Title: Political Institutions and Policy Responses during a Crisis

Authors:
Gaurav Chiplunkar,
Darden School of Business,
University of Virginia,
100, Darden Blvd., Charlottesville,
VA 22903, USA;
Email: ChiplunkarG@darden.virginia.edu.

Sabyasachi Das,
Economics Department,
Ashoka University,
Rajiv Gandhi Education City, Sonepat,
National Capital Region, India;
Email: sabyasachi.das@ashoka.edu.in.

Abstract: Do countries with differing political institutions respond differently to a national crisis? The coronavirus pandemic, where almost all countries were hit by the same crisis in a short span of time, provides a rare opportunity to answer this question. We look at high frequency data on two such measures of containment policies for a sample of about 150 countries - (i) containment policies, relating to closure of public spaces and restrictions on movement of people, and (ii) health policies, relating to public information campaigns, testing and contact tracing. We show that, before the emergence of the first case, autocratic countries, relative to their democratic counterparts, are systematically more aggressive on their containment and health responses. However, once the crisis hits the respective countries, the democracies either match up to autocracies (in case of containment policies) or surpass them (on health policies) within a week. The results are robust to controlling for all time invariant differences between countries. Importantly, the effect does not go away several weeks after. Focusing only on democracies, we find that the effect on medical policies is concentrated more in countries with greater media freedom. Finally, better electoral performance of the chief executive in the last election (for presidential democracies) and remoteness of the next election (for parliamentary democracies) seems to positively affect policy aggressiveness. Our analysis suggests that political institutions and the incentives of the political leaders embedded therein significantly shape response of governments to a national crisis.

Data Description

COVID-19 cases and deaths: We use publicly available country-level data on daily confirmed COVID-19 cases from the European Centre for Disease Prevention and Control (ECDC). The data is a daily panel of confirmed cases across 152 countries. We use data from Jan 1 to 6 May 2020 and primarily use the date of the first reported case in a country to examine how political institutions in a country respond relative to that date. To examine policy responses around the date of the
first confirmed case, we restrict our attention from 4 weeks (28 days) prior to 7 weeks (49 days) after the date of the first case in a country. This allows us to maintain a consistent panel of 125 countries.

**Government policy responses data:** Data on government policy responses to COVID-19 comes from the Oxford COVID-19 Government Response Tracker (Hale et al. (2020)), which collects data from publicly available sources such as news articles, government press releases and briefings. We primarily use two sets of policy indicators relating to: (a) Containment and Closure policies, which contain eight indicators relating to school and workplace closing, restrictions on public events and gathering, stay-at-home etc.; (b) Health Measures, which include public information campaigning, testing policy and contract tracing (see Hale et al. (2020) for a detailed discussion of each indicator). Following Hale et al. (2020), we then aggregate these indicators to form a separate index for containment and health policies respectively that ranges from 0-100 (0 being least restrictive and 100 being most restrictive).

**Political data:** We use the polity score from the Polity IV project to categorize countries into democracies and non-democracies. Data on electoral systems and other details (such as size of the legislature etc.) come from the Database of Political Institutions 2017 (Cesi, Keefer, Scartascini (2018)). For the set of democracies, we hand code data on the date of last election where the chief executive was elected and, tenure length of the chief executive and the date of next election. We further compile data on the electoral strength of the chief executive. For the parliamentary democracies, it is the seat share of the largest party in the government, and for the presidential democracies, it is the vote share of the president in the latest election where she or he won. We complement this with world press freedom index prepared by Reporters Without Borders (available for download at [https://rsf.org/en/ranking_table](https://rsf.org/en/ranking_table)).

**JEL Classification:** H12, D78, I18

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