367	507	367
F-stat	12.98	6.18	12.98	6.18	12.98	6.18
Mean of Dep Var	3.56	3.51	0.59	0.41	1.84	1.79
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel B: 1995-1998						
%Δ Jobs 2007-2010	0.93	-0.83	3.31	4.59	-0.26	-0.42
	(2.04)	(2.57)	(1.98)	(2.89)	(1.53)	(2.09)
Obs	514	372	514	372	514	372
F-stat	13.40	7.78	13.40	7.78	13.40	7.78
Mean of Dep Var	-0.49	-0.41	0.49	0.72	3.89	4.48
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel C: 1998-2001						
%Δ Jobs 2007-2010	-0.37	0.48	2.60	2.38	2.51	3.14
	(1.16)	(1.63)	(1.48)	(1.84)	(1.42)	(1.94)
Obs	514	372	514	372	514	372
F-stat	22.03	11.54	22.03	11.54	22.03	11.54
Mean of Dep Var	-2.44	-2.69	1.99	2.40	-0.01	-0.06
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel D: 2001-2004						
%Δ Jobs 2007-2010	0.33	-0.18	0.30	1.12	0.09	0.27
	(1.14)	(1.39)	(2.21)	(2.27)	(1.59)	(2.15)
Obs	515	373	515	373	515	373
F-stat	16.79	11.19	16.79	11.19	16.79	11.19
Mean of Dep Var	-0.72	-0.61	0.12	0.38	-0.20	-0.21
Sample	All	Any DTO	All	Any DTO	All	Any DTO
Panel E: 2004-2007						
%Δ Jobs 2007-2010	-3.75	-5.61	1.82	2.30	-0.78	-1.23
	(1.13)	(1.84)	(1.13)	(1.66)	(1.02)	(1.45)
Obs	515	373	515	373	515	373
F-stat	17.90	8.71	17.90	8.71	17.90	8.71
Mean of Dep Var	-0.93	-1.02	-1.49	-1.91	-0.99	-0.85
Sample	All	Any DTO	All	Any DTO	All	Any DTO

Observations are municipalities weighted by the pre-period manufacturing labor force size. The sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period manufacturing labor force size - and the instrument is the predicted change in international competition per worker (see the text for details). Δ Homicide Rate reflects the change in the Homicide Rate during the time period stated in the panel heading, and Δ Log Value of Cocaine Seizures and Δ Log Value of Non-Cocaine Seizures are defined analogously. Regressions include the controls described in the appendix text, and robust standard errors are in parentheses.

Table H-4: Politics and Opinions

	Δ Homicide Rate (2007-10) (1)	Change in Agreement (2005-12)			Any Change in Party of Mayor (2007-10)			
		Politicians Improve Wellbeing (2)	More Opportunities Than in Past (3)	Mexico is Democratic (4)	(5)	(6)	(7)	(8)
%Δ Jobs 2007-10	-62.18	0.32	0.48	0.54	0.21	0.05	0.34	0.05
	(34.09)	(0.15)	(0.27)	(0.39)	(0.11)	(0.13)	(0.13)	(0.29)
Obs	32	32	32	32	512	142	370	290
First Stage F-stat	1.35	1.35	1.35	1.35	14.80	6.82	8.26	0.85
Mean of Dep Var	24.77	-0.01	-0.34	-0.18	0.50	0.45	0.51	0.53
Unit	State	State	State	State	Muni.	Muni.	Muni.	Muni.
Sample	All	All	All	All	All	No DTO	Any DTO	Major DTO

