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# Islamistic Terror, the War on Iraq and the Job Prospects of Arab Men in Britain: Does a Country's Direct Involvement Matter?

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## Abstract

This paper examines whether the labor market prospects of Arab men in England are influenced by recent Islamistic terrorist attacks and the war on Iraq. We use data from the British Labour Force Survey from Spring 2001 to Winter 2006 and treat the terrorist attacks on the USA on September 11th, 2001, the Madrid train bombings on March 11th, 2004 and the London bombings on July 7th, 2005, as well as the beginning of the war on Iraq on March 20th, 2003, as natural experiments that may have lead to a change in attitudes toward Arab or Muslim men. Using treatment group definitions based on ethnicity, country of birth, current nationality, and religion, evidence from regression-adjusted difference-in-differences-estimators indicates that the real wages, hours worked and employment probabilities of Arab men were unchanged by the attacks. This finding is in line with prior evidence from Europe.

**Keywords:** Discrimination, September 11th, Islamistic terror, employment, wages

**JEL Classification:** J71, J79

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# 1 Introduction

Following the terrorist attacks on September 11th, 2001 a number of studies have been concerned with the (economic) causes (e.g. Krueger and Malečková 2003, Abadie 2006, Piazza 2006, Krueger and Laitin 2007) or consequences (e.g. Abadie and Gardeazabal 2003, 2007, Abadie and Dermisi 2006, Frey, Luechinger and Stutzer 2007) of terrorism. In that literature a small but growing number of papers have been concerned with the economic consequences of the 9/11-attacks for Arabs or Muslims living in western countries.<sup>1</sup>

Directly after the attacks a number of reports collected by various organizations suggested a rise in discrimination and hostility toward persons perceived to be Arabs or Muslim (see Allen and Nielsen (2002) for Europe and the Arab American Institute (2003) and the Arab-American Anti-Discrimination Committee (2003) for the US). Up to today, four studies have investigated whether this anecdotal evidence was accompanied by observable changes in the labor market prospects of Arabs or Muslims.

For the US, Dávila and Mora (2005) use data from the American Community Surveys and focus on the wages of younger men between 25 and 40 years of age. Using linear and quantile regression as well as decomposition techniques, they find that the wages of men from Middle Eastern countries have been harmed most by the attacks, while less of an impact could be found for African Arabs and other Arabs relative to US-born non-Hispanics.

Also focusing on the US, Kaushal, Kaestner, and Reimers (2007) use regression-adjusted difference-in-differences-estimates on Current Population Survey data to assess changes in job prospects and mobility for persons from predominantly Muslim / Arab countries relative to natives and other migrants. Their results indicate that the real wages and weekly earnings of Arab men were reduced by an amount of 9-11% as a consequence of the attacks, though this effect seems to have been temporarily with a significant rebound noted in 2005. Furthermore, they find hints that intrastate mobility of Arab men was also reduced by the 9/11-attacks, while employment and hours worked seem to have been relatively uninfluenced by the attacks.

For Europe, Åslund and Rooth (2005) focus on exits from unemployment for men in Sweden. They use difference-in-differences-estimators on administrative labor market data and look at the development of employment prospects of those from the Middle East relative to a number of control groups. Their findings indicate that there has been no significant drop in re-employment probabilities for persons from the Middle East compared to natives, people from the Nordic countries and from former Yugoslavia, Western and Eastern Europeans, Latin Americans, Asians, and Africans that could be attributed to the 9/11-attacks.

In a similar study for Germany, Braakmann (2007) also uses regression-adjusted difference-in-differences-estimators on administrative data from the Federal Employment Agency and Social Security. He uses various treatment and control group definitions as well as a number of robustness checks. His findings confirm the results from the study by Åslund and Rooth (2005), namely that the employment prospects of Arabs do not seem to have been harmed by the attacks.

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<sup>1</sup>There has also been some interest in the question whether other immigrant groups have been harmed in the aftermath of the 9/11-attacks, see Orrenius and Zavodny (2006).

Unfortunately, the picture that emerges from these studies is far from clear. At a first glance, there seems to be a difference between the US and Europe. However, the factors driving the different results from these studies are not entirely obvious. A first possible explanation is that the differences between Europe and the US might reflect genuine differences in the respective population's change in attitudes towards Arabs or Muslims. The apparently stronger reaction of the US population to the attacks could then be related to the fact that the US were the direct target of the 9/11-attacks. While this explanation seems intuitively appealing, there might be other explanations: Firstly, there might be intervening factors like differences in labor market institutions. Both Sweden and Germany are highly regulated and institutionalized labor markets which would be expected to weaken the impact of a possible change in attitudes. Secondly, one might raise the question whether a difference between the US and Europe in fact exists: Both European studies focus only on employment probabilities – a variable where Kaushal, Kaestner and Reimers (2007) could also not find an impact for the US.

This study attempts to address these issues by using British labor market data for the years 2000 to 2006. Firstly, we will look at the same labor market outcomes as Kaushal, Kaestner and Reimers (2007) – real weekly and hourly wages, hours worked and the probability of being employed – thus providing better comparative evidence between Europe and the US. Secondly, to test the idea that a country's direct involvement in terrorist attacks might matter for explaining changes in the job prospects of Arabs or Muslims, we will use the fact that Britain was hit directly by a terrorist attack on July 7th, 2005. Finally, looking at evidence from one country over time allows us to rule out the possibility that differences in labor market institutions interfere with the results.

More specifically, we will use the terrorist attacks on the US on September 11th, 2001, the Madrid train bombings on March 11th, 2004 and the London bombings on July 7th, 2005, as well as the beginning of the war on Iraq on March 20th, 2003, as natural experiments and use regression-adjusted difference-in-differences-estimators to assess the change in the four labor market outcomes outlined above. The data used comes from the British Quarterly Labour Force Survey from Spring 2001 to Winter 2006 and allows us to gain further insight into the (possible) discrimination mechanism at work as it provides the possibility to use different definitions for the treatment and control groups based on self-assessed ethnicity, country of birth, current nationality and (beginning in 2002) religion.

The rest of this paper is organized as follows: Section 2 provides some background information on the events from September 2001 to July 2005. The data used is described in section 3 along with some descriptive information on the sample used. Section 4 contains a description on the econometric model whose results are found in section 5. Finally, section 6 concludes.

## 2 Background

This section presents a short chronological review of the events relevant in the context of this paper. Note that this paper does not attempt to provide an in-depth description of the time following the 9/11-attacks and in particular does not attempt to deal with the highly controversial questions surrounding the war on Iraq and the Madrid train bombings. Since this paper focuses on the impact of these events in England, we will try to provide specific information for this country where possible.

The timeline starts at September 11th, 2001 when three airplanes were flown into the World Trade Center and the Pentagon with a fourth crashing on a field in Pennsylvania.<sup>2</sup> In the months directly following the attacks British media reported a rise in violent acts against Muslims and Mosques. British politicians and other public persons, including Prime Minister Tony Blair, the Prince of Wales and the Archbishop of Canterbury, issued calls for calm, tolerance, and differentiation. An exemption from these calming voices was the right-wing British National Party that launched an islamophobic campaign after the 9/11-attacks that displayed Christianity as being threatened by Islam. Media response seems to have been mixed with rather much time being devoted to more radical Muslims (see Allen and Nielsen 2002, pp. 29-30 for further details). In a retrospective study conducted among British Muslims between October and December 2002 that focused on differences before and after 9/11, Sheridan (2006) finds that 82.6% of the respondents reported an increase in implicit racism and religious discrimination, while 76.3% reported an increase in “general discriminatory experiences”.

The 20th of March 2003 marked the beginning of the (highly disputed) war on Iraq, led by American and British Forces, that was officially aimed at finding and destroying Iraqi weapons of mass destruction, as well as severing suspected links between the Iraqi government and islamistic terrorists. In May 2003 US President George Bush announced the official end of the war, however, up to today a large number of American and British soldiers remain in Iraq securing a more or less fragile peace.

On March 11th, 2004 the first mayor terrorist attack by islamistic terrorists after 9/11 occurred when several bombs exploded in commuter trains in Madrid during the morning rush hour. The attack that was initially blamed on the Basque separatist group ETA by the then ruling government under Prime Minister Aznar caused the deaths of 191 people and the injuries of over 2,000. The events on this day and their handling by the conservative government is believed to have had a mayor impact on the outcome of the Spanish election on March 14th, 2004 that brought the Socialist Workers Party under José Zapatero to power (for a recent analysis of the attack’s impact on the electoral outcomes see Montalvo 2006).

On July 7th, 2005 England was hit directly by a terrorist attack, when a group of four young British-born Muslims set off four bombs in the London underground and one double-decker bus resulting in the deaths of 56 people (including the four attackers) and several hundred injuries. A similar attack on July 21st, 2005 resulted in no casualties as only the detonators of the bombs exploded.

Shortly after the attacks government officials and the police issued warnings that violent reactions against the Muslim community would not be tolerated and tried to ensure that a distinction was made between the terrorists and Muslims as a whole. Nevertheless, several organizations reported a rise in incidents against Muslims and Muslim organizations issued warnings of possible negative reactions and threats, while at the same time condemning the attacks. Media responses were generally balanced with a shift towards integration issues and a possible radicalization in the Muslim communities after it became known that the attacks were conducted by British-born Muslims (for a detailed account of the events, including a full timeline and a more detailed description of the reactions in the United Kingdom, see European Monitoring Centre on Racism and Xenophobia 2005).

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<sup>2</sup>An in-depth description of the events on September 11th, 2001 can be found in the official report by the “National Commission on Terrorist Attacks Upon the United States” (2004).

### 3 Data

The data used in this study comes from the British (Quarterly) Labour Force Survey (LFS), a survey conducted among households living at private addresses or National Health Service accommodations in the UK by the Office of National Statistics since 1973.<sup>3</sup> The survey is collected quarterly since Spring 1992. From 1992 to May 2006 data collection took place in a seasonal pattern with surveys being conducted in winter (December to February), spring (March to May), summer (June to August) and autumn (September to November). Due to EU regulations the LFS moved to calendar quarters in May 2006 with surveys now covering the periods January to March, April to June, July to September and October to December.

The current sample size is approximately 50,000 responding households in Great Britain with an additional 2,000 being added from Northern Ireland resulting in a coverage of 0.1% of the target population. Each household is surveyed in five consecutive quarters in a rotating panel design. Since roughly one fifth of the respondents enter and leave each quarter there is an 80% overlap between two adjacent quarters.

The survey is designed to provide information on the labor market status and personal situation of individuals living in the UK during a reference period, usually a specific week. The questionnaire therefore encompasses information on employment, including information on the current employer, socio-demographic characteristics, education, and wages as well as information on the respective household. Most importantly for the scope of this paper, the data contains information on a respondent's ethnicity, country of birth, current nationality and religion which can be used to construct treatment and control groups. Additionally, the data provides information on a number of relevant labor market outcomes and control variables. As the data contains information on the timing of the interview and the reference week the information relates to it is also possible to assess whether a specific individual was observed before or after any of the events of interest.

In this paper four different definitions of "Arabs" or "Muslims" are considered. The first definition is based on self-assessed ethnicity, where those individuals reporting a "Pakistani" or "Bangladeshi" ethnicity form the treatment group. This definition is in line with findings on Islamophobia by the European Monitoring Centre on Racism and Xenophobia (2006, p.17) stating that Pakistanis and Bangladeshis have the highest risk of being victim of a racially motivated crime. Additionally, the majority of (migrant) Muslims in the UK originates from those two countries (European Monitoring Centre on Racism and Xenophobia 2006, p. 22). As comparison groups we will look at individuals with a British ethnicity and those reporting any other non-white ethnicity.

The second definition is based on an individual's country of birth. The treatment group is formed by those individuals born in Algeria, Bangladesh, Egypt, Pakistan, and all Middle East countries with the exception of Israel. As controls we use individuals born in Britain and those born in southern Africa, Asia, South America, and the Caribbean. The third definition uses the same countries, but is based on current nationality rather than country of birth.

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<sup>3</sup>The data can be accessed free of charge at the "Economic and Social Data Service" after registration. See <http://www.esds.ac.uk/> for further information. To facilitate replication all Stata do-files used in the analysis can be obtained from the author.

Note that we follow Kaushal, Kaestner, and Reimers (2007) in excluding Indians from the comparison groups formed by these definitions. First, Indians might be expected to look somewhat similar to Pakistani and Bangladeshi as these stem from almost the same region. Second, while the Indian population is predominantly Hindu, there is a strong Muslim minority which might be expected to underlie the same discriminational mechanism as the treatment group.

Finally, for the fourth definition we rely on religion. The treatment group is formed by Muslims who are being compared with Christians and other religions respectively. Note that Muslims can only be identified in the data from Spring 2002 onward which means that we can only measure the impact of the beginning of the war on Iraq and the Madrid and London bombings relative to the time after 9/11. Note further that Sikhs are excluded from the control group “other religions” as several reports (e.g. Allen and Nielsen 2002) suggest that these were often confused with Muslims.

The data used in this paper covers the time from Spring 2001, when a major revision of the ethnicity question was introduced, to Winter 2006. To minimize the impact of regional differences we focus on persons living in England and consequently exclude households with residence in Scotland, Wales and Northern Ireland. We further exclude individuals who are under 16 or over 65 years of age to restrict the sample to the working population. Finally, the estimation sample is restricted to males since case numbers for women from the treatment groups are too low to provide reliable estimates of the parameters of interest.

Tables 1 and 2 display information on some key variables of the respective samples. Note that there are both differences between the different definitions of the treatment group and between the respective treatment and control groups. A common finding over all group definitions is that the members of the respective treatment groups have somewhat less favorable labor market relevant characteristics than members of the control groups.

(TABLES 1 AND 2 ABOUT HERE.)

