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Working Paper Trust in Government in Times of Crisis: A Quasi-Experiment During the Two World Wars

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Trust in Government in Times of Crisis: A Quasi-Experiment During the Two World Wars

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Trust in Government in Times of Crisis:

A Quasi-Experiment During the Two World Wars

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Abstract

Do crises erode trust in government? To answer this question, we leverage the quasi-experimental setting of the sharply increased military threat to the neutral county of Switzerland during the two world wars as an exogenous shock. In doing so, we exploit a unique feature of Swiss politics: government issuance of pre-referenda voting recommendations. We use constituent adherence to government recommendations as a behavioural proxy for trust in government, measured in real time prior to, during, and after the crisis. Our difference-in-differences estimates provide strong evidence that constituents are significantly less likely to follow governmental voting recommendations during wartime.

JEL Classification: D72, D74, H56, H79

Keywords: Trust in Government, Crisis, WWII, World War II, Referenda, Switzerland

1 Introduction

In addition to being an important factor for myriad economic, political, and social outcomes – including economic growth, tax compliance, infrastructure quality, better governance, voluntary activities, and altruistic actions (e.g., Knack and Keefer 1997; Putnam 2000; Uslaner 2002) – trust¹ is an essential condition for government delivery of effective public policy. It is also closely linked to regime legitimacy (Bakke *et al.* 2014) in that citizens are less likely to comply with the demands of an untrustworthy government (Tyler 1990; Levi and Stoker 2000; Torgler 2007), so their trust depends upon how well the government functions (Uslaner 2002). In recent decades, trust in government has been on the decline in many countries (see, e.g., Chanley *et al.* 2000; Putnam 2000; Uslaner 2002 for the U.S.), a drop that the media links to such major political events as Brexit and the election of Donald Trump to the U.S. presidency². This mistrust of national governance has strengthened support for populist platforms (Inglehart and Norris 2016).

According to the research, organizations are at particular risk of losing public trust in times of crisis, when feelings of unsafety lead people to search for ways in which, and reasons why, they cannot trust their leaders (Galford and Drapeau 2003). For example, several studies examine the decrease in trust in government in the aftermath of the 2008 global financial crisis (Earle 2009; van Erkel and van der Meer 2016; Armingeon and Ceka 2013; Gillespie *et al.* 2012). This damage to trust can occur not due to the crisis itself but rather because of how the crisis is handled (Galford and Drapeau 2003). It is therefore related to the quality of governance, which, when characterized by weak institutional effectiveness, can erode trust (Rothstein and Stolle 2008). Nevertheless, because the quality of political institutions affects

¹ Trust can be defined as "holding a positive perception about the actions of an individual or an organisation" or as the expectation that a party with whom one shares a contractual relationship will in fact behave as set out in the contract (Organization for Economic Cooperation and Development 2017, p. 16).

² See, for example, The Atlantic, "Trust in Government is Collapsing Around the World", <u>https://www.theatlantic.com/international/archive/2016/07/trust-institutions-trump-brexit/489554/</u>

both trust in government and the likelihood of a crisis, identifying the effect of crises on trust is a major empirical challenge in that real-world crises are seldom randomly assigned.

To investigate this issue, we adopt a broad dictionary definition of crisis as 'a time of great disagreement, confusion, or suffering' or 'an extremely difficult or dangerous point in a situation'³. To exemplify such a time, we use the sharply increased level of military threat to Switzerland during the two world wars, which, being completely outside the control of Swiss institutions and unrelated to pre-war conditions in the country⁴, constitutes a series of exogenous events that can be seen as a quasi-experimental setting.