Observations are states weighted by the pre-period manufacturing labor force size in columns 1-4 and municipalities weighted by the pre-period non-agricultural labor force size in columns 5-8. In columns 5-8, the sample includes all non-rural Mexican municipalities covered by EMIM in 2007 and 2010. Estimates are from instrumental variables specifications in which the endogenous variable is %Δ Jobs - the difference between annual manufacturing employment levels in the relevant years divided by the pre-period manufacturing labor force size - and the instrument is the predicted change in international competition per worker (see the text for details). The outcome variable in columns 5-8 is an indicator for whether there was any change in the ruling mayoral party between 2007 and 2010. Regressions in columns 1-4 have no controls and regressions in columns 5-8 include the controls described in the appendix text. Robust standard errors are in parentheses.
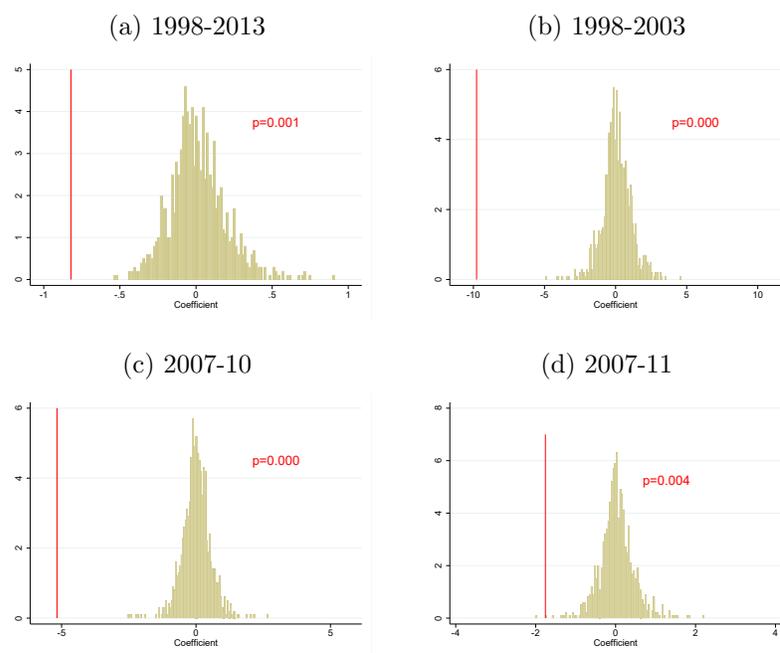
I Randomization Inference