## 4 Econometric Model

Before we outline the estimation strategy, several basic facts about the problem at hand should be noted. Interest in this paper lies in the estimation of the causal (treatment) effect of recent terrorist attacks and the related war on Iraq on several labor market outcomes caused by a possible shift in attitudes towards Arabs or Muslims. Note that there is a clear theoretical one-way causality between these interventions and the outcomes of interest.

Furthermore all three terrorist attacks are unexpected events that can be considered natural experiments leading to an exogenous shift in attitudes towards Arabs or Muslims. The case of the Iraq war is somewhat different: As the begin of a war is usually not completely unanticipated it might be the case that a possible change in attitudes took place at some different point in time, e.g. after going to war was first discussed in the public or after the first British casualties were reported. For the scope of this paper this fact implies that care should be taken when attaching a causal interpretation to the effect associated with the war.



Finally, selection out of or into the treatment group can be ruled out for both ethnicity and country of birth as both are strictly exogenous variables. Religion and current nationality however can be influenced by personal decisions: Persons may decide to become naturalized or convert to some other religion to avoid discrimination. However, since this paper uses all four variables to define treatment and control groups, it is possible to make a statement whether the choice of this variable influences the results.

To model the effects of the different terrorist attacks and the beginning of the war on Iraq consider a regression-adjusted differences-in-difference estimator of the form

$$y_i = \alpha + \beta' X_i + \chi * d_i + \sum_{j=1}^4 \delta_j * t_{ji} + \sum_{j=1}^4 \tau_j * (t_{ji} * d_i) + \epsilon_i \quad (1)$$

where  $y_i$  is the respective outcome of interest,  $\epsilon_i$  is an error term,  $X_i$  is a matrix of control variables,  $d_i$  is a dummy variable indicating whether an individual belongs to the respective treatment group and  $t_{ji}$  indicates the period in which an individual was observed. More specifically,  $t_{ji}$  takes the values shown in table 3.

(TABLE 3 ABOUT HERE.)

The parameters of interest measuring the change in labor market outcomes for the treatment group after the respective event are given by  $\tau_1$  to  $\tau_4$  for the events from 9/11 to the London bombings respectively. Note that the setup of the period dummies implies that each  $\tau$  measures the impact of the associated event relative to the preceding period – that is e.g.  $\tau_3$ , the parameter associated with the Madrid bombings, measures the impact of that event relative to the situation after the begin of the war on Iraq.<sup>4</sup>

For (log) hourly wages, (log) weekly wages and weekly hours worked as dependent variables equation (1) is estimated by OLS while the probability of being employed is estimated by standard Probit regression. Note that two further sample restrictions are imposed for the OLS estimations. First, the estimations are only conducted for those in employment as wages and to some extent hours worked are ill-defined for the unemployed or those out of the labor force. Second, due to low case numbers in the treatment groups individuals working in agriculture, fishing, mining, private households and extraterritorial organizations are excluded from these estimations.

$X_i$  contains information on education measured by 6 dummies, age in years and a dummy variable indicating whether the individual has health problems hindering at work, as well as occupation fixed effects based on sub mayor groups, regional fixed effects based on government regions and monthly and yearly fixed effects. In the wage and hours regressions we furthermore include tenure (measured by several dummies), firm size (2 dummy variables) and industry group dummies.

A central assumption of the difference-in-differences approach is that both treatment and control groups would have experienced the same trend in the absence of the treatment. To assess the validity of this assumption pseudo-interventions, that is artificial events defined to have taken place one month before the actual event of interest, e.g. August 11th,

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<sup>4</sup>All calculations were also performed using a simple difference-in-differences-estimator without adjusting for possible differences in control variables. The results were not substantially different. Detailed results can be found in the appendix.

2001 for the September 11th attacks, are used. The difference-in-differences-estimator is then calculated using these artificial events as the actual intervention. As the interaction terms in equation (1) measure the divergence of trends in the treatment and control groups after the respective interventions, we would expect the coefficients of the pseudo-interventions to be insignificant if the common trend assumption is valid. Note that a violation of this assumption does not necessarily invalidate the difference-in-differences-analysis: While diverging trends prior to the event of interest introduce bias in the coefficients of interest, the direction of this bias can be seen from the estimated coefficients of the pseudo-interventions. Depending on the results of the actual difference-in-differences analysis and the direction of the bias it might be possible to interpret the coefficients of the actual interventions as lower or upper bounds for the effect of interest.

(TABLE 4 ABOUT HERE.)

Table 4 gives an overview of the relevant parameters for the pseudo-interventions. Note that the common trend assumption cannot be rejected for most of the treatment/control group pairs. The exceptions will be discussed below jointly with the main results for difference-in-differences-analysis.

## 5 Results

Consider first the information on weekly wages shown in table 5. Note that the time dummies do not seem to indicate a large impact of any of the events of interests on the population as a whole. The associated coefficients are generally either insignificant or (small) positive, the only exception being the time after 9/11 in one of the ethnicity specifications. Next, note that the dummies for the treatment group are always associated with a negative point estimate that is also significant when using country of birth (regardless of the comparison group) or comparing Muslims with Christians.

(TABLE 5 ABOUT HERE.)

Now, turn to the parameters of interest associated with the period-group-interaction terms. Remember that Kaushal, Kraemer and Reimers (2007) found – depending on the specification used – a 10 to 14 percent decline in weekly wages for Arab men after 9/11. A similar result, however, cannot be found for England: All coefficients for the interaction term associated with 9/11 are insignificant. Additionally, all coefficients have positive signs which is rather unexpected.

Basically the same results can be seen for the impact of the Iraq war on the treatment group. Here again, insignificant results are obtained for all definitions of the treatment group. The associated point estimates are always positive with the exception of the groups defined by religion where a negative, but still insignificant, impact is found.

For the Madrid train bombings we find mostly negative point estimates that are always insignificant. Note however, that the insignificance is to some extent driven by large standard errors that may disguise an otherwise large effect.

Finally, consider the results for the London bombings. Here, all point estimates are positive and rather large in magnitude. However, all but one are also insignificant on all conventional levels. The only significant coefficient indicates that the wages of Muslims have risen by approximately 12 % relative to those of Christians after the London bombings. One should keep in mind though that this counterintuitive result may be a purely statistical effect related to the rather large number of significance tests.

Consider next the estimations for hourly wages shown in table 6. For this outcome Kaushal, Kraemer and Reimers (2007) found a 9 to 11 percent decline for Arab men in the US. Again, these results are not confirmed for the British labor market. In fact, the pattern of results is practically identical to those obtained for weekly wages thus resulting in the same conclusions as outlined above. The only substantial difference is a now significant and rather large wage penalty for those with Pakistani / Bangladeshi ethnicity relative to those with British ethnicity that could not be found for weekly wages.

(TABLE 6 ABOUT HERE.)

Now turn to the results for hours worked displayed in table 7. Consider first the coefficients for the time dummies. The point estimates show a general negative trend after 9/11 and no clear results for the remaining events. Additionally, the estimates are generally rather small for most of the treatment/control group combinations and insignificant in all specifications.

There is also no clear result for the coefficient associated with the treatment group dummy: Strictly negative point estimates for all comparison groups are obtained for the specification using country of birth, while the opposite result can be found when using religion. For the remaining two specifications, the results generally vary with the control groups used. However, none of these results seem to hold outside the sample with all results being insignificant on conventional levels.

(TABLE 7 ABOUT HERE.)

The same results holds for the coefficients of the interaction terms measuring the impact of the respective events of interest: While mostly positive point estimates are obtained for 9/11 and the London bombings, the signs of the remaining coefficients tend to vary unsystematically with the treatment/control group combination. However, none of them is significant on any conventional level. One should note at this point that this result is similar to those obtained by Kaushal, Kraemer and Reimers (2007) who also did not find a significant effect of the 9/11 attacks on working hours.

Finally, consider the results from the Probit estimation of the employment probability shown in table 8. Here, we find negative point estimates associated with the 9/11 attacks in all specifications. This effect is also significant on conventional levels when using the respective native groups as controls.

The results for the next two period dummies are less clear cut: The point estimates have varying signs for the periods after the beginning of the Iraq war and the Madrid train attacks. For the period following the London bombings we obtain negative point estimates over all specifications. However, none of the above mentioned effects is significant on

any conventional level. The treatment group dummy in this set of estimations is always associated with a negative impact, thus indicating a lower employment probability of Arabs or Muslims compared with any other group.

(TABLE 8 ABOUT HERE.)

The results for the interaction terms are again mixed: For the 9/11-attacks and the begin of the Iraq war we usually obtain positive point estimates that are insignificant on all conventional levels. The only exception is found for those born in an Arab country compared with natives where the point estimate is negative though still insignificant. For the Madrid train bombings we find positive point estimates in the specifications using ethnicity and country of birth and negative point estimates when using current nationality and religion. Again non of these effects is significant on any conventional levels. Furthermore, for two of the negative point estimates, Arabs contrasted with those with a British/UK nationality in the case of current nationality and Muslims vs. other religions in the case of religion, the pseudo-interventions indicated pre-existing negative trends that may have influenced the negative point estimates. Finally, for the London bombings we obtain almost exclusively positive, though insignificant point estimates. The only exception, a highly significant positive effect found in the specification using those with an Arab nationality compared with those with a British/UK nationality, is most likely caused by a pre-existing positive trend that was found using the pseudo-interventions.

Taken together, our results imply that the job prospects of Arab men in England have not been significantly harmed by either the three mayor terrorist attacks conducted by islamistic terrorists after 2000 or by the beginning of the Iraq war. Furthermore the results indicate that a country's direct involvement in acts of terrorism, in our case the London bombings of 2005, does not seem to cause a rise in discrimination. The latter finding is in line with a report by the European Monitoring Centre on Racism and Xenophobia (2005) that also did not find a lasting effect of the attacks.

## 6 Conclusion

This paper uses data from the British Labour Force Survey for the years 2001 to 2006 and regression-adjusted difference-in-differences-estimators to gain further insight into the question whether islamistic terrorism is harmful for the job prospects of Arabs or Muslims living in Western countries. More specifically, this paper uses the fact that England was hit "indirectly" by the attacks on the Pentagon and the World Trade Center in 2001 and the Madrid trains bombings in 2004 and "directly" by the bomb attacks in London in 2005 to provide an answer to the question whether a country's direct involvement in acts of terrorism influences the labor market prospects of those possibly associated with the terrorists. Furthermore, this paper uses for the first time the same outcome variables as previous US studies thus allowing to decide whether differences between the US and Europe found in these studies can be explained by different choices of the dependent variables. Finally, this paper is the first to use treatment group definitions based on more than one variable, in this case ethnicity, country of birth, current nationality and religion, to gain further insight into the question against which group a possible discrimination is directed.

Our results indicate that neither of the attacks influenced the wages, the working hours or the employment probability of Arab or Muslim men in England. In particular, the fact that the labor market prospects of Arabs remain unchanged after the London bomb attacks indicate that a country's direct involvement in acts of terrorism does – at least in this particular case – not seem to have a large impact on the discrimination of Arabs. This result is stable over all definitions of the treatment and control groups used.

It also confirms the evidence from prior studies for Sweden (Åslund and Rooth 2005) and Germany (Braakmann 2007) that found no evidence for an increase in discrimination after the terrorist attacks on September 11th, 2001. Furthermore it is in line with the reports from the European Monitoring Center on Racism and Xenophobia (2005, 2006) that pointed towards no (lasting) impacts of the terrorist attacks.

Regarding the differences between the US and Europe found in previous studies, the results indicate that these differences were not merely a result of the choice of different outcomes. Furthermore, the differences cannot solely be explained by the fact that the US were the (only) direct target of the attacks. However, a possible explanation for the apparently much stronger reaction in the US might be the different scale of the attacks. While the attacks in London (and Madrid) were some of the largest terrorist attacks in Europe, both were smaller than 9/11 in terms of casualties and none of them had the massive impact on the public opinion that 9/11 had.