Although Switzerland maintained its long-held neutrality during the two world wars, the Swiss were justifiably fearful of being dragged into the conflict. Hence, on August 1, 1914, three days after the start of World War I, Switzerland mobilized its army and subsequently deployed troops in many areas, particularly in its border regions with Germany. The Swiss army and Federal Council held deliberations over which alliances they should pursue should Switzerland be attacked (Historisches Lexikon der Schweiz 2015). Likewise, when World War II broke out, the Swiss Army was again mobilized within three days under the leadership of General Henri Guisan (Hale and Waite 2015, p. 126) and during peak operations contained up to 850,000 soldiers – just over one in five of Switzerland's then approximately 4.2 million inhabitants (Schrepfer 1989, p. 53). Because Hitler despised Switzerland as 'a pimple on the face of Europe' (Wylie 2003, p. 165) whose people were 'the mortal enemies of the new Germany' (Leitz 2000, p. 14) and a 'wayward branch of the German people' (Leitz 2000, p. 14), the Nazis devised Operation Tannenbaum, a comprehensive plan to invade Switzerland, to be implemented after Hitler's armies consolidated their control over continental Europe. The Nazis even feinted an attack between Basel and Schaffhausen in May 1940 (Church and Head

³ Cambridge Dictionary online, "Crisis", <u>https://dictionary.cambridge.org/dictionary/english/crisis</u>

⁴ World War I began as a confrontation between the Triple Alliance and the Triple Entente over conflicts in the Balkans, while World War II was the direct consequence of the Nazi regime.

2013, p. 213). Although the invasion never materialized, the threat to Switzerland was real, so Switzerland's maintenance of its neutrality through two world wars, rather than being an inevitability, could better be described as an accident of history.

To explore how such crises affect citizen trust in a nation's institutions, we exploit not only the exogenous (and thus quasi-experimental) wartime threats but also a unique feature of Swiss politics – the issuance of referenda voting recommendations by two branches of the Swiss government: Parliament (the legislative branch) and the Federal Council (the executive branch). By determining the actual voting behaviour of Swiss constituents relative to these voting recommendations, we generate a *behavioural* proxy of trust in government that is observable over time. We thus make a useful contribution to a trust literature that otherwise relies heavily on survey and cross-sectional data, with their inherent empirical problems for exploring trust across time (Keele 2007). In particular, our difference-in-differences estimates show that constituents are significantly less likely to follow governmental voting recommendations during wartime, suggesting that crises do have a negative effect on trust in national institutions. Our results are in line with experimental evidence on attribution error: Weber *et al.* (2001) show that group leaders are likely to be blamed for adverse outcomes, even when those outcomes are in fact independent of the leader's actions.

The remainder of the paper is organized as follows: Section 2 provides stylized facts and theoretical considerations about the relation between crises and trust in national institutions and explains our empirical contribution's place in the existing literature. Section 3 introduces the institutional context, after which Section 4 describes our empirical strategy and presents our main results. Section 5 reports the outcomes of sensitivity analyses, and Section 6 concludes the paper.

2 Crisis and Trust in the Government: Theoretical considerations

Compelling evidence on the effect of crises on trust in government is scant for two reasons: First, few surveys measure trust in government across multiple countries and time periods, and those that do so rely on stated perceptions of trust in government. Not only do these latter measures suffer from the pitfalls commonly associated with self-reporting (for a discussion in the context of corruption measures, see Olken 2009), but misperceptions of government performance (perceptual errors) can lead to contamination in cross-sectional analyses (Keele 2007). Second, as noted in the introduction, crises can potentially be an outcome of inept government. In this paper, therefore, we tackle both these concerns simultaneously by using Swiss referenda voting data before, during, and after the two world wars that exogenously threatened Switzerland's neutrality.

2.1 Motivation and Related Literature

Although many studies explore the relation between crises and such different facets as interpersonal versus generalized trust (for a recent review in the context of armed conflict, see Bauer *et al.* 2016), few focus on the crisis-trust in government nexus. Those that do can be broadly categorized into two distinct strands based on whether they focus on the effect of war on trust in government or the effect of terrorism. Among the former, De Juan and Pierskalla (2016), by exploiting the timing of micro-surveys and spatial and temporal variation in conflict intensity in Nepal, show that exposure to violent conflict causes reduced trust in national institutions, especially through one crucial channel signalled by such conflict: government inability 'to uphold its monopoly over the use of violence and to protect citizens from physical harm' (p. 68). Likewise, Sacks and Larizza (2012), using spatial variation in exposure to violence in the Sierra Leone civil war, find that constituents in more war-torn areas are more likely to view their local government councillors as honest. On the other hand, Bakke *et al.*'s