Table I-1: Randomization Inference P-values

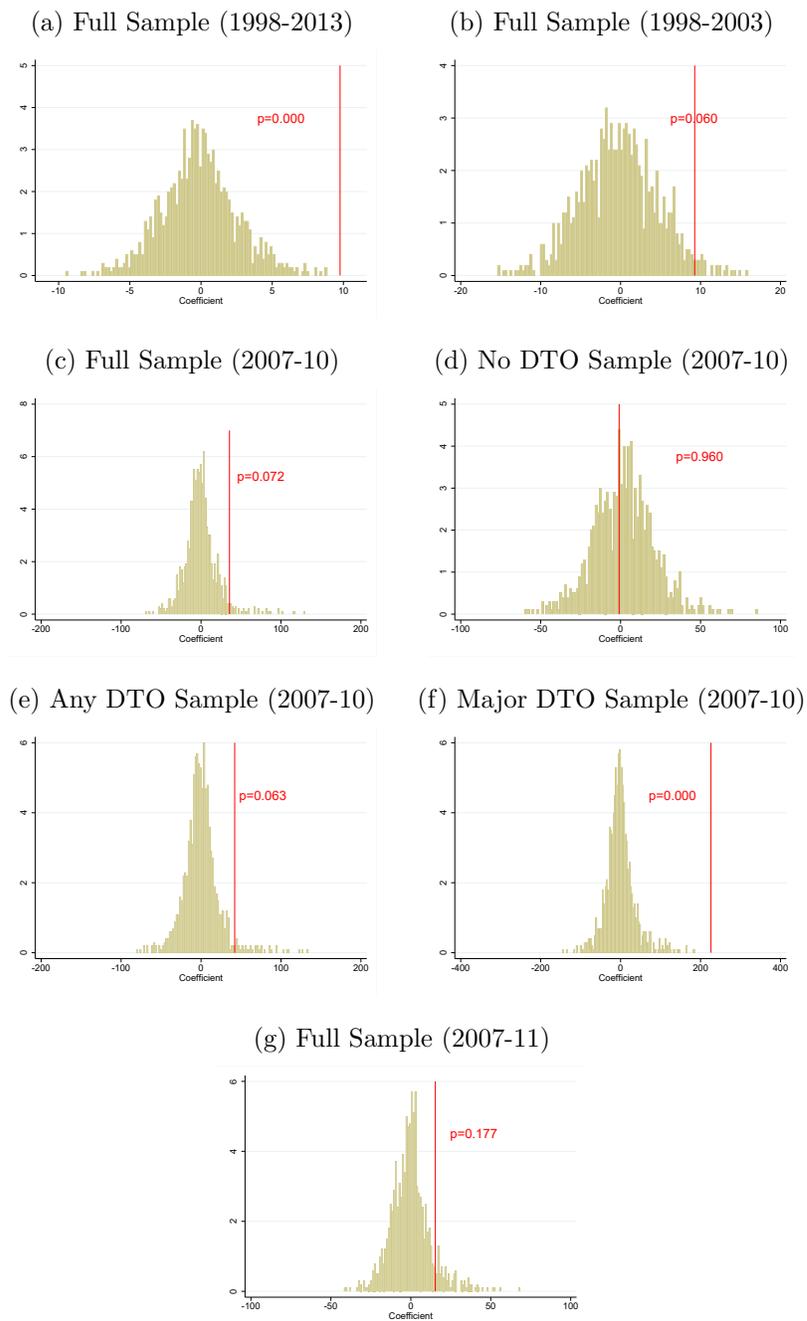|	P-value (1)
First Stage	
1998-2013	0.001
1998-2003	0.000
2007-2010	0.000
2007-2011	0.004
Δ Total Homicide Rate	
1998-2013	0.000
1998-2003	0.060
Full Sample (2007-10)	0.072
No DTO Sample (2007-10)	0.960
Any DTO Sample (2007-10)	0.063
Major DTO Sample (2007-10)	0.000
Full Sample (2007-11)	0.177
Δ Drug-Related Homicide Rate	
Full Sample (2007-10)	0.123
No DTO Sample (2007-10)	0.677
Any DTO Sample (2007-10)	0.074
Major DTO Sample (2007-10)	0.002
Full Sample, Young Low-Skill Men (2007-10)	0.032
Full Sample, Residual Group (2007-10)	0.139
Δ Log Val. Cocaine Seizures	
Full Sample (2007-10)	0.051
No DTO Sample (2007-10)	0.627
Any DTO Sample (2007-10)	0.032
Major DTO Sample (2007-10)	0.000
Δ Log Val. Non-Coc. Seizures	
Full Sample (2007-10)	0.119
No DTO Sample (2007-10)	0.303
Any DTO Sample (2007-10)	0.146
Major DTO Sample (2007-10)	0.642
Change in Agreement (2005-12)	
Politicians Improve Wellbeing	0.121
More Opportunities Than In Past	0.294
Mexico is Democratic	0.046
Local Politics: Any Change (2007-10)	
Full Sample	0.418
No DTO Sample	0.618
Any DTO Sample	0.382
Major DTO Sample	0.106

The p-values give the share of 1000 placebo coefficients that are larger in magnitude than the absolute coefficient for the actual first stage (top 4 rows) or reduced form (rest of rows).