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## 8 Appendix

### 8.1 Results and Tables



TABLE 1: DESCRIPTIVE STATISTICS BY GROUP (ETHNICITY AND COUNTRY OF BIRTH)

Variable	Ethnicity			Country of birth		
	Arab	British	Other non-white	Arab country	Britain/UK	Other non-European
Employed (1 = yes)	0.1728	0.4673	0.2881	0.1585	0.4635	0.3843
Hourly real wage	0.3781	0.4989	0.4529	0.3653	0.4987	0.4865
Actual hours worked (week)	9.8773	11.6325	10.5886	10.6388	11.5869	13.0107
Real weekly wage	7.0193	7.5445	6.6906	7.4980	7.4885	9.4232
Age in years	40.6519	42.8663	41.9650	42.0467	42.8293	42.9256
Married/cohabiting (1 = yes)	13.7213	13.2045	14.0939	13.5715	13.2255	14.0041
No. of children under 16	402.0528	476.0089	438.7444	432.4891	474.1888	532.1755
Degree or equivalent (1 = yes)	281.3399	286.7903	266.9383	296.0847	284.9509	367.8870
Higher education (1 = yes)	36.3297	43.0262	37.5025	39.5240	42.6776	39.4652
GCSE grades A*-C or equivalent (1 = yes)	12.3054	14.0153	12.0349	11.7687	14.0827	11.9794
Other qualification (1 = yes)	0.7197	0.6554	0.4785	0.7374	0.6468	0.6261
No qualification (1 = yes)	0.4492	0.4752	0.4996	0.4401	0.4780	0.4839
Health problem hindering at work (1 = yes)	1.4900	0.5075	0.6222	1.3471	0.5105	0.6516
Tenure 3 to 6 months (1 = yes)	1.5418	0.9179	1.0049	1.5268	0.9206	1.0131
Tenure 6 to 12 months (1 = yes)	0.1096	0.1778	0.1835	0.1262	0.1761	0.2601
Tenure 1 to 2 years (1 = yes)	0.3125	0.3824	0.3871	0.3322	0.3809	0.4388
Tenure 2 to 5 years (1 = yes)	0.0886	0.0811	0.0642	0.0447	0.0806	0.0732
Tenure 5 to 10 years (1 = yes)	0.1927	0.2730	0.2452	0.2067	0.2722	0.2605
Tenure 10 to 20 years (1 = yes)	0.1159	0.1823	0.1557	0.0631	0.1853	0.0836
Firm size < 25 employees (1 = yes)	0.3201	0.3861	0.3626	0.2432	0.3885	0.2768
Firm size > 500 employees (1 = yes)	0.2454	0.1235	0.2537	0.3257	0.1224	0.3068
No. of cases	0.4304	0.3290	0.4352	0.4687	0.3277	0.4612
- Employed	0.3684	0.1353	0.1361	0.3520	0.1351	0.1111
- with wage information	0.4825	0.3420	0.3429	0.4777	0.3419	0.3143
Means, standard deviation below. Wages have been deflated to 2000 prices using the British Retail Price Index.	0.3185	0.2546	0.1865	0.3452	0.2530	0.1886
	0.4660	0.4356	0.3895	0.4755	0.4347	0.3912
	0.0505	0.0376	0.0521	0.0450	0.0376	0.0472
	0.2192	0.1903	0.2224	0.2076	0.1902	0.2122
	0.0865	0.0686	0.0794	0.0948	0.0687	0.0934
	0.2815	0.2528	0.2705	0.2933	0.2530	0.2910
	0.1635	0.1049	0.1435	0.1469	0.1051	0.1401
	0.3702	0.3065	0.3508	0.3544	0.3067	0.3471
	0.3197	0.2168	0.2662	0.2891	0.2176	0.2647
	0.4669	0.4121	0.4422	0.4539	0.4126	0.4413
	0.1394	0.1799	0.1844	0.1635	0.1802	0.1666
	0.3468	0.3841	0.3880	0.3703	0.3844	0.3727
	0.1466	0.2124	0.1748	0.1422	0.2126	0.1597
	0.3542	0.4090	0.3800	0.3496	0.4091	0.3664
	0.0457	0.1481	0.0617	0.0758	0.1466	0.0833
	0.2090	0.3552	0.2408	0.2650	0.3537	0.2764
	0.2212	0.2468	0.2149	0.2299	0.2468	0.2154
	0.4155	0.4311	0.4109	0.4212	0.4311	0.4112
	0.1827	0.1572	0.2245	0.1825	0.1571	0.2345
	0.3869	0.3640	0.4174	0.3867	0.3639	0.4238
	2,408	130,073	4,328	2,662	132,523	4,905
	416	60,778	1,247	422	61,424	1,885
	401	58,637	1,204	401	59,233	1,800

TABLE 2: DESCRIPTIVE STATISTICS BY GROUP (CURRENT NATIONALITY AND RELIGION)

Variable	Current nationality				Religion		
	Arab	British	Other non-European	Muslim	Christian	Christian	Other (non Sikh)
Employed (1 = yes)	0.1229	0.4595	0.3174	0.1796	0.4573	0.4573	0.3717
Hourly real wage	0.3285	0.4984	0.4656	0.3839	0.4982	0.4982	0.4834
Actual hours worked (week)	9.0880	11.6467	11.7086	10.3429	11.8275	11.8275	13.1338
Real weekly wage	6.6104	7.5543	9.1653	6.8867	7.6151	7.6151	8.6605
Age in years	42.3186	42.8330	43.5330	42.0953	42.8345	42.8345	42.2153
Married/cohabiting (1 = yes)	13.8051	13.2465	13.9632	14.1682	13.1367	13.1367	13.5934
No. of children under 16	376.4878	476.4753	488.6481	424.2351	483.8201	483.8201	520.3678
Degree or equivalent (1 = yes)	263.5883	287.7845	357.6659	277.1491	289.2781	289.2781	346.2616
Higher education (1 = yes)	34.1675	42.7648	35.2757	37.1218	44.6063	44.6063	41.0603
GCSE grades A*-C or equivalent (1 = yes)	9.6401	14.0116	10.5318	11.9593	13.7541	13.7541	13.6826
Other qualification (1 = yes)	0.6036	0.6508	0.5509	0.6530	0.6654	0.6654	0.5564
No. of children under 16	0.4894	0.4767	0.4975	0.4761	0.4718	0.4718	0.4970
Degree or equivalent (1 = yes)	1.0268	0.5263	0.6459	1.2264	0.4745	0.4745	0.4835
Higher education (1 = yes)	1.2880	0.9408	1.0129	1.4575	0.8881	0.8881	1.0038
GCSE grades A*-C or equivalent (1 = yes)	0.1031	0.1787	0.1934	0.1245	0.1708	0.1708	0.2665
Other qualification (1 = yes)	0.3042	0.3831	0.3951	0.3301	0.3763	0.3763	0.4423
No. of children under 16	0.0367	0.0802	0.0635	0.0395	0.0842	0.0842	0.0987
Degree or equivalent (1 = yes)	0.1880	0.2717	0.2439	0.1949	0.2776	0.2776	0.2984
Higher education (1 = yes)	0.0317	0.1816	0.0575	0.0999	0.1759	0.1759	0.1599
GCSE grades A*-C or equivalent (1 = yes)	0.1753	0.3855	0.2329	0.2998	0.3808	0.3808	0.3666
Other qualification (1 = yes)	0.4668	0.1266	0.4384	0.2993	0.1323	0.1323	0.1309
No. of children under 16	0.4991	0.3325	0.4963	0.4580	0.3389	0.3389	0.3374
Degree or equivalent (1 = yes)	0.2944	0.1383	0.1180	0.3145	0.1354	0.1354	0.1089
Higher education (1 = yes)	0.4560	0.3452	0.3227	0.4644	0.3422	0.3422	0.3117
GCSE grades A*-C or equivalent (1 = yes)	0.2607	0.2556	0.1248	0.3089	0.2695	0.2695	0.2610
Other qualification (1 = yes)	0.4392	0.4362	0.3306	0.4621	0.4437	0.4437	0.4393
No. of children under 16	0.1048	0.0378	0.0564	0.0492	0.0350	0.0350	0.0402
Degree or equivalent (1 = yes)	0.3076	0.1906	0.2308	0.2164	0.1839	0.1839	0.1966
Higher education (1 = yes)	0.1210	0.0684	0.1436	0.0803	0.0657	0.0657	0.0677
GCSE grades A*-C or equivalent (1 = yes)	0.3274	0.2525	0.3509	0.2720	0.2478	0.2478	0.2514
Other qualification (1 = yes)	0.2581	0.1049	0.1946	0.1246	0.0999	0.0999	0.1205
No. of children under 16	0.4393	0.3064	0.3962	0.3305	0.2999	0.2999	0.3259
Degree or equivalent (1 = yes)	0.3145	0.2184	0.3141	0.3459	0.2140	0.2140	0.2326
Higher education (1 = yes)	0.4662	0.4132	0.4645	0.4761	0.4101	0.4101	0.4229
GCSE grades A*-C or equivalent (1 = yes)	0.0645	0.1804	0.1262	0.1738	0.1815	0.1815	0.2093
Other qualification (1 = yes)	0.2467	0.3846	0.3323	0.3792	0.3855	0.3855	0.4072
No. of children under 16	0.0726	0.2125	0.0779	0.1393	0.2147	0.2147	0.1712
Degree or equivalent (1 = yes)	0.2605	0.4091	0.2681	0.3466	0.4106	0.4106	0.3771
Higher education (1 = yes)	0.0161	0.1458	0.0309	0.0443	0.1599	0.1599	0.1142
GCSE grades A*-C or equivalent (1 = yes)	0.1265	0.3529	0.1731	0.2058	0.3666	0.3666	0.3183
Other qualification (1 = yes)	0.2581	0.2451	0.2161	0.1951	0.2435	0.2435	0.2664
No. of children under 16	0.4393	0.4301	0.4119	0.3966	0.4292	0.4292	0.4425
Degree or equivalent (1 = yes)	0.1290	0.1600	0.2268	0.2852	0.2019	0.2019	0.2431
Higher education (1 = yes)	0.3366	0.3666	0.4191	0.4519	0.4014	0.4014	0.4294
No. of cases	1,009	139,716	2,347	3,415	81,067	81,067	1,276
- Employed	124	64,019	745	610	36,983	36,983	473
- with wage information	116	61,716	715	574	35,167	35,167	449

Means, standard deviation below. Wages have been deflated to 2000 prices using the British Retail Price Index.

TABLE 3: VALUES OF THE PERIOD DUMMIES

	Period				
	before 09/11/2001 (before 9/11)	09/11/2001 to 03/19/2003 (before Iraq war)	03/20/2003 to 03/10/2004 (before Madrid bombings)	03/11/2004 to 07/06/2005 (before London bombings)	after 07/07/2005 (after London bombings)
$t_1$	0	1	1	1	1
$t_2$	0	0	1	1	1
$t_3$	0	0	0	1	1
$t_4$	0	0	0	0	1

TABLE 4: IMPACT OF PSEUDO-INTERVENTIONS

Variable	Groups defined by:											
	Ethnicity		Country of birth				Current nationality				Religion	
	vs. British	vs. non-white	vs. British-born	vs. non-European	vs. Britain/UK	vs. non-European	vs. Christians	vs. other religion				
Weekly wages:												
Pseudo-intervention September 11th	0.0870 (0.1289)	<b>0.2753*</b> (0.1366)	0.0421 (0.1067)	0.1721 (0.1162)	0.4076 (0.3801)	0.4748 (0.4000)						
Pseudo-intervention war on Iraq	0.0260 (0.0695)	-0.0169 (0.0759)	0.0328 (0.0707)	0.0325 (0.0797)	0.1350 (0.1163)	0.1102 (0.1447)	-0.0466 (0.0652)	-0.1633 (0.0937)				
Pseudo-intervention Madrid Bombings	-0.0537 (0.0725)	-0.0512 (0.0800)	-0.0515 (0.0708)	-0.0142 (0.0797)	-0.1070 (0.1376)	0.0655 (0.1448)	-0.0270 (0.0521)	0.0686 (0.0811)				
Pseudo-intervention London Bombings	0.0810 (0.0703)	0.0740 (0.0777)	0.0793 (0.0652)	0.0333 (0.0722)	0.1764 (0.1381)	0.0640 (0.1354)	0.0919 (0.0514)	-0.0093 (0.0802)				
Hourly wages:												
Pseudo-intervention September 11th	0.1528 (0.1305)	0.2565 (0.1360)	0.1139 (0.1093)	<b>0.2399*</b> (0.1169)	0.4616 (0.3826)	0.4664 (0.3936)						
Pseudo-intervention war on Iraq	0.0245 (0.0637)	-0.0160 (0.0720)	0.0407 (0.0612)	0.0300 (0.0720)	0.0859 (0.1044)	0.0844 (0.1398)	-0.0684 (0.0594)	-0.0865 (0.0771)				
Pseudo-intervention Madrid Bombings	-0.0431 (0.0667)	-0.0383 (0.0746)	-0.0695 (0.0623)	-0.0406 (0.0730)	-0.0721 (0.1346)	-0.0154 (0.1491)	-0.0113 (0.0481)	0.0618 (0.0771)				
Pseudo-intervention London Bombings	0.0946 (0.0667)	0.1102 (0.0745)	0.0914 (0.0637)	0.0659 (0.0700)	0.1421 (0.1486)	0.0947 (0.1449)	<b>0.1309**</b> (0.0489)	0.0651 (0.0733)				
Actual hours worked:												
Pseudo-intervention September 11th	-2.4413 (1.8914)	1.5086 (2.4661)	-1.9263 (1.6616)	-0.1631 (2.3095)	0.3685 (2.9856)	0.7986 (3.6453)						
Pseudo-intervention war on Iraq	0.4066 (1.9537)	1.7603 (2.3433)	-0.4863 (1.9499)	0.9474 (2.2041)	3.2516 (3.6586)	4.6472 (4.0890)	-0.7052 (1.6723)	-2.4059 (2.7136)				
Pseudo-intervention Madrid Bombings	-2.1557 (1.9375)	-3.6013 (2.4159)	-0.5475 (2.0673)	-1.1873 (2.3571)	-0.5309 (4.4001)	2.5765 (4.6040)	-0.3672 (1.4612)	2.3324 (2.6399)				
Pseudo-intervention London Bombings	0.8135 (1.8268)	0.2061 (2.2414)	0.7329 (1.9172)	-0.1770 (2.1612)	-1.6208 (3.7769)	-4.1486 (3.8997)	0.7295 (1.4622)	-0.6859 (2.3821)				
Probability of employment:												
Pseudo-intervention September 11th	0.0628 (0.1548)	0.1276 (0.1732)	-0.0016 (0.1422)	0.0844 (0.1614)	0.3679 (0.2481)	0.3831 (0.2797)						
Pseudo-intervention war on Iraq	0.1316 (0.1123)	0.2040 (0.1329)	0.0115 (0.1092)	0.1181 (0.1284)	0.1883 (0.2029)	0.2315 (0.2029)	0.0753 (0.0993)	0.2723 (0.1640)				
Pseudo-intervention Madrid Bombings	0.0125 (0.1201)	0.0025 (0.1428)	0.0243 (0.1151)	-0.0332 (0.1358)	<b>-0.4609*</b> (0.2013)	-0.4368 (0.1358)	-0.1091 (0.0884)	<b>-0.8614*</b> (0.2319)				
Pseudo-intervention London Bombings	0.0322 (0.1097)	0.0032 (0.1301)	0.1485 (0.1058)	0.0077 (0.1219)	<b>0.5082**</b> (0.1962)	0.2475 (0.2223)	0.0921 (0.0812)	0.1421 (0.1418)				

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively.