(2014) analysis of a 2010 public opinion survey administered in Abkhazia shortly after the 2008 South Ossetia-Abkhazia crisis reveals no association between exposure to the conflict and trust in the Abkhaz president. Similarly, Grosjean (2014), by linking surveys from 35 countries, reports a negative correlation between the war experiences of respondents, their parents and grandparents and trust in national government. As regards the link with terrorism, Coupe (2016) finds increased trust in government after the November 2015 attacks in Paris; Dinesen and Jaeger (2013) document a short-run increase after the Madrid bombings of March 2004; and Wollebaek *et al.* (2012) identify a similar increase in Norway after the 2011 attacks of far-right terrorist Anders Breivik. Gates and Justesen (2016), in contrast, show that Tuareg rebel attacks on a military garrison in Mali decreased constituents' trust in the Malian president and parliament. Hence, across both strands of literature, the empirical findings are contradictory.

Our quasi-experimental research design departs from this previous literature in three important ways: First, instead of relying on self-reported survey data, we examine referendum voting outcomes, which are not only far more likely to reflect constituents' true preferences but can be matched with government voting recommendations. Second, because collecting survey responses at different points in time can contribute to mixed results (De Juan and Pierskalla 2016), we treat our referenda voting behaviour as a real-time measure of trust that is continuously available prior to, during, and after the crisis studied. Doing so fulfils the need for a more dynamic approach to exploring crises. Third, unlike previous studies, which examine fully realized crises whose material consequences directly affected constituents and probably also their satisfaction with and trust in government, we explore a 'pure' crisis whose undeniably positive outcome (i.e., Switzerland stayed out of the war) makes it much less prone to perceptually erroneous citizen evaluation biased by dissatisfaction with government crisis management. One probable manifestation of such dissatisfaction is the short duration of the increased trust after the Madrid bombings (Dinesen and Jaeger 2013), which may have been curtailed by subsequent public revelations that Prime Minister Aznar had tried to pressure news organizations into reporting that the attack was perpetrated by the Basque separatist group ETA.⁵

2.2 Stylized Facts

First, to answer the question of how trust varies after a crisis, we leverage newly available multi-national data on trust in government to systematically examine three different crisis types: wars, recessions, and natural disasters. We summarize these data in Figure 1, whose vertical axis indicates standardized values of trust in government from the World Values Survey, available at infrequent intervals for 98 countries over the 1990–2014 period. The horizontal axis depicts a categorical variable equal to one if a country experienced the relevant crisis type in the survey year or any of the previous 5 years, and zero otherwise. In the left panel of Figure 1, our independent variable is a war dummy equal to one if a country has experienced any of the four types of conflict defined in the Uppsala Conflict Data Project (internal, interstate, internationalized, or extra-systemic). In the middle panel, we consider a recession dummy equal to one if the country has experienced one or more years of negative growth in GDP per capita as defined in the World Development Indicators; the independent variable in the right-hand side panel is a natural disaster dummy equal to one if the country has experienced a natural disaster captured in the EM-DAT International Disaster Database.

⁵ Deutsche Welle, "Aznar Faces the Wrath of the Media" <u>http://www.dw.com/en/aznar-faces-the-wrath-of-the-media/a-1146495</u>; Clarin, "Asombro y Escándalo en España por la Presión de Aznar a los Medios", <u>https://www.clarin.com/ediciones-anteriores/asombro-escandalo-espana-presion-aznar-medios_0_Hy8-k26kCYx.html</u>



Figure 1. Confidence in Government and Crises in the Past 5 Years. Source: See Notes to Figure 1 in the Appendix.

Even though the sporadic coverage afforded by our data source provides us with only 6 data points per country, the pattern that emerges is informative: not only does trust in government tend to decline in the aftermath of any of the three types of crisis, but these effects are quantitatively large, with trust being approximately 0.07, 0.55, and 0.18 of a standard deviation smaller after wars, recessions, and natural disasters, respectively. Nevertheless, we interpret these correlations cautiously given that post-crisis decreases in trust in government may reflect genuine discontent with a government's handling of a crisis. For example, governments are frequently – and rightly – criticized for mishandling natural disasters, such as in the much-discussed case of Hurricane Katrina⁶.