Figure I-1: Randomization Inference: First Stage

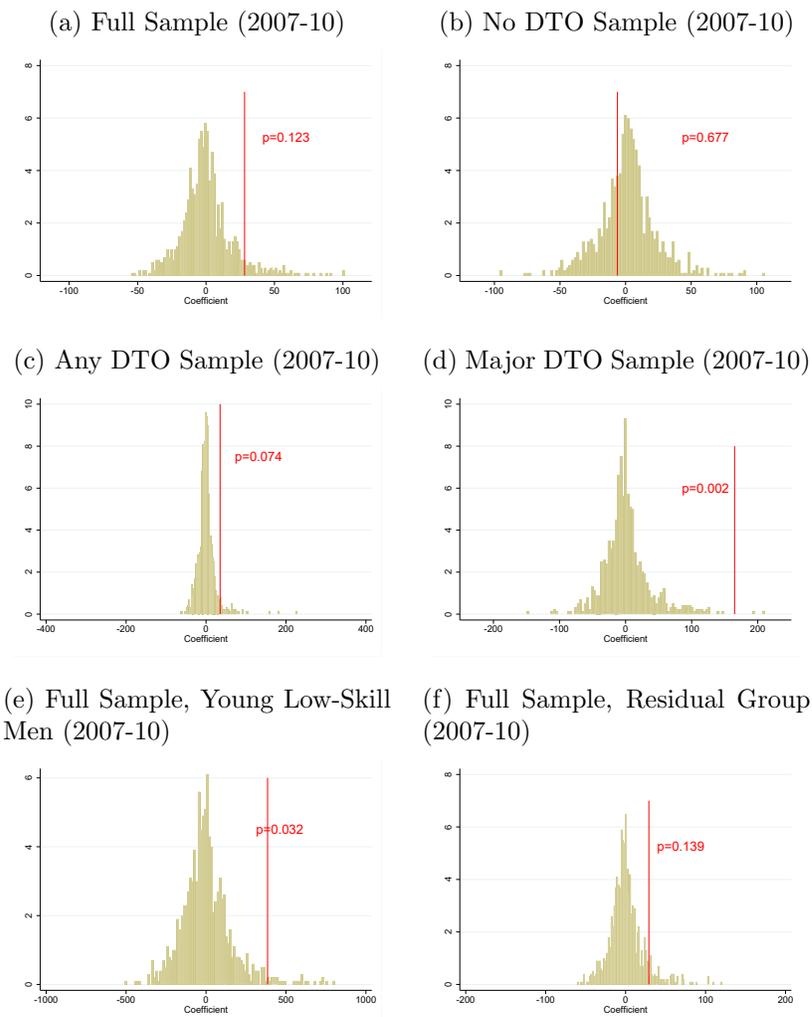(a) 1998-2013

(b) 1998-2003

(c) 2007-10

(d) 2007-11

Figures plot the distribution of placebo coefficients on Δ ICW. The red line plots the actual coefficient.

Figure I-2: Randomization Inference: All Homicides

(a) Full Sample (1998-2013)   (b) Full Sample (1998-2003)

(c) Full Sample (2007-10)   (d) No DTO Sample (2007-10)

(e) Any DTO Sample (2007-10)   (f) Major DTO Sample (2007-10)
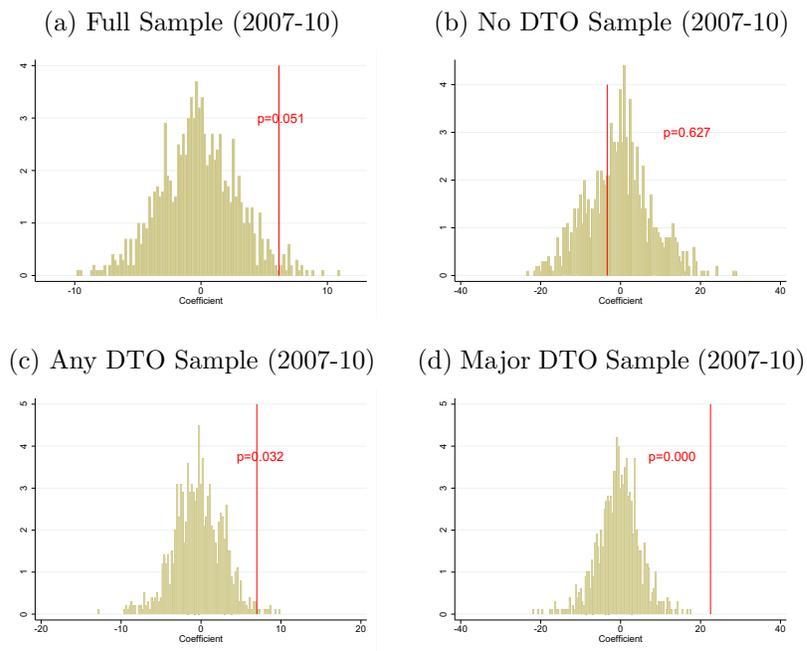

(g) Full Sample (2007-11)

Figures plot the distribution of reduced form placebo coefficients on Δ ICW. The red line plots the actual reduced form coefficient.