TABLE 5: PARAMETERS OF INTEREST: IMPACT ON REAL WEEKLY WAGES, OLS ESTIMATES

Variable	Groups defined by:											
	Ethnicity			Country of birth			Current nationality			Religion		
	vs. British	vs. non-white	vs. British-born	vs. non-European	vs. Britain/UK	vs. non-European	vs. Christians	vs. other religion				
Observed after 9/11	0.0346*** (0.0095)	-0.1894* (0.0753)	0.0313*** (0.0095)	-0.1170 (0.0648)	0.0288** (0.0094)	-0.1747 (0.1274)						
Observed after 3/20/2003	0.0017 (0.0110)	-0.0718 (0.0710)	0.0023 (0.0110)	0.0425 (0.0602)	0.0029 (0.0108)	0.0400 (0.0948)	0.0133 (0.0141)	0.1407 (0.0992)				
Observed after 3/11/2004	0.0249* (0.0124)	-0.0349 (0.0780)	0.0245* (0.0122)	0.0056 (0.0750)	0.0264* (0.0120)	-0.0296 (0.1105)	0.0258 (0.0144)	-0.0004 (0.1282)				
Observed after 7/7/2005	0.0102 (0.0098)	-0.0069 (0.0643)	0.0095 (0.0098)	0.0370 (0.0529)	0.0115 (0.0096)	0.0467 (0.0898)	0.0055 (0.0112)	0.0849 (0.0899)				
Treatment group (1 = yes)	-0.1938 (0.1082)	-0.1406 (0.1162)	-0.1831* (0.0903)	-0.2481* (0.0986)	-0.5866 (0.3272)	-0.6497 (0.3405)	-0.1209* (0.0493)	-0.0061 (0.0698)				
Post-9/11*Treatment group	0.0515 (0.1178)	0.1997 (0.1259)	0.0016 (0.1003)	0.1201 (0.1091)	0.3811 (0.3370)	0.4385 (0.3589)						
Post-Iraq-War*Treatment group	0.0197 (0.0708)	-0.0137 (0.0768)	0.0515 (0.0724)	0.0441 (0.0808)	0.1080 (0.1194)	0.0756 (0.1482)	-0.0421 (0.0633)	-0.1596 (0.0920)				
Post-Madrid-Bombings*Treatment group	-0.0467 (0.0738)	-0.0386 (0.0815)	-0.0823 (0.0723)	-0.0531 (0.0804)	-0.1011 (0.1426)	0.0594 (0.1507)	-0.0381 (0.0531)	0.0432 (0.0847)				
Post-London-Bombings*Treatment group	0.0868 (0.0702)	0.0631 (0.0777)	0.1187 (0.0650)	0.0883 (0.0718)	0.1771 (0.1381)	0.0838 (0.1361)	0.1288* (0.0513)	0.0285 (0.0805)				
N	54,566	1,387	55,121	1,913	57,075	710	32,907	909				

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See appendix for detailed estimation results and text for explanations and variable definitions.

TABLE 6: PARAMETERS OF INTEREST: IMPACT ON REAL HOURLY WAGES, OLS ESTIMATES

Variable	Groups defined by:											
	Ethnicity			Country of birth			Current nationality			Religion		
	vs. British	vs. non-white	vs. British-born	vs. British-born	vs. non-European	vs. Britain/UK	vs. non-European	vs. Christians	vs. other religion			
Observed after 9/11	0.0376*** (0.0089)	-0.1942** (0.0746)	0.0347*** (0.0089)	-0.1155 (0.0640)	0.0321*** (0.0088)	-0.1728 (0.1247)	0.0075 (0.0130)	0.0075 (0.0130)	0.1198 (0.0956)			
Observed after 3/20/2003	0.0075 (0.0100)	-0.0363 (0.0707)	0.0076 (0.0100)	0.0494 (0.0609)	0.0086 (0.0098)	0.0607 (0.0870)	0.0186 (0.0136)	0.0186 (0.0136)	-0.0388 (0.1212)			
Observed after 3/11/2004	0.0203 (0.0116)	-0.0186 (0.0783)	0.0200 (0.0114)	-0.0267 (0.0765)	0.0207 (0.0112)	0.0168 (0.1194)	0.0186 (0.0136)	0.0186 (0.0136)	-0.0388 (0.1212)			
Observed after 7/7/2005	0.0073 (0.0091)	-0.0230 (0.0647)	0.0065 (0.0091)	0.0201 (0.0511)	0.0097 (0.0089)	0.0194 (0.0843)	0.0018 (0.0105)	0.0018 (0.0105)	-0.0155 (0.0780)			
Treatment group (1 = yes)	-0.2251* (0.1145)	-0.1579 (0.1206)	-0.1976* (0.0959)	-0.2590* (0.1025)	-0.6054 (0.3278)	-0.5848 (0.3325)	-0.1209** (0.0469)	-0.1209** (0.0469)	-0.0131 (0.0659)			
Post-9/11*Treatment group	0.0794 (0.1233)	0.1687 (0.1301)	0.0353 (0.1052)	0.1675 (0.1126)	0.4370 (0.3374)	0.4562 (0.3514)	0.0469 (0.0469)	0.0469 (0.0469)	0.0659 (0.0659)			
Post-Iraq-War*Treatment group	0.0504 (0.0635)	0.0154 (0.0719)	0.0812 (0.0613)	0.0553 (0.0719)	0.0979 (0.1039)	0.0745 (0.1401)	-0.0442 (0.0577)	-0.0442 (0.0577)	-0.1664 (0.0856)			
Post-Madrid-Bombings*Treatment group	-0.0460 (0.0664)	-0.0310 (0.0748)	-0.1083 (0.0629)	-0.0816 (0.0732)	-0.0877 (0.1366)	-0.0292 (0.1526)	-0.0157 (0.0480)	-0.0157 (0.0480)	0.0368 (0.0784)			
Post-London-Bombings*Treatment group	0.0863 (0.0666)	0.0845 (0.0739)	0.1298* (0.0631)	0.1142 (0.0694)	0.1426 (0.1486)	0.1037 (0.1450)	0.1404** (0.0488)	0.1404** (0.0488)	0.0968 (0.0731)			
N	54,566	1,387	55,121	1,913	57,075	710	32,907	32,907	909			

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See appendix for detailed estimation results and text for explanations and variable definitions.

TABLE 7: PARAMETERS OF INTEREST: IMPACT ON ACTUAL WEEKLY WORKING HOURS, OLS ESTIMATES

Variable	Groups defined by:											
	Ethnicity			Country of birth			Current nationality			Religion		
	vs. British	vs. non-white	vs. British-born	vs. non-European	vs. Britain/UK	vs. non-European	vs. Christians	vs. other religion				
Observed after 9/11	-0.2202 (0.2944)	-1.4526 (2.2135)	-0.2320 (0.2936)	-2.2880 (1.8460)	-0.2243 (0.2905)	-1.1902 (2.4232)	0.4338 (0.4328)	3.4505 (3.6822)				
Observed after 3/20/2003	-0.3958 (0.3484)	0.5105 (2.6613)	-0.3374 (0.3468)	-1.1276 (1.9713)	-0.3237 (0.3405)	3.1550 (3.7447)	0.2364 (0.4231)	0.9071 (2.9063)				
Observed after 3/11/2004	0.1412 (0.3633)	-0.2762 (2.1144)	0.0538 (0.3598)	-2.3643 (2.1787)	0.0779 (0.3528)	-3.9692 (5.0521)	0.0594 (0.4231)	3.8568 (2.7861)				
Observed after 7/7/2005	0.1684 (0.2995)	1.4228 (1.9722)	0.1287 (0.2983)	0.9700 (1.4941)	0.1326 (0.2915)	-1.6148 (2.6338)	0.0594 (0.3376)	3.8568 (2.7861)				
Treatment group (1 = yes)	0.2560 (1.6254)	-1.0618 (1.9930)	0.1885 (1.3537)	-1.7135 (1.8188)	-2.1835 (1.5515)	-4.1760 (2.4014)	0.7884 (1.2195)	0.9095 (1.8313)				
Post-9/11*Treatment group	-0.5250 (2.0534)	3.0012 (2.5006)	0.0335 (1.7904)	2.1067 (2.2747)	1.5125 (2.8448)	2.5460 (3.4754)						
Post-Iraq-War*Treatment group	-0.7410 (1.9472)	-0.6659 (2.3189)	-1.5851 (1.9568)	-0.5777 (2.2124)	0.5257 (3.8048)	0.9300 (4.3146)	-1.5409 (1.6456)	-3.4803 (2.6642)				
Post-Madrid-Bombings*Treatment group	-1.6662 (1.9285)	-2.3548 (2.3616)	-0.1704 (2.0437)	-0.5284 (2.3441)	0.7195 (4.4980)	4.1732 (4.6542)	-0.1649 (1.4553)	2.3817 (2.6076)				
Post-London-Bombings*Treatment group	0.9286 (1.8537)	0.4723 (2.2679)	0.8171 (1.9277)	-0.2173 (2.1779)	-1.5096 (3.7764)	-3.7176 (3.8788)	1.1415 (1.4892)	-0.2603 (2.3857)				
N	56,532	1,434	57,134	2,000	59,173	735	34,578	957				

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See appendix for detailed estimation results and text for explanations and variable definitions.

TABLE 8: PARAMETERS OF INTEREST: IMPACT ON PROBABILITY OF EMPLOYMENT, PROBIT ESTIMATES

Variable	Groups defined by:											
	Ethnicity			Country of birth			Current nationality			Religion		
	vs. British	vs. non-white	vs. British-born	vs. non-European	vs. Britain/UK	vs. non-European	vs. Christians	vs. other religion				
Observed after 9/11	-0.0505*	-0.0727	-0.0519*	-0.0197	-0.0494*	-0.1455						
	(0.0230)	(0.1249)	(0.0228)	(0.1180)	(0.0223)	(0.1799)						
Observed after 3/20/2003	0.0349	0.0502	0.0415	-0.0111	0.0417	-0.1886	0.0486	0.3821*				
	(0.0268)	(0.1407)	(0.0265)	(0.1290)	(0.0259)	(0.2028)	(0.0337)	(0.1933)				
Observed after 3/11/2004	0.0134	-0.0055	0.0142	-0.0523	0.0161	-0.0212	0.0026	0.2831				
	(0.0303)	(0.1585)	(0.0299)	(0.1414)	(0.0293)	(0.2188)	(0.0344)	(0.2062)				
Observed after 7/7/2005	-0.0077	-0.0154	-0.0082	-0.1127	-0.0076	-0.1296	-0.0075	-0.2000				
	(0.0234)	(0.1197)	(0.0231)	(0.1070)	(0.0225)	(0.1642)	(0.0262)	(0.1572)				
Treatment group (1 = yes)	-1.0830***	-0.4157**	-1.0381***	-0.5897***	-1.5710***	-0.8924***	-0.9412***	-0.3937**				
	(0.1232)	(0.1415)	(0.1143)	(0.1293)	(0.2023)	(0.2298)	(0.0725)	(0.1204)				
Post-9/11*Treatment group	0.0976	0.1802	-0.0131	0.0926	0.3903	0.4536						
	(0.1413)	(0.1612)	(0.1334)	(0.1512)	(0.2346)	(0.2629)						
Post-Iraq-War*Treatment group	0.0792	0.1274	-0.0161	0.0599	0.0644	0.1087	0.0563	0.1624				
	(0.1143)	(0.1346)	(0.1106)	(0.1295)	(0.1826)	(0.2023)	(0.0975)	(0.1610)				
Post-Madrid-Bombings*Treatment group	0.0781	0.0861	0.0862	0.0040	-0.3623	-0.3899	-0.0539	-0.2479				
	(0.1210)	(0.1436)	(0.1156)	(0.1356)	(0.2058)	(0.2323)	(0.0883)	(0.1531)				
Post-London-Bombings*Treatment group	0.0127	-0.0297	0.1374	0.0555	0.5285**	0.3184	0.0623	0.0829				
	(0.1102)	(0.1311)	(0.1064)	(0.1226)	(0.1984)	(0.2235)	(0.0817)	(0.1421)				
N	119,108	5,604	121,435	6,338	126,278	2,702	75,686	3,972				

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See appendix for detailed estimation results and text for explanations and variable definitions.