⁶ For an overview of the criticism, see the bipartisan report 'A Failure of Initiative' (Select Bipartisan Committee 2006).



Figure 2. Trust in Government and Recessions. *Source:* See Notes to Figure 2 in the Appendix. *Note:* The dashed line indicates the onset of a recession.

Perhaps more importantly, because the assignment of crises other than natural disasters is not generally random, simply comparing trust before and after crises can be misleading. We illustrate this point in Figure 2 by exploiting a question on trust in government from the Eurobarometer surveys with continuous time coverage between 2003 and 2013 for 27 European countries. When we plot trust in government over time on the vertical axis against time on the horizontal axis (Figure 2) with date t = 0 normalized to show when recessions begin (dashed vertical line), it is clear that such trust was already declining *before* recession onsets. This across-the-board lack of any sharp change in trust at recession onset underscores the pitfalls of taking crises as given, pitfalls that serve as a core motivation for our using referenda voting data in the quasi-experimental setting of increased wartime threats to Switzerland.

2.3 Referenda Outcomes as a Measure of Trust in Government

In addition to determining policy outcomes, referenda results reveal citizen preferences for these outcomes much more closely than self-reported survey responses. That is, referenda produce dichotomous results that indicate what a majority, and thus the median constituent, prefers, meaning that referendum votes should capture constituents' preferences. In particular, referenda permit the majority to rank the policy outcomes induced by the proposed laws against the status quo (Schneider et *al.* 1981; Frey 1994; Hessami 2016).

Consequently, as widely accepted by political scientists since the seminal work of Miller (1974), referenda are probably the most accurate measure of true policy preferences, dissatisfaction with which is closely related to trust in government and voting behaviour. Indeed, Hetherington (1999), using 1968–1996 U.S. election data, demonstrates that political trust is a critical determinant of voting decisions, with declines in trust reducing the vote for the incumbent party. As regards referenda outcomes as strong indicators of trust in government, Franklin et al. (1995), show that public support for referenda on European integration in Denmark, France, and Ireland in the early 1990s is well explained by trust in the government of the day. They analyse other salient modern examples in which the relation between referenda outcomes and trust in government is apparent, including the UK Parliament's 1979 referendum on the devolution of legislative powers to Scotland, initiated by the Labour Party under James Callaghan. Whereas 60 percent of a sample of Scottish voters surveyed 6 weeks before the referendum favoured devolution preceding the vote, they were evenly split immediately after it. The authors attribute this shift to an increased role of party affiliation; in particular, the unpopularity of James Callaghan's Labour government. Clarke and Kornberg (1994) document a similar pattern in the 1992 Canadian constitutional change referendum that they also attribute to dissatisfaction with government, while Kriesi et al. (1993) find a positive correlation

between trust in government and a Yes vote on the 1992 Swiss referendum on closer integration with the European Community. In this paper, therefore, we assume that citizens are more likely to listen to the voting recommendations of trusted politicians, which allows us to use referenda outcomes (adherence to government recommendations) as a *behavioural* proxy of citizen trust in government.

3 Institutional Setting

Under Switzerland's federal constitution, enacted in 1848 and modelled on the U.S. constitution, the legislative body, representing the 25 electoral districts (cantons) is Parliament, made up of the National Council (*Nationalrat*, similar to the U.S. House of Representatives) and Council of States (*Ständerat*, comparable to U.S. Senate). The collective head of government is the Federal Council, elected by Parliament, whose councillors serve as 'ministers' of government departments but are responsible for all government business and overall federal administration. Switzerland, like over half of U.S. states, enjoys a referenda-based system of direct democracy in which citizens may challenge any law passed by Parliament. Although a referendum is mandatory for any parliamentary proposal to change the constitution, citizens may also demand an 'initiative' or constitutional amendment by referendum, which government cannot refuse unless it violates formal rules⁷. Parliament can, however, work out a direct counter-proposal to be presented to voters simultaneously⁸. Switzerland has never engaged in war since 1848 and was neutral during both world wars. Moreover, the Swiss political system and the country's institutions are very stable. The well-

⁷ For a description of these rules, see <u>https://www.ch.ch/en/demokratie/political-rights/popular-initiative/what-is-a-federal-popular-initiative/.</u>

⁸ Because such counter-proposals are usually a compromise between the status quo and the demands of the initiative, the initiative is often withdrawn and only the counter-proposal presented to voters.

known Polity IV project (Marshall and Gurr 2014) rates Switzerland's national institutions as one of the most durable regimes in the world, second only to the United States.