Figure I-3: Randomization Inference: Drug-Related Homicides

(a) Full Sample (2007-10)   (b) No DTO Sample (2007-10)

p=0.123   p=0.677

(c) Any DTO Sample (2007-10)   (d) Major DTO Sample (2007-10)

p=0.074   p=0.002

(e) Full Sample, Young Low-Skill   (f) Full Sample, Residual Group
Men (2007-10)   (2007-10)

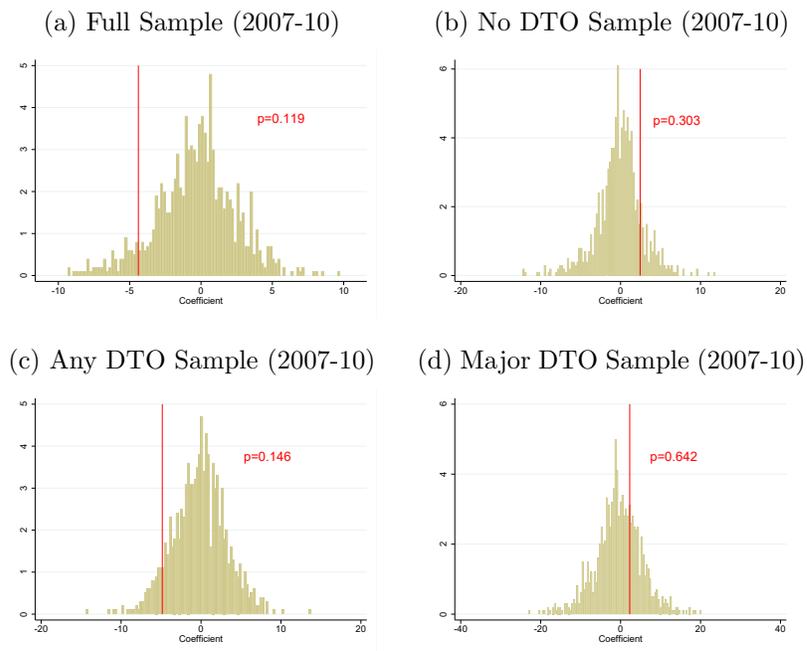p=0.032   p=0.139

Figures plot the distribution of reduced form placebo coefficients on Δ ICW. The red line plots the actual reduced form coefficient.

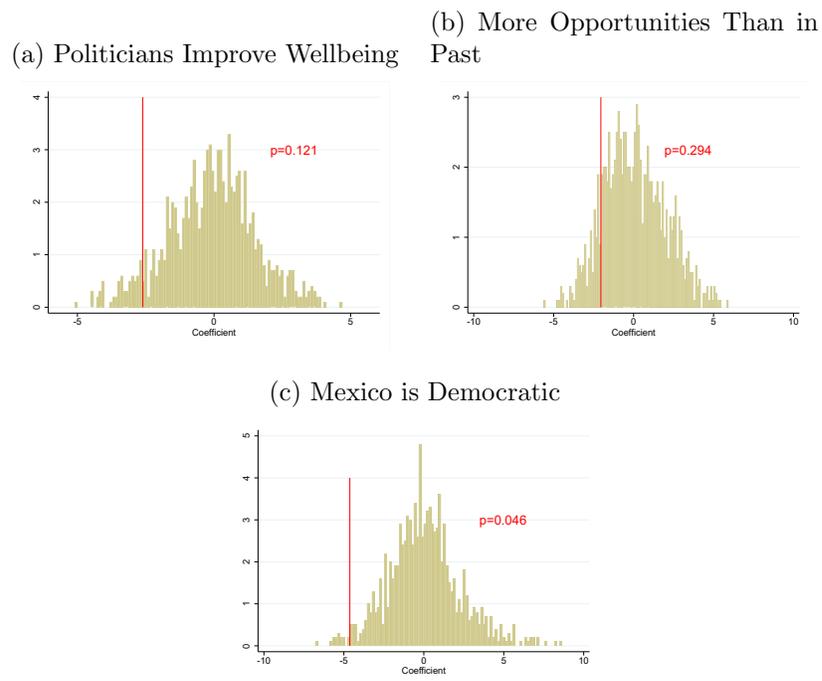Figure I-4: Randomization Inference: Log Val. Cocaine Seizures

(a) Full Sample (2007-10)

p=0.051

(b) No DTO Sample (2007-10)

p=0.627

(c) Any DTO Sample (2007-10)

p=0.032

(d) Major DTO Sample (2007-10)

p=0.000

Figures plot the distribution of reduced form placebo coefficients on Δ ICW. The red line plots the actual reduced form coefficient.