## 8.2 Detailed estimation results

TABLE 9: WEEKLY REAL WAGES, GROUPS DEFINED BY ETHNICITY, OLS-REGRESSION

Variable	Treatment group: Ethnicity Pakistan or Bangladesh			
	Comparison: British		Comparison: Non-White Ethnicity	
	naive	adjusted	naive	adjusted
Observed after 9/11	0.0347*** (0.0083)	0.0346*** (0.0095)	-0.0448 (0.0560)	-0.1894* (0.0753)
Observed after 3/20/2003	0.0052 (0.0073)	0.0017 (0.0110)	-0.0071 (0.0505)	-0.0718 (0.0710)
Observed after 3/11/2004	0.0211** (0.0078)	0.0249* (0.0124)	-0.0109 (0.0567)	-0.0349 (0.0780)
Observed after 7/7/2005	0.0191* (0.0079)	0.0102 (0.0098)	0.0344 (0.0533)	-0.0069 (0.0643)
Treatment group (1 = yes)	-0.1626 (0.1170)	-0.1938 (0.1082)	-0.1627 (0.1262)	-0.1406 (0.1162)
Post-9/11*Treatment group	-0.0958 (0.1332)	0.0515 (0.1178)	-0.0162 (0.1446)	0.1997 (0.1259)
Post-Iraq-War*Treatment group	0.0397 (0.0922)	0.0197 (0.0708)	0.0520 (0.1051)	-0.0137 (0.0768)
Post-Madrid-Bombings*Treatment group	-0.0601 (0.1008)	-0.0467 (0.0738)	-0.0281 (0.1157)	-0.0386 (0.0815)
Post-London-Bombings*Treatment group	0.0760 (0.1044)	0.0868 (0.0702)	0.0607 (0.1172)	0.0631 (0.0777)
Age in years		0.0809*** (0.0014)		0.0610*** (0.0088)
Age (squared)		-0.0009*** (0.0000)		-0.0007*** (0.0001)
Married/cohabiting (1 = yes)		0.0871*** (0.0045)		0.0412 (0.0272)
No. of children under 16		0.0099*** (0.0021)		-0.0240* (0.0121)
Degree or equivalent (1 = yes)		0.2189*** (0.0059)		0.1640*** (0.0389)
Higher education (1 = yes)		0.0688*** (0.0065)		0.0112 (0.0471)
GCSE grades A*-C or equivalent (1 = yes)		-0.0459*** (0.0053)		-0.0482 (0.0389)
Other qualification (1 = yes)		-0.0731*** (0.0064)		-0.0507 (0.0359)
No qualification (1 = yes)		-0.1490*** (0.0078)		-0.1372** (0.0457)
Tenure 3 to 6 months (1 = yes)		-0.0265 (0.0159)		0.0541 (0.0940)
Tenure 6 to 12 months (1 = yes)		-0.0249 (0.0141)		0.0264 (0.0838)
Tenure 1 to 2 years (1 = yes)		0.0101 (0.0134)		0.1069 (0.0814)
Tenure 2 to 5 years (1 = yes)		0.0553*** (0.0125)		0.1562* (0.0779)
Tenure 5 to 10 years (1 = yes)		0.0810*** (0.0126)		0.1495 (0.0840)
Tenure 10 to 20 years (1 = yes)		0.1144*** (0.0126)		0.2631** (0.0847)
Tenure more than 20 years (1 = yes)		0.1484*** (0.0130)		0.2747** (0.0903)
Health problem hindering at work (1 = yes)		-0.0685*** (0.0067)		-0.1159* (0.0549)
Firm size < 25 employees (1 = yes)		-0.0976*** (0.0045)		-0.0957** (0.0344)
Firm size > 500 employees (1 = yes)		0.0752*** (0.0050)		0.1008*** (0.0291)
Constant	5.9607*** (0.0071)	4.1352*** (0.0578)	5.9608*** (0.0469)	4.4830*** (0.2697)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	59,512	54,566	1,619	1,387

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 10: HOURLY REAL WAGES, GROUPS DEFINED BY ETHNICITY, OLS-REGRESSION

Variable	Treatment group: Ethnicity Pakistan or Bangladesh			
	Comparison: British		Comparison: Non-White Ethnicity	
	naive	adjusted	naive	adjusted
Observed after 9/11	0.0410*** (0.0080)	0.0376*** (0.0089)	-0.0225 (0.0536)	-0.1942** (0.0746)
Observed after 3/20/2003	0.0094 (0.0070)	0.0075 (0.0100)	-0.0172 (0.0487)	-0.0363 (0.0707)
Observed after 3/11/2004	0.0245** (0.0075)	0.0203 (0.0116)	0.0367 (0.0516)	-0.0186 (0.0783)
Observed after 7/7/2005	0.0232** (0.0075)	0.0073 (0.0091)	-0.0081 (0.0488)	-0.0230 (0.0647)
Treatment group (1 = yes)	-0.2145 (0.1098)	-0.2251* (0.1145)	-0.1964 (0.1187)	-0.1579 (0.1206)
Post-9/11*Treatment group	-0.0139 (0.1249)	0.0794 (0.1233)	0.0497 (0.1361)	0.1687 (0.1301)
Post-Iraq-War*Treatment group	0.0367 (0.0834)	0.0504 (0.0635)	0.0633 (0.0965)	0.0154 (0.0719)
Post-Madrid-Bombings*Treatment group	-0.0245 (0.0886)	-0.0460 (0.0664)	-0.0367 (0.1025)	-0.0310 (0.0748)
Post-London-Bombings*Treatment group	0.0449 (0.0923)	0.0863 (0.0666)	0.0762 (0.1044)	0.0845 (0.0739)
Age in years		0.0586*** (0.0011)		0.0346*** (0.0081)
Age (squared)		-0.0006*** (0.0000)		-0.0004*** (0.0001)
Married/cohabiting (1 = yes)		0.0618*** (0.0042)		-0.0234 (0.0257)
No. of children under 16		0.0182*** (0.0019)		0.0015 (0.0112)
Degree or equivalent (1 = yes)		0.2645*** (0.0057)		0.1576*** (0.0367)
Higher education (1 = yes)		0.0902*** (0.0063)		-0.0285 (0.0486)
GCSE grades A*-C or equivalent (1 = yes)		-0.0441*** (0.0048)		-0.0538 (0.0364)
Other qualification (1 = yes)		-0.1114*** (0.0059)		-0.0974** (0.0335)
No qualification (1 = yes)		-0.1767*** (0.0070)		-0.1767*** (0.0443)
Tenure 3 to 6 months (1 = yes)		-0.0105 (0.0133)		0.0912 (0.0847)
Tenure 6 to 12 months (1 = yes)		-0.0107 (0.0117)		0.0313 (0.0796)
Tenure 1 to 2 years (1 = yes)		0.0171 (0.0113)		0.0939 (0.0754)
Tenure 2 to 5 years (1 = yes)		0.0462*** (0.0106)		0.1221 (0.0735)
Tenure 5 to 10 years (1 = yes)		0.0689*** (0.0108)		0.1205 (0.0784)
Tenure 10 to 20 years (1 = yes)		0.1133*** (0.0107)		0.2409** (0.0804)
Tenure more than 20 years (1 = yes)		0.1503*** (0.0112)		0.2834** (0.0871)
Health problem hindering at work (1 = yes)		-0.0562*** (0.0061)		-0.0488 (0.0533)
Firm size < 25 employees (1 = yes)		-0.0999*** (0.0041)		-0.0689* (0.0328)
Firm size > 500 employees (1 = yes)		0.0855*** (0.0048)		0.1150*** (0.0291)
Constant	2.2348*** (0.0068)	0.8874*** (0.0491)	2.2166*** (0.0449)	1.4594*** (0.2436)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	59,512	54,566	1,619	1,387

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 11: WEEKLY HOURS WORKED, GROUPS DEFINED BY ETHNICITY, OLS-REGRESSION

Variable	Treatment group: Ethnicity Pakistan or Bangladesh			
	Comparison: British		Comparison: Non-White Ethnicity	
	naive	adjusted	naive	adjusted
Observed after 9/11	-0.2618 (0.1849)	-0.2202 (0.2944)	-1.8609 (1.2718)	-1.4526 (2.2135)
Observed after 3/20/2003	-0.1731 (0.1626)	-0.3958 (0.3484)	-0.3733 (1.1981)	0.5105 (2.6613)
Observed after 3/11/2004	0.2122 (0.1717)	0.1412 (0.3633)	-0.5229 (1.3214)	-0.2762 (2.1144)
Observed after 7/7/2005	0.0772 (0.1652)	0.1684 (0.2995)	1.6443 (1.2764)	1.4228 (1.9722)
Treatment group (1 = yes)	0.2692 (1.8905)	0.2560 (1.6254)	-0.4184 (2.1563)	-1.0618 (1.9930)
Post-9/11*Treatment group	-1.9809 (2.3058)	-0.5250 (2.0534)	-0.3819 (2.6327)	3.0012 (2.5006)
Post-Iraq-War*Treatment group	0.5998 (2.0006)	-0.7410 (1.9472)	0.7999 (2.3312)	-0.6659 (2.3189)
Post-Madrid-Bombings*Treatment group	-2.7064 (2.0173)	-1.6662 (1.9285)	-1.9713 (2.4104)	-2.3548 (2.3616)
Post-London-Bombings*Treatment group	1.0729 (2.0154)	0.9286 (1.8537)	-0.4942 (2.3848)	0.4723 (2.2679)
Age in years		0.7373*** (0.0375)		0.7659** (0.2489)
Age (squared)		-0.0090*** (0.0005)		-0.0086** (0.0031)
Married/cohabiting (1 = yes)		0.9464*** (0.1423)		1.7168 (0.8760)
No. of children under 16		-0.0357 (0.0646)		-0.9763** (0.3327)
Degree or equivalent (1 = yes)		-0.6388*** (0.1701)		-0.2919 (1.1683)
Higher education (1 = yes)		-0.3993* (0.2017)		0.2420 (1.4548)
GCSE grades A*-C or equivalent (1 = yes)		0.0000 (0.1568)		0.4571 (1.1846)
Other qualification (1 = yes)		1.3199*** (0.1983)		1.2059 (1.1053)
No qualification (1 = yes)		0.3761 (0.2481)		0.1970 (1.6177)
Tenure 3 to 6 months (1 = yes)		-0.2568 (0.4030)		-1.7219 (2.1414)
Tenure 6 to 12 months (1 = yes)		-0.5876 (0.3637)		-1.5263 (2.1950)
Tenure 1 to 2 years (1 = yes)		-0.5075 (0.3379)		-0.0044 (1.8629)
Tenure 2 to 5 years (1 = yes)		-0.1657 (0.3154)		0.4174 (1.8468)
Tenure 5 to 10 years (1 = yes)		-0.2630 (0.3219)		-0.1842 (2.0083)
Tenure 10 to 20 years (1 = yes)		-0.6982* (0.3210)		-1.1452 (2.0581)
Tenure more then 20 years (1 = yes)		-0.9174** (0.3355)		-0.2744 (2.2351)
Health problem hindering at work (1 = yes)		-0.7331*** (0.1960)		0.1725 (1.5411)
Firm size < 25 employees (1 = yes)		0.5108*** (0.1306)		-0.7623 (0.9163)
Firm size > 500 employees (1 = yes)		-0.6819*** (0.1551)		1.0460 (0.9625)
Constant	43.0880*** (0.1564)	23.2850*** (1.0974)	43.7756*** (1.0390)	20.5268*** (5.9339)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	61,668	56,532	1,677	1,434

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 12: PROBABILITY OF EMPLOYMENT, GROUPS DEFINED BY ETHNICITY, PROBIT-REGRESSION

Variable	Treatment group: Ethnicity Pakistan or Bangladesh			
	Comparison: British		Comparison: Non-White Ethnicity	
	naive	adjusted	naive	adjusted
Observed after 9/11	-0.0393** (0.0124)	-0.0505* (0.0230)	-0.0917 (0.0744)	-0.0727 (0.1249)
Observed after 3/20/2003	-0.0254* (0.0106)	0.0349 (0.0268)	-0.0143 (0.0617)	0.0502 (0.1407)
Observed after 3/11/2004	-0.0109 (0.0113)	0.0134 (0.0303)	-0.0032 (0.0659)	-0.0055 (0.1585)
Observed after 7/7/2005	-0.0610*** (0.0106)	-0.0077 (0.0234)	-0.0265 (0.0611)	-0.0154 (0.1197)
Treatment group (1 = yes)	-1.0204*** (0.1011)	-1.0830*** (0.1232)	-0.5741*** (0.1196)	-0.4157** (0.1415)
Post-9/11*Treatment group	0.0916 (0.1156)	0.0976 (0.1413)	0.1440 (0.1369)	0.1802 (0.1612)
Post-Iraq-War*Treatment group	0.0853 (0.0922)	0.0792 (0.1143)	0.0742 (0.1104)	0.1274 (0.1346)
Post-Madrid-Bombings*Treatment group	0.0348 (0.0974)	0.0781 (0.1210)	0.0271 (0.1171)	0.0861 (0.1436)
Post-London-Bombings*Treatment group	0.0535 (0.0902)	0.0127 (0.1102)	0.0189 (0.1084)	-0.0297 (0.1311)
Age in years		0.1862*** (0.0024)		0.1081*** (0.0128)
Age (squared)		-0.0026*** (0.0000)		-0.0014*** (0.0002)
Married/cohabiting (1 = yes)		0.5755*** (0.0111)		0.4236*** (0.0542)
No. of children under 16		-0.0783*** (0.0051)		-0.0617** (0.0203)
Degree or equivalent (1 = yes)		0.0009 (0.0140)		0.1660* (0.0716)
Higher education (1 = yes)		0.0135 (0.0162)		0.1200 (0.0876)
GCSE grades A*-C or equivalent (1 = yes)		-0.0746*** (0.0124)		-0.0491 (0.0696)
Other qualification (1 = yes)		-0.1311*** (0.0148)		-0.2867*** (0.0641)
No qualification (1 = yes)		-0.4706*** (0.0160)		-0.6502*** (0.0802)
Health problem hindering at work (1 = yes)		-0.9988*** (0.0112)		-0.9138*** (0.0668)
Constant	-0.0096 (0.0106)	-2.8425*** (0.0995)	-0.4558*** (0.0648)	-2.8042*** (0.4154)
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	132,955	119,108	6,750	5,604

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 13: WEEKLY REAL WAGES, GROUPS DEFINED BY COUNTRY OF BIRTH, OLS-REGRESSION