Since 1877, the executive Federal Council and the legislative Parliament provide constituents with pamphlets through the Federal Chancellery containing detailed referendum information together with voting recommendations.⁹ Whereas Parliament is obliged to do so, the Federal Council may remain neutral. Not surprisingly, Parliament tends to recommend acceptance of its own proposals but rejection of citizen-led initiatives. No matter which source, as a result of the information pamphlets, on voting day even constituents uncertain about the referendum's details and implications go to the polls familiar with the recommendations. Voting recommendations are also issued by political parties, labour unions, and various types of associations (business councils, for example). We are unable to control for these in our empirical analysis, as data are unavailable for the time period we consider in this paper. However, voters view government voting recommendations as more important than recommendations from any other organization (Trechsel and Sciarini, 1998).¹⁰

4 Empirical Strategy and Main Results

4.1 Identification Strategy

As an identification strategy, we estimate variants of the following difference-in-differences model:

⁹ See item BBI 1877 I 265 in the Federal Gazette of Switzerland (Schweizeriches Bundesblatt): Message of the Federal Council addressed to the Federal Assembly regarding the question of whether referenda to the Swiss people need to be accompanied by an explanatory message (Botschaft des Bundesrathes an die hohe Bundesversammlung, betreffend die Frage, ob Vorlagen an das Schweizervolk mit einer erläuternden Botschaft from zu begleiten seien), available the Swiss Federal Archives at: https://www.amtsdruckschriften.bar.admin.ch/viewOrigDoc.do?id=10009444.

¹⁰ Trechsel and Sciarini (1998, p. 122) ask survey respondents the following question: "Before every federal vote you read several points of view and recommendations about how one should vote. Here is a list of groups, organisations and persons who generally express themselves before a vote. Which point of view is generally the most important one for you?"

Pr(Constituents Accept Referendum)_{iit}

$$= \Phi \left[\alpha_0 + \gamma_i + \beta_1 War Crisis_t + \beta_2 Gov. Recommends Yes_j \right]$$
(1)
+ $\beta_3 \left(War Crisis_t * Gov. Recommends Yes_j \right) + \varepsilon_{ijt}$]

where the dependent variable is the probability that the constituents in canton *i* accept referendum *j* during period *t*, α_0 is a constant term, γ_i is a set of cantonal fixed effects, and Φ is the cumulative distribution function of the logistic distribution. The *War Crisis* dummy is equal to 1 during the two world wars and 0 otherwise, while the *Gov. Recommends Yes* is set equal to 1 when the government recommends a Yes vote, and 0 otherwise.

The parameter of interest, β_3 , is the difference-in-differences estimator.¹¹ β_3 captures the constituents' propensity to agree with the government during wartime, *above and beyond* two crucial factors. First, the *Gov. Recommends Yes* dummy captures voters' propensity to pass a referendum when the government recommends a Yes vote, relative to those cases where the government recommends a No vote. Second, the *War Crisis* dummy captures voters' propensity to pass referenda in wartime relative to the propensity to pass referenda in peacetime. Those two propensities may be systematically different, as there may be systematic differences between war and non-war periods. These differences between periods are captured by the *War Crisis* dummy. The *War Crisis* dummy plays a critical role in this context, as historical research suggests that wartime politics in Switzerland were characterized by more political consensus. Thus, if the types of issues being voted were systematically different across war and non-war periods, the *War Crisis* dummy would account for these differences._At the onset of World War II, the major political actors are widely thought to have set aside their

¹¹ Because the coefficient of the interaction term β_3 is obtained from logit models, we interpret our results as suggested by Ai and Norton (2003).

differences in order to try and protect Switzerland from a German invasion. This political development is known as the "spiritual national defence" (Church and Head 2013, p. 8). Recognizing that the "division between workers and bosses had played into the Nazis