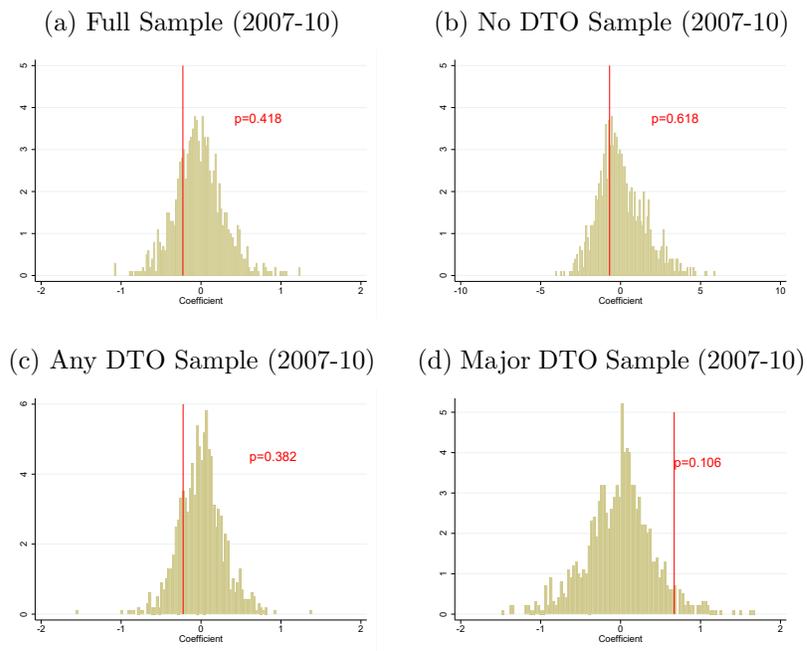Figure I-5: Randomization Inference: Log Val. Non-Coc. Seizures

(a) Full Sample (2007-10)

p=0.119

(b) No DTO Sample (2007-10)

p=0.303

(c) Any DTO Sample (2007-10)

p=0.146

(d) Major DTO Sample (2007-10)

p=0.642

Figures plot the distribution of reduced form placebo coefficients on Δ ICW. The red line plots the actual reduced form coefficient.

Figure I-6: Randomization Inference: Change in Agreement (2007-10)

(a) Politicians Improve Wellbeing

(b) More Opportunities Than in Past

(c) Mexico is Democratic

Figures plot the distribution of reduced form placebo coefficients on Δ ICW. The red line plots the actual reduced form coefficient.

Figure I-7: Randomization Inference: Local Politics: Any Change (2007-10)

(a) Full Sample (2007-10)   (b) No DTO Sample (2007-10)

(c) Any DTO Sample (2007-10)   (d) Major DTO Sample (2007-10)

Figures plot the distribution of reduced form placebo coefficients on Δ ICW. The red line plots the actual reduced form coefficient.

J Data Appendix

Table J-1: Data Sources

Data Source	Variables	Link
Encuesta Mensual de la Industria Manufacturera	Manufacturing employment	INEGI
Censo Economico	Manufacturing and non-agricultural employment	INEGI
2000 Population Census	Demographic composition of employment	IPUMS
COMTRADE	Product-level Chinese exports	COMTRADE
Mortalidad	Total homicidess	INEGI
Decomisos	Seizures, by type of drug	Infomex
Muertes Crimen	Drug-related homicides	Infomex
Carteles	DTO presence and identity	Infomex
Elecciones de Ayuntamientos	Mayoral election results	INE
Encuesta Nacional sobre Cultura Política y Prácticas Ciudadanas	Political attitudes	INEGI
World Clim 4	Temperature, precipitation	World Clim
Hydrosheds	Elevation	Hydrosheds
Indice de Marginación	Social marginalization, infant mortality, and education	CONAPO