Variable	Treatment group: Born in Arabian / Muslim country			
	Comparison: British-born		Comparison: Non-European-born	
	naive	adjusted	naive	adjusted
Observed after 9/11	0.0312*** (0.0083)	0.0313*** (0.0095)	0.0026 (0.0577)	-0.1170 (0.0648)
Observed after 3/20/2003	0.0066 (0.0073)	0.0023 (0.0110)	-0.0472 (0.0447)	0.0425 (0.0602)
Observed after 3/11/2004	0.0194* (0.0078)	0.0245* (0.0122)	0.0300 (0.0488)	0.0056 (0.0750)
Observed after 7/7/2005	0.0215** (0.0078)	0.0095 (0.0098)	-0.0647 (0.0451)	0.0370 (0.0529)
Treatment group (1 = yes)	-0.0705 (0.1022)	-0.1831* (0.0903)	-0.2228 (0.1145)	-0.2481* (0.0986)
Post-9/11*Treatment group	-0.0832 (0.1206)	0.0016 (0.1003)	-0.0545 (0.1337)	0.1201 (0.1091)
Post-Iraq-War*Treatment group	-0.0183 (0.0924)	0.0515 (0.0724)	0.0355 (0.1026)	0.0441 (0.0808)
Post-Madrid-Bombings*Treatment group	0.0066 (0.0986)	-0.0823 (0.0723)	-0.0040 (0.1099)	-0.0531 (0.0804)
Post-London-Bombings*Treatment group	0.0555 (0.0998)	0.1187 (0.0650)	0.1417 (0.1094)	0.0883 (0.0718)
Age in years		0.0816*** (0.0014)		0.0603*** (0.0076)
Age (squared)		-0.0009*** (0.0000)		-0.0007*** (0.0001)
Married/cohabiting (1 = yes)		0.0892*** (0.0045)		0.0556* (0.0243)
No. of children under 16		0.0080*** (0.0021)		0.0012 (0.0112)
Degree or equivalent (1 = yes)		0.2222*** (0.0059)		0.1806*** (0.0337)
Higher education (1 = yes)		0.0680*** (0.0065)		0.0677 (0.0406)
GCSE grades A*-C or equivalent (1 = yes)		-0.0435*** (0.0053)		-0.0040 (0.0380)
Other qualification (1 = yes)		-0.0756*** (0.0064)		0.0342 (0.0317)
No qualification (1 = yes)		-0.1482*** (0.0078)		-0.0733 (0.0459)
Tenure 3 to 6 months (1 = yes)		-0.0199 (0.0159)		0.0334 (0.0732)
Tenure 6 to 12 months (1 = yes)		-0.0210 (0.0141)		0.0095 (0.0618)
Tenure 1 to 2 years (1 = yes)		0.0098 (0.0134)		0.0695 (0.0594)
Tenure 2 to 5 years (1 = yes)		0.0578*** (0.0125)		0.1189* (0.0560)
Tenure 5 to 10 years (1 = yes)		0.0856*** (0.0126)		0.0738 (0.0595)
Tenure 10 to 20 years (1 = yes)		0.1181*** (0.0126)		0.2042*** (0.0605)
Tenure more then 20 years (1 = yes)		0.1532*** (0.0131)		0.2687*** (0.0652)
Health problem hindering at work (1 = yes)		-0.0679*** (0.0067)		-0.0935* (0.0418)
Firm size < 25 employees (1 = yes)		-0.0967*** (0.0045)		-0.1690*** (0.0290)
Firm size > 500 employees (1 = yes)		0.0733*** (0.0050)		0.1009*** (0.0258)
Constant	5.9590*** (0.0071)	4.1247*** (0.0573)	6.1113*** (0.0515)	4.4670*** (0.1841)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	60,116	55,121	2,211	1,913

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 14: HOURLY REAL WAGES, GROUPS DEFINED BY COUNTRY OF BIRTH, OLS-REGRESSION

Variable	Treatment group: Born in Arabian / Muslim country			
	Comparison: British-born		Comparison: Non-European-born	
	naive	adjusted	naive	adjusted
Observed after 9/11	0.0390*** (0.0079)	0.0347*** (0.0089)	-0.0199 (0.0538)	-0.1155 (0.0640)
Observed after 3/20/2003	0.0104 (0.0069)	0.0076 (0.0100)	-0.0407 (0.0454)	0.0494 (0.0609)
Observed after 3/11/2004	0.0231** (0.0074)	0.0200 (0.0114)	0.0522 (0.0482)	-0.0267 (0.0765)
Observed after 7/7/2005	0.0250*** (0.0074)	0.0065 (0.0091)	-0.0766 (0.0438)	0.0201 (0.0511)
Treatment group (1 = yes)	-0.0908 (0.1020)	-0.1976* (0.0959)	-0.2615* (0.1122)	-0.2590* (0.1025)
Post-9/11*Treatment group	-0.0246 (0.1184)	0.0353 (0.1052)	0.0343 (0.1300)	0.1675 (0.1126)
Post-Iraq-War*Treatment group	-0.0432 (0.0861)	0.0812 (0.0613)	0.0079 (0.0973)	0.0553 (0.0719)
Post-Madrid-Bombings*Treatment group	-0.0038 (0.0912)	-0.1083 (0.0629)	-0.0329 (0.1031)	-0.0816 (0.0732)
Post-London-Bombings*Treatment group	0.0728 (0.0941)	0.1298* (0.0631)	0.1744 (0.1037)	0.1142 (0.0694)
Age in years		0.0588*** (0.0011)		0.0431*** (0.0075)
Age (squared)		-0.0006*** (0.0000)		-0.0005*** (0.0001)
Married/cohabiting (1 = yes)		0.0631*** (0.0042)		0.0160 (0.0239)
No. of children under 16		0.0166*** (0.0019)		0.0163 (0.0109)
Degree or equivalent (1 = yes)		0.2669*** (0.0057)		0.1817*** (0.0312)
Higher education (1 = yes)		0.0885*** (0.0063)		0.0374 (0.0406)
GCSE grades A*-C or equivalent (1 = yes)		-0.0430*** (0.0047)		0.0124 (0.0364)
Other qualification (1 = yes)		-0.1143*** (0.0058)		0.0095 (0.0300)
No qualification (1 = yes)		-0.1759*** (0.0069)		-0.1047* (0.0434)
Tenure 3 to 6 months (1 = yes)		-0.0043 (0.0133)		0.0323 (0.0642)
Tenure 6 to 12 months (1 = yes)		-0.0052 (0.0117)		-0.0003 (0.0557)
Tenure 1 to 2 years (1 = yes)		0.0214 (0.0113)		0.0624 (0.0538)
Tenure 2 to 5 years (1 = yes)		0.0516*** (0.0106)		0.0838 (0.0495)
Tenure 5 to 10 years (1 = yes)		0.0764*** (0.0108)		0.0477 (0.0535)
Tenure 10 to 20 years (1 = yes)		0.1205*** (0.0108)		0.1882*** (0.0550)
Tenure more then 20 years (1 = yes)		0.1587*** (0.0113)		0.2457*** (0.0609)
Health problem hindering at work (1 = yes)		-0.0552*** (0.0061)		-0.0529 (0.0390)
Firmsize < 25 employees (1 = yes)		-0.0995*** (0.0041)		-0.1402*** (0.0273)
Firmsize > 500 employees (1 = yes)		0.0833*** (0.0047)		0.1045*** (0.0260)
Constant	2.2328*** (0.0068)	0.8828*** (0.0487)	2.4035*** (0.0467)	1.1150*** (0.2302)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	60,116	55,121	2,211	1,913

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 15: WEEKLY HOURS WORKED, GROUPS DEFINED BY COUNTRY OF BIRTH, OLS-REGRESSION

Variable	Treatment group: Born in Arabian / Muslim country			
	Comparison: British-born		Comparison: Non-European-born	
	naive	adjusted	naive	adjusted
Observed after 9/11	-0.2841 (0.1845)	-0.2320 (0.2936)	-1.0539 (1.2387)	-2.2880 (1.8460)
Observed after 3/20/2003	-0.1168 (0.1624)	-0.3374 (0.3468)	-0.5968 (0.9983)	-1.1276 (1.9713)
Observed after 3/11/2004	0.1047 (0.1712)	0.0538 (0.3598)	-0.0405 (1.0574)	-2.3643 (2.1787)
Observed after 7/7/2005	0.1346 (0.1642)	0.1287 (0.2983)	0.7077 (0.9520)	0.9700 (1.4941)
Treatment group (1 = yes)	0.5879 (1.5237)	0.1885 (1.3537)	-0.4380 (1.8682)	-1.7135 (1.8188)
Post-9/11*Treatment group	-1.0723 (1.9572)	0.0335 (1.7904)	-0.3025 (2.3123)	2.1067 (2.2747)
Post-Iraq-War*Treatment group	0.0482 (1.9827)	-1.5851 (1.9568)	0.5282 (2.2176)	-0.5777 (2.2124)
Post-Madrid-Bombings*Treatment group	-0.6167 (2.1122)	-0.1704 (2.0437)	-0.4714 (2.3599)	-0.5284 (2.3441)
Post-London-Bombings*Treatment group	-0.2967 (2.0770)	0.8171 (1.9277)	-0.8697 (2.2827)	-0.2173 (2.1779)
Age in years		0.7353*** (0.0374)		0.4550* (0.2267)
Age (squared)		-0.0089*** (0.0005)		-0.0055* (0.0028)
Married/cohabiting (1 = yes)		1.0219*** (0.1413)		1.4501 (0.8123)
No. of children under 16		-0.0649 (0.0642)		-0.6924* (0.3149)
Degree or equivalent (1 = yes)		-0.6380*** (0.1689)		1.2408 (1.0440)
Higher education (1 = yes)		-0.4528* (0.2006)		0.9901 (1.2264)
GCSE grades A*-C or equivalent (1 = yes)		0.0605 (0.1558)		-0.4519 (1.2333)
Other qualification (1 = yes)		1.2170*** (0.1975)		1.4563 (0.9881)
No qualification (1 = yes)		0.3000 (0.2467)		2.8559* (1.4198)
Tenure 3 to 6 months (1 = yes)		-0.2551 (0.4031)		2.2229 (1.5574)
Tenure 6 to 12 months (1 = yes)		-0.6447 (0.3624)		1.9343 (1.6949)
Tenure 1 to 2 years (1 = yes)		-0.6492 (0.3360)		1.4813 (1.4111)
Tenure 2 to 5 years (1 = yes)		-0.3094 (0.3140)		2.1350 (1.3250)
Tenure 5 to 10 years (1 = yes)		-0.3258 (0.3203)		1.7476 (1.4239)
Tenure 10 to 20 years (1 = yes)		-0.7602* (0.3193)		0.3993 (1.5057)
Tenure more then 20 years (1 = yes)		-1.0540** (0.3342)		3.0405 (1.6281)
Health problem hindering at work (1 = yes)		-0.7262*** (0.1959)		-1.6208 (1.0492)
Firm size < 25 employees (1 = yes)		0.5077*** (0.1298)		-0.5130 (0.7909)
Firm size > 500 employees (1 = yes)		-0.6128*** (0.1548)		0.5789 (0.7923)
Constant	43.0706*** (0.1561)	23.4777*** (1.0963)	44.0965*** (1.0878)	32.1829*** (5.2850)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	62,328	57,134	2,317	2,000

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.



TABLE 16: PROBABILITY OF EMPLOYMENT, GROUPS DEFINED BY COUNTRY OF BIRTH,  
PROBIT-REGRESSION

Variable	Treatment group: Born in Arabian / Muslim country			
	Comparison: British-born		Comparison: Non-European-born	
	naive	adjusted	naive	adjusted
Observed after 9/11	-0.0436*** (0.0123)	-0.0519* (0.0228)	-0.1344 (0.0695)	-0.0197 (0.1180)
Observed after 3/20/2003	-0.0215* (0.0105)	0.0415 (0.0265)	-0.0184 (0.0568)	-0.0111 (0.1290)
Observed after 3/11/2004	-0.0164 (0.0111)	0.0142 (0.0299)	0.0249 (0.0595)	-0.0523 (0.1414)
Observed after 7/7/2005	-0.0578*** (0.0105)	-0.0082 (0.0231)	0.0047 (0.0531)	-0.1127 (0.1070)
Treatment group (1 = yes)	-0.9326*** (0.0964)	-1.0381*** (0.1143)	-0.7772*** (0.1133)	-0.5897*** (0.1293)
Post-9/11*Treatment group	-0.0525 (0.1112)	-0.0131 (0.1334)	0.0383 (0.1306)	0.0926 (0.1512)
Post-Iraq-War*Treatment group	0.0483 (0.0886)	-0.0161 (0.1106)	0.0451 (0.1047)	0.0599 (0.1295)
Post-Madrid-Bombings*Treatment group	0.0161 (0.0942)	0.0862 (0.1156)	-0.0252 (0.1109)	0.0040 (0.1356)
Post-London-Bombings*Treatment group	0.1548 (0.0885)	0.1374 (0.1064)	0.0923 (0.1027)	0.0555 (0.1226)
Age in years		0.1875*** (0.0023)		0.1132*** (0.0124)
Age (squared)		-0.0026*** (0.0000)		-0.0015*** (0.0001)
Married/cohabiting (1 = yes)		0.5828*** (0.0110)		0.4627*** (0.0506)
No. of children under 16		-0.0818*** (0.0051)		-0.0481** (0.0184)
Degree or equivalent (1 = yes)		0.0078 (0.0139)		0.1031 (0.0625)
Higher education (1 = yes)		0.0093 (0.0161)		0.0589 (0.0836)
GCSE grades A*-C or equivalent (1 = yes)		-0.0706*** (0.0122)		-0.0207 (0.0805)
Other qualification (1 = yes)		-0.1403*** (0.0147)		-0.3210*** (0.0590)
No qualification (1 = yes)		-0.4714*** (0.0159)		-0.6872*** (0.0779)
Health problem hindering at work (1 = yes)		-0.9936*** (0.0111)		-0.8303*** (0.0554)
Constant	-0.0155 (0.0106)	-2.3424*** (0.0770)	-0.1708** (0.0604)	-2.9253*** (0.4807)
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	135,667	121,435	7,577	6,338

