Discussion **Antonio Spilimbergo (IMF)**

Legitimacy and Trust: Strengthening Government Institutions in the times of the Coronavirus
by **Stuti Khemani (WB)**

The Virus of Fear: The Political Impact of Ebola in the U.S.
by **Filipe Campante (JHU), Emilio Depetris-Chauvin(PUC-Chile), Ruben Durante (ICREA/UPF)**

**USUAL DISCLAIMER APPLIES**
Two very different papers?

Legitimacy and trust
   The case of Bihar

Fear of Ebola and voting behavior in the US
Papers looking at similar issue from different prospective

- Legitimacy and trust
  - The case of Bihar

- Crisis as testing time
  - Legitimacy

- Fear of Ebola and voting behavior in the US

- The issue is very old. Worth looking at historical examples
Trust and Legitimacy – lessons from Thucydides

• In History of the Peloponnesian war Thucydides describes the political economy of an epidemic. His insights are still valid today

• In 430 BC an epidemic broke out and devastated Athens.

• The city's plight, caused by the epidemic, triggered a new wave of public uproar, and ...

• Pericles was forced to defend himself in an emotional final speech. He managed to tame the people's resentment and to ride out the storm, ...

• but his internal enemies' final bid to undermine him came off; they managed to deprive him of the generalship and to fine him.

• Nevertheless, within just a year, the Athenians forgave Pericles and re-elected him as “strategos.”
Trust and Legitimacy – lessons from Thucydides
Trust and Legitimacy – lessons from Thucydides

• The epidemic. The crisis

• The emotional final speech. Trying to regain Trust/Legitimacy

• Deprived him of the generalship. Short-term uproar

• Re-elected him as “strategos”. Long-term enhancement of Legitimacy
Legitimacy-crisis-legitimacy cycle

- Some “manipulation”
- Crisis
- Possible Unrest
- Regime Change
- Enhance Legitimacy

Windfall Legitimacy
Research on the Legitimacy-crisis-legitimacy cycle

- Pre-existing Legitimacy
  - Some “manipulation”
    - The Virus of Fear
      - Pandemics and Civil Unrest
        - Windfall Legitimacy
- Crisis
  - Possible Unrest
    - Regime Change
      -_legitimacy and Trust
- Enhance Legitimacy
Manipulation: a detour in pragmatics/linguistics

- Theory of implicature by Herbert Grice
  - I slept on a boat yesterday. -> The boat was not mine
  - Antonio is Italian but he is nice ->
  - This soap is not only good for your skin but also ..
- Some confirmation of the neuropsychological basis for implicature
- Implicature works better if irrationality (e.g. fear) is involved
- Implicature is often used in advertisement and in political messaging
Do Epidemics Cause Civil Unrest?

- Part of the “Popular wisdom”
- But no evidence from preliminary analysis using Reported Social Unrest Index (monthly, country-specific measure of unrest based on media reports using unrest-related keywords)
No relationship between pandemics and unrest

Preliminary takeaway: No obvious immediate relationship between outbreak of pandemics and unrest
(ongoing work by Barrett, Chen, Chivakul, Igan)

Caveats:

- Some counter example: Ebola riots in Liberia 2014. Are there any more?
- How do we disentangle epidemics from correlated third factors (quality of public services, institution strength, government competence)?

Table 3 Dynamic regressions: Epidemics

<table>
<thead>
<tr>
<th></th>
<th>Dependent variable: Social unrest event</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1) (2) (3) (4) (5) (6) (7)</td>
</tr>
<tr>
<td>Episodic, current month</td>
<td>-0.03 (-0.006) 0.003 0.002 0.003</td>
</tr>
<tr>
<td></td>
<td>(0.03) (0.003) (0.003) (0.004) (0.005)</td>
</tr>
<tr>
<td>Episodic, last 2-3 months</td>
<td>-0.03 -0.008 -0.001 -0.001 -0.003</td>
</tr>
<tr>
<td></td>
<td>(0.03) (0.003) (0.003) (0.003) (0.005)</td>
</tr>
<tr>
<td>Episodic, last 4-6 months</td>
<td>-0.05 -0.009 -0.003 -0.003 -0.003</td>
</tr>
<tr>
<td></td>
<td>(0.03) (0.003) (0.003) (0.004) (0.005)</td>
</tr>
<tr>
<td>Episodic, last 7-9 months</td>
<td>-0.02 -0.005 0.001 0.001 0.001</td>
</tr>
<tr>
<td></td>
<td>(0.03) (0.003) (0.004) (0.004) (0.006)</td>
</tr>
<tr>
<td>Episodic, last 10-12 months</td>
<td>0.03 0.005 0.006 0.001 0.012</td>
</tr>
<tr>
<td></td>
<td>(0.04) (0.004) (0.004) (0.006) (0.008)</td>
</tr>
<tr>
<td>Episodic, last 13-24 months</td>
<td>-0.03 -0.007 -0.002 -0.001 -0.002</td>
</tr>
<tr>
<td></td>
<td>(0.02) (0.003) (0.004) (0.004)</td>
</tr>
<tr>
<td>Months since last social unrest event</td>
<td>0.00006 (-0.00006)</td>
</tr>
<tr>
<td></td>
<td>(0.00002) (0.00003)</td>
</tr>
<tr>
<td>Months since last social unrest event, neighbors country</td>
<td>0.00002</td>
</tr>
<tr>
<td></td>
<td>(0.00003)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.012 -0.014 0.013***</td>
</tr>
<tr>
<td></td>
<td>(0.001) (0.001) (0.001)</td>
</tr>
</tbody>
</table>

Fixed effects

| Normalized AIC | 1.43 1.41 1.43 -1.45 -1.24 -1.35 |
| Noncenter R2    | 0.012 0.013 0.013 0.016 0.044 0.049 |
| Observations 46,208 27,223 27,223 27,223 17,893 14,952 |
| R²              | 0.004 0.001 0.0002 0.0002 0.0004 |
| Adjusted R²     | 0.001 -0.003 -0.017 -0.025 -0.029 |

Note: *p<0.1; **p<0.05; ***p<0.01
Double-clustered standard errors shown in parenthesis.
Do Epidemics have long-term political effects?

• Yes if they erode legitimacy (the opposite of the legitimacy windfall)

• But it takes time and econometrically complicated to capture

• Some examples
  • Chernobyl in 1986 and the (beginning of the) end of the Soviet regime
  • Mexico City earthquake in 1985 and the (beginning of the) end of the PRI dominance in Mexico
What have we learned?

• Legitimacy is key during crises

• Trust/Legitimacy can be boosted/decreased during crises (Thucydides’ funeral oration or 2014 congressional campaign and Ebola)

• No evidence that epidemics cause unrest (contrary to Thucydides’ claim)

• But good evidence that how well/bad a crisis is managed has long-term political implications

• Positive cycle (legitimacy windfall)

• Negative cycle (the delegitimization of regimes)