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 17: WEEKLY REAL WAGES, GROUPS DEFINED BY CURRENT NATIONALITY, OLS-REGRESSION

Variable	Treatment group: Current nationality from Arab / Muslim country			
	Comparison: British		Comparison: Non-European	
	naive	adjusted	naive	adjusted
Observed after 9/11	0.0309*** (0.0081)	0.0288** (0.0094)	-0.1234 (0.0910)	-0.1747 (0.1274)
Observed after 3/20/2003	0.0050 (0.0071)	0.0029 (0.0108)	-0.0336 (0.0724)	0.0400 (0.0948)
Observed after 3/11/2004	0.0201** (0.0077)	0.0264* (0.0120)	-0.0229 (0.0780)	-0.0296 (0.1105)
Observed after 7/7/2005	0.0208** (0.0077)	0.0115 (0.0096)	-0.0550 (0.0728)	0.0467 (0.0898)
Treatment group (1 = yes)	-0.4733 (0.3052)	-0.5866 (0.3272)	-0.6464* (0.3166)	-0.6497 (0.3405)
Post-9/11*Treatment group	0.1799 (0.3310)	0.3811 (0.3370)	0.3342 (0.3451)	0.4385 (0.3589)
Post-Iraq-War*Treatment group	-0.0481 (0.1640)	0.1080 (0.1194)	-0.0095 (0.1801)	0.0756 (0.1482)
Post-Madrid-Bombings*Treatment group	-0.0767 (0.1536)	-0.1011 (0.1426)	-0.0337 (0.1729)	0.0594 (0.1507)
Post-London-Bombings*Treatment group	0.2573 (0.1584)	0.1771 (0.1381)	0.3331 (0.1750)	0.0838 (0.1361)
Age in years		0.0812*** (0.0013)		0.0412** (0.0128)
Age (squared)		-0.0009*** (0.0000)		-0.0005** (0.0002)
Married/cohabiting (1 = yes)		0.0877*** (0.0044)		0.0221 (0.0406)
No. of children under 16		0.0073*** (0.0021)		-0.0168 (0.0213)
Degree or equivalent (1 = yes)		0.2191*** (0.0058)		0.1186 (0.0658)
Higher education (1 = yes)		0.0647*** (0.0064)		0.0548 (0.0923)
GCSE grades A*-C or equivalent (1 = yes)		-0.0427*** (0.0052)		-0.0816 (0.0867)
Other qualification (1 = yes)		-0.0725*** (0.0063)		0.0304 (0.0566)
No qualification (1 = yes)		-0.1483*** (0.0076)		0.0005 (0.0877)
Tenure 3 to 6 months (1 = yes)		-0.0161 (0.0156)		0.0073 (0.1046)
Tenure 6 to 12 months (1 = yes)		-0.0192 (0.0139)		0.0518 (0.0864)
Tenure 1 to 2 years (1 = yes)		0.0124 (0.0132)		0.1342 (0.0804)
Tenure 2 to 5 years (1 = yes)		0.0596*** (0.0123)		0.1738* (0.0804)
Tenure 5 to 10 years (1 = yes)		0.0839*** (0.0124)		0.1248 (0.0959)
Tenure 10 to 20 years (1 = yes)		0.1185*** (0.0124)		0.4314*** (0.1059)
Tenure more then 20 years (1 = yes)		0.1534*** (0.0129)		0.4116** (0.1460)
Health problem hindering at work (1 = yes)		-0.0688*** (0.0066)		-0.0547 (0.1113)
Firm size < 25 employees (1 = yes)		-0.0986*** (0.0044)		-0.1193* (0.0501)
Firm size > 500 employees (1 = yes)		0.0751*** (0.0049)		0.1165* (0.0488)
Constant	5.9639*** (0.0069)	3.8519*** (0.0379)	6.1370*** (0.0777)	5.1782*** (0.2779)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	62,326	57,075	835	710

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 18: HOURLY REAL WAGES, GROUPS DEFINED BY CURRENT NATIONALITY, OLS-REGRESSION

Variable	Treatment group: Current nationality from Arab / Muslim country		Comparison: Non-European	
	naive	adjusted	naive	adjusted
Observed after 9/11	0.0384*** (0.0078)	0.0321*** (0.0088)	-0.1294 (0.0866)	-0.1728 (0.1247)
Observed after 3/20/2003	0.0091 (0.0068)	0.0086 (0.0098)	-0.0442 (0.0760)	0.0607 (0.0870)
Observed after 3/11/2004	0.0232** (0.0073)	0.0207 (0.0112)	0.0659 (0.0775)	0.0168 (0.1194)
Observed after 7/7/2005	0.0250*** (0.0073)	0.0097 (0.0089)	-0.0902 (0.0671)	0.0194 (0.0843)
Treatment group (1 = yes)	-0.4574 (0.2977)	-0.6054 (0.3278)	-0.6019 (0.3080)	-0.5848 (0.3325)
Post-9/11*Treatment group	0.1919 (0.3211)	0.4370 (0.3374)	0.3597 (0.3343)	0.4562 (0.3514)
Post-Iraq-War*Treatment group	-0.1038 (0.1490)	0.0979 (0.1039)	-0.0505 (0.1679)	0.0745 (0.1401)
Post-Madrid-Bombings*Treatment group	-0.0697 (0.1615)	-0.0877 (0.1366)	-0.1124 (0.1799)	-0.0292 (0.1526)
Post-London-Bombings*Treatment group	0.2275 (0.1815)	0.1426 (0.1486)	0.3427 (0.1943)	0.1037 (0.1450)
Age in years		0.0587*** (0.0011)		0.0299* (0.0121)
Age (squared)		-0.0006*** (0.0000)		-0.0003* (0.0002)
Married/cohabiting (1 = yes)		0.0614*** (0.0041)		0.0068 (0.0395)
No. of children under 16		0.0161*** (0.0019)		-0.0164 (0.0211)
Degree or equivalent (1 = yes)		0.2627*** (0.0056)		0.1148 (0.0620)
Higher education (1 = yes)		0.0849*** (0.0062)		0.0007 (0.0925)
GCSE grades A*-C or equivalent (1 = yes)		-0.0419*** (0.0047)		-0.0689 (0.0816)
Other qualification (1 = yes)		-0.1108*** (0.0057)		0.0042 (0.0527)
No qualification (1 = yes)		-0.1756*** (0.0068)		-0.0413 (0.0863)
Tenure 3 to 6 months (1 = yes)		-0.0012 (0.0131)		0.0241 (0.0964)
Tenure 6 to 12 months (1 = yes)		-0.0043 (0.0116)		0.0530 (0.0798)
Tenure 1 to 2 years (1 = yes)		0.0227* (0.0111)		0.1306 (0.0785)
Tenure 2 to 5 years (1 = yes)		0.0526*** (0.0105)		0.1264 (0.0761)
Tenure 5 to 10 years (1 = yes)		0.0738*** (0.0107)		0.0812 (0.0909)
Tenure 10 to 20 years (1 = yes)		0.1190*** (0.0106)		0.4108*** (0.1017)
Tenure more then 20 years (1 = yes)		0.1574*** (0.0111)		0.3686* (0.1440)
Health problem hindering at work (1 = yes)		-0.0551*** (0.0059)		-0.0260 (0.1014)
Firm size < 25 employees (1 = yes)		-0.1015*** (0.0040)		-0.0552 (0.0508)
Firm size > 500 employees (1 = yes)		0.0847*** (0.0047)		0.1403** (0.0474)
Constant	2.2380*** (0.0067)	0.5774*** (0.0306)	2.3824*** (0.0719)	1.8376*** (0.2651)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	62,326	57,075	835	710

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 19: WEEKLY HOURS WORKED, GROUPS DEFINED BY CURRENT NATIONALITY, OLS-REGRESSION

Variable	Treatment group: Current nationality from Arab / Muslim country			
	Comparison: British		Comparison: Non-European	
	naive	adjusted	naive	adjusted
Observed after 9/11	-0.2883 (0.1813)	-0.2243 (0.2905)	-1.2268 (1.7221)	-1.1902 (2.4232)
Observed after 3/20/2003	-0.1208 (0.1592)	-0.3237 (0.3405)	-0.3034 (1.6485)	3.1550 (3.7447)
Observed after 3/11/2004	0.1315 (0.1677)	0.0779 (0.3528)	-1.8890 (1.8439)	-3.9692 (5.0521)
Observed after 7/7/2005	0.1248 (0.1609)	0.1326 (0.2915)	0.8310 (1.5510)	-1.6148 (2.6338)
Treatment group (1 = yes)	-1.4051 (2.8284)	-2.1835 (1.5515)	-3.8596 (3.2121)	-4.1760 (2.4014)
Post-9/11*Treatment group	1.6502 (3.6481)	1.5125 (2.8448)	2.5887 (4.0488)	2.5460 (3.4754)
Post-Iraq-War*Treatment group	0.1100 (3.8514)	0.5257 (3.8048)	0.2926 (4.2066)	0.9300 (4.3146)
Post-Madrid-Bombings*Treatment group	0.5451 (4.4748)	0.7195 (4.4980)	2.5655 (4.8605)	4.1732 (4.6542)
Post-London-Bombings*Treatment group	-2.4442 (3.8860)	-1.5096 (3.7764)	-3.1504 (4.2015)	-3.7176 (3.8788)
Age in years		0.7244*** (0.0368)		0.3376 (0.4634)
Age (squared)		-0.0088*** (0.0004)		-0.0044 (0.0061)
Married/cohabiting (1 = yes)		1.0451*** (0.1396)		-0.6323 (1.1962)
No. of children under 16		-0.0867 (0.0630)		-0.4795 (0.5696)
Degree or equivalent (1 = yes)		-0.6059*** (0.1664)		1.8745 (2.1407)
Higher education (1 = yes)		-0.4344* (0.1972)		2.6676 (2.5306)
GCSE grades A*-C or equivalent (1 = yes)		0.0299 (0.1539)		2.3335 (3.4399)
Other qualification (1 = yes)		1.2549*** (0.1937)		2.4253 (1.8334)
No qualification (1 = yes)		0.3473 (0.2428)		3.6782 (2.6051)
Tenure 3 to 6 months (1 = yes)		-0.1352 (0.3973)		0.5567 (2.5175)
Tenure 6 to 12 months (1 = yes)		-0.5943 (0.3595)		-0.1974 (2.3214)
Tenure 1 to 2 years (1 = yes)		-0.5517 (0.3333)		0.9215 (2.1426)
Tenure 2 to 5 years (1 = yes)		-0.2457 (0.3116)		0.6465 (2.1818)
Tenure 5 to 10 years (1 = yes)		-0.3003 (0.3178)		3.4287 (2.4899)
Tenure 10 to 20 years (1 = yes)		-0.7382* (0.3169)		3.3875 (2.9076)
Tenure more then 20 years (1 = yes)		-0.9601** (0.3316)		0.0344 (3.5676)
Health problem hindering at work (1 = yes)		-0.7757*** (0.1919)		-1.9734 (2.2088)
Firm size < 25 employees (1 = yes)		0.4975*** (0.1281)		0.7477 (1.3867)
Firm size > 500 employees (1 = yes)		-0.5547*** (0.1519)		0.1561 (1.3619)
Constant	43.0718*** (0.1535)	24.7248*** (1.2406)	45.5263*** (1.4999)	46.8674*** (10.8510)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	64,637	59,173	873	735

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 20: PROBABILITY OF EMPLOYMENT, GROUPS DEFINED BY CURRENT NATIONALITY, PROBIT-REGRESSION

Variable	Treatment group: Current nationality from Arab / Muslim country			
	Comparison: British		Comparison: Non-European	
	naive	adjusted	naive	adjusted
Observed after 9/11	-0.0443*** (0.0120)	-0.0494* (0.0223)	-0.3159** (0.1033)	-0.1455 (0.1799)
Observed after 3/20/2003	-0.0239* (0.0102)	0.0417 (0.0259)	0.1426 (0.0833)	-0.1886 (0.2028)
Observed after 3/11/2004	-0.0135 (0.0109)	0.0161 (0.0293)	-0.0138 (0.0872)	-0.0212 (0.2188)
Observed after 7/7/2005	-0.0558*** (0.0102)	-0.0076 (0.0225)	0.1008 (0.0793)	-0.1296 (0.1642)
Treatment group (1 = yes)	-1.3067*** (0.1769)	-1.5710*** (0.2023)	-1.0408*** (0.1980)	-0.8924*** (0.2298)
Post-9/11*Treatment group	0.2142 (0.2011)	0.3903 (0.2346)	0.4858* (0.2258)	0.4536 (0.2629)
Post-Iraq-War*Treatment group	0.1184 (0.1465)	0.0644 (0.1826)	-0.0481 (0.1682)	0.1087 (0.2023)
Post-Madrid-Bombings*Treatment group	-0.2781 (0.1662)	-0.3623 (0.2058)	-0.2778 (0.1874)	-0.3899 (0.2323)
Post-London-Bombings*Treatment group	0.4386** (0.1600)	0.5285** (0.1984)	0.2820 (0.1783)	0.3184 (0.2235)
Age in years		0.1860*** (0.0023)		0.0328 (0.0191)
Age (squared)		-0.0026*** (0.0000)		-0.0005 (0.0002)
Married/cohabiting (1 = yes)		0.5758*** (0.0108)		0.4697*** (0.0731)
No. of children under 16		-0.0900*** (0.0049)		-0.0888** (0.0315)
Degree or equivalent ( 1 = yes)		0.0042 (0.0135)		-0.0050 (0.1111)
Higher education ( 1 = yes)		0.0043 (0.0158)		0.0200 (0.1466)
GCSE grades A*-C or equivalent ( 1 = yes)		-0.0704*** (0.0120)		0.0706 (0.1633)
Other qualification ( 1 = yes)		-0.1549*** (0.0143)		-0.1283 (0.0968)
No qualification (1 = yes)		-0.4935*** (0.0156)		-0.4495*** (0.1248)
Health problem hindering at work (1 = yes)		-0.9904*** (0.0109)		-0.8073*** (0.1067)
Constant	-0.0284** (0.0103)	-2.8861*** (0.0971)	-0.2944*** (0.0894)	-1.7580** (0.6736)
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	141,219	126,278	3,360	2,702

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 21: WEEKLY REAL WAGES, GROUPS DEFINED BY RELIGION, OLS-REGRESSION

Variable	Treatment group: Muslims			
	Comparison: Christians		Comparison: other Religion (not Sikh)	
	naive	adjusted	naive	adjusted
Observed after 3/20/2003	-0.0205* (0.0090)	0.0133 (0.0141)	0.1573 (0.0823)	0.1407 (0.0992)
Observed after 3/11/2004	0.0150 (0.0085)	0.0258 (0.0144)	-0.0808 (0.0900)	-0.0004 (0.1282)
Observed after 7/7/2005	0.0106 (0.0086)	0.0055 (0.0112)	0.0367 (0.0805)	0.0849 (0.0899)
muslim	-0.1575* (0.0639)	-0.1209* (0.0493)	-0.1099 (0.0815)	-0.0061 (0.0698)
Post-Iraq-War*Treatment group	-0.0223 (0.0815)	-0.0421 (0.0633)	-0.2000 (0.1157)	-0.1596 (0.0920)
Post-Madrid-Bombings*Treatment group	-0.0401 (0.0715)	-0.0381 (0.0531)	0.0557 (0.1148)	0.0432 (0.0847)
Post-London-Bombings*Treatment group	0.0808 (0.0741)	0.1288* (0.0513)	0.0546 (0.1093)	0.0285 (0.0805)
Age in years		0.0789*** (0.0017)		0.0660*** (0.0116)
Age (squared)		-0.0009*** (0.0000)		-0.0007*** (0.0001)
Married/cohabiting (1 = yes)		0.0782*** (0.0058)		0.0792 (0.0404)
No. of children under 16		0.0109*** (0.0028)		-0.0271 (0.0160)
Degree or equivalent (1 = yes)		0.2220*** (0.0076)		0.1626** (0.0567)
Higher education (1 = yes)		0.0705*** (0.0083)		0.0586 (0.0617)
GCSE grades A*-C or equivalent (1 = yes)		-0.0430*** (0.0068)		-0.0772 (0.0616)
Other qualification (1 = yes)		-0.0590*** (0.0082)		-0.0453 (0.0594)
No qualification (1 = yes)		-0.1411*** (0.0103)		-0.1490* (0.0626)
Tenure 3 to 6 months (1 = yes)		-0.0032 (0.0215)		-0.0989 (0.1256)
Tenure 6 to 12 months (1 = yes)		-0.0060 (0.0189)		-0.0033 (0.0944)
Tenure 1 to 2 years (1 = yes)		0.0251 (0.0182)		-0.0101 (0.0921)
Tenure 2 to 5 years (1 = yes)		0.0728*** (0.0170)		0.0744 (0.0845)
Tenure 5 to 10 years (1 = yes)		0.0932*** (0.0172)		0.0443 (0.0866)
Tenure 10 to 20 years (1 = yes)		0.1377*** (0.0171)		0.1672 (0.0890)
Tenure more then 20 years (1 = yes)		0.1687*** (0.0176)		0.1674 (0.0973)
Health problem hindering at work (1 = yes)		-0.0676*** (0.0084)		-0.0868 (0.0603)
Firm size < 25 employees (1 = yes)		-0.0952*** (0.0059)		-0.1667*** (0.0446)
Firm size > 500 employees (1 = yes)		0.0824*** (0.0057)		0.0937** (0.0363)
Constant	6.0308*** (0.0063)	3.9254*** (0.0489)	5.9832*** (0.0506)	4.4482*** (0.2963)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	35,992	32,907	1,032	909

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 22: HOURLY REAL WAGES, GROUPS DEFINED BY RELIGION, OLS-REGRESSION

Variable	Treatment group: Muslims			
	Comparison: Christians		Comparison: other Religion (not Sikh)	
	naive	adjusted	naive	adjusted
Observed after 3/20/2003	-0.0216* (0.0088)	0.0075 (0.0130)	0.1540 (0.0823)	0.1198 (0.0956)
Observed after 3/11/2004	0.0209* (0.0082)	0.0186 (0.0136)	-0.0380 (0.0850)	-0.0388 (0.1212)
Observed after 7/7/2005	0.0155 (0.0082)	0.0018 (0.0105)	-0.0075 (0.0752)	-0.0155 (0.0780)
muslim	-0.1564* (0.0621)	-0.1209** (0.0469)	-0.1455 (0.0810)	-0.0131 (0.0659)
Post-Iraq-War*Treatment group	-0.0272 (0.0773)	-0.0442 (0.0577)	-0.2028 (0.1127)	-0.1664 (0.0856)
Post-Madrid-Bombings*Treatment group	-0.0006 (0.0633)	-0.0157 (0.0480)	0.0582 (0.1058)	0.0368 (0.0784)
Post-London-Bombings*Treatment group	0.0879 (0.0650)	0.1404** (0.0488)	0.1109 (0.0992)	0.0968 (0.0731)
Age in years		0.0565*** (0.0014)		0.0387*** (0.0102)
Age (squared)		-0.0006*** (0.0000)		-0.0004** (0.0001)
Married/cohabiting (1 = yes)		0.0550*** (0.0054)		0.0732* (0.0362)
No. of children under 16		0.0209*** (0.0026)		-0.0143 (0.0140)
Degree or equivalent (1 = yes)		0.2590*** (0.0074)		0.1510** (0.0509)
Higher education (1 = yes)		0.0815*** (0.0081)		0.0271 (0.0600)
GCSE grades A*-C or equivalent (1 = yes)		-0.0476*** (0.0062)		-0.0655 (0.0554)
Other qualification (1 = yes)		-0.0983*** (0.0075)		-0.1030 (0.0526)
No qualification (1 = yes)		-0.1721*** (0.0093)		-0.2254*** (0.0561)
Tenure 3 to 6 months (1 = yes)		0.0015 (0.0182)		-0.0401 (0.1185)
Tenure 6 to 12 months (1 = yes)		-0.0005 (0.0160)		0.0193 (0.0948)
Tenure 1 to 2 years (1 = yes)		0.0282 (0.0155)		0.0750 (0.0880)
Tenure 2 to 5 years (1 = yes)		0.0622*** (0.0146)		0.0869 (0.0843)
Tenure 5 to 10 years (1 = yes)		0.0764*** (0.0149)		0.0802 (0.0857)
Tenure 10 to 20 years (1 = yes)		0.1288*** (0.0148)		0.2017* (0.0882)
Tenure more then 20 years (1 = yes)		0.1649*** (0.0153)		0.1989* (0.0955)
Health problem hindering at work (1 = yes)		-0.0562*** (0.0077)		-0.0356 (0.0551)
Firm size < 25 employees (1 = yes)		-0.0931*** (0.0053)		-0.1197** (0.0395)
Firm size > 500 employees (1 = yes)		0.0949*** (0.0055)		0.1282*** (0.0343)
Constant	2.3110*** (0.0063)	0.6567*** (0.0399)	2.3001*** (0.0522)	1.2248*** (0.2934)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	35,992	32,907	1,032	909

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

TABLE 23: WEEKLY HOURS WORKED, GROUPS DEFINED BY RELIGION, OLS-REGRESSION

Variable	Treatment group: Muslims			
	Comparison: Christians		Comparison: other Religion (not Sikh)	
	naive	adjusted	naive	adjusted
Observed after 3/20/2003	0.4124* (0.2096)	0.4338 (0.4328)	2.7409 (1.7329)	3.4505 (3.6822)
Observed after 3/11/2004	0.1716 (0.1884)	0.2364 (0.4231)	-3.1550 (1.9564)	0.9071 (2.9063)
Observed after 7/7/2005	0.0649 (0.1800)	0.0594 (0.3376)	0.8361 (1.7862)	3.8568 (2.7861)
muslim	0.2077 (1.2363)	0.7884 (1.2195)	1.0096 (1.6208)	0.9095 (1.8313)
Post-Iraq-War*Treatment group	-0.9413 (1.6740)	-1.5409 (1.6456)	-3.2698 (2.4044)	-3.4803 (2.6642)
Post-Madrid-Bombings*Treatment group	-0.7742 (1.5094)	-0.1649 (1.4553)	2.5524 (2.4671)	2.3817 (2.6076)
Post-London-Bombings*Treatment group	0.8953 (1.5552)	1.1415 (1.4892)	0.1241 (2.3651)	-0.2603 (2.3857)
Age in years		0.7524*** (0.0479)		0.8690** (0.3088)
Age (squared)		-0.0091*** (0.0006)		-0.0111** (0.0038)
Married/cohabiting (1 = yes)		0.8780*** (0.1781)		0.7371 (1.2245)
No. of children under 16		-0.1118 (0.0828)		-0.6964 (0.4103)
Degree or equivalent (1 = yes)		-0.3710 (0.2158)		-0.5999 (1.6624)
Higher education (1 = yes)		-0.1988 (0.2561)		-0.1183 (1.8302)
GCSE grades A*-C or equivalent (1 = yes)		0.1461 (0.1985)		-0.7906 (1.6990)
Other qualification (1 = yes)		1.1022*** (0.2453)		1.5632 (1.7083)
No qualification (1 = yes)		0.2211 (0.3149)		1.7928 (1.9109)
Tenure 3 to 6 months (1 = yes)		0.2341 (0.5385)		-5.8944* (2.4922)
Tenure 6 to 12 months (1 = yes)		0.2348 (0.4827)		0.4122 (2.1681)
Tenure 1 to 2 years (1 = yes)		0.0031 (0.4475)		-3.8849 (2.1850)
Tenure 2 to 5 years (1 = yes)		0.0132 (0.4180)		-1.3720 (1.9335)
Tenure 5 to 10 years (1 = yes)		0.0829 (0.4260)		-1.4108 (2.0330)
Tenure 10 to 20 years (1 = yes)		-0.3159 (0.4246)		-3.6985 (2.2117)
Tenure more then 20 years (1 = yes)		-0.5273 (0.4385)		0.5535 (2.4413)
Health problem hindering at work (1 = yes)		-0.7399** (0.2406)		-0.8862 (1.4463)
Firmsize < 25 employees (1 = yes)		0.2620 (0.1672)		-0.1645 (1.2420)
Firmsize > 500 employees (1 = yes)		-0.7335*** (0.1764)		0.8592 (1.0910)
Constant	42.3764*** (0.1530)	20.8364*** (1.4519)	41.5745*** (1.0541)	32.6880** (12.6063)
Industry fixed effects	no	yes	no	yes
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	37,844	34,578	1,092	957

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.



TABLE 24: PROBABILITY OF EMPLOYMENT, GROUPS DEFINED BY RELIGION, PROBIT-REGRESSION

Variable	Treatment group: Muslims			
	Comparison: Christians		Comparison: other Religion (not Sikh)	
	naive	adjusted	naive	adjusted
Observed after 3/20/2003	0.0202 (0.0137)	0.0486 (0.0337)	0.0587 (0.1071)	0.3821* (0.1933)
Observed after 3/11/2004	-0.0196 (0.0123)	0.0026 (0.0344)	-0.0183 (0.1042)	0.2831 (0.2062)
Observed after 7/7/2005	-0.0625*** (0.0115)	-0.0075 (0.0262)	-0.0020 (0.0965)	-0.2000 (0.1572)
muslim	-0.8410*** (0.0589)	-0.9412*** (0.0725)	-0.5717*** (0.0951)	-0.3937** (0.1204)
Post-Iraq-War*Treatment group	0.0116 (0.0801)	0.0563 (0.0975)	-0.0269 (0.1330)	0.1624 (0.1610)
Post-Madrid-Bombings*Treatment group	0.0114 (0.0720)	-0.0539 (0.0883)	0.0101 (0.1261)	-0.2479 (0.1531)
Post-London-Bombings*Treatment group	0.0580 (0.0659)	0.0623 (0.0817)	-0.0025 (0.1163)	0.0829 (0.1421)
Age in years		0.1894*** (0.0030)		0.1095*** (0.0164)
Age (squared)		-0.0026*** (0.0000)		-0.0015*** (0.0002)
Married/cohabiting ( 1 = yes)		0.5313*** (0.0140)		0.4160*** (0.0664)
No. of children under 16		-0.0702*** (0.0066)		-0.0780** (0.0238)
Degree or equivalent ( 1 = yes)		0.0275 (0.0177)		0.2392** (0.0843)
Higher education ( 1 = yes)		-0.0245 (0.0201)		0.0282 (0.1086)
GCSE grades A*-C or equivalent ( 1 = yes)		-0.1012*** (0.0158)		-0.0865 (0.0920)
Other qualification ( 1 = yes)		-0.1844*** (0.0182)		-0.3702*** (0.0839)
No qualification (1 = yes)		-0.5057*** (0.0205)		-0.7108*** (0.0975)
Health problem hindering at work (1 = yes)		-0.9588*** (0.0139)		-0.9317*** (0.0713)
Constant	-0.0928*** (0.0100)	-2.4620*** (0.0973)	-0.3621*** (0.0754)	-1.7931*** (0.4465)
Occupation fixed effects	no	yes	no	yes
Region fixed effects	no	yes	no	yes
Time fixed effects (months, years)	no	yes	no	yes
N	84,733	75,686	4,700	3,972

Coefficients, robust standard-errors in parentheses. \*\*\*/\*\*/\* denote significance on the 0.1%, 1%, and 5% level respectively. See text for explanations and variable definitions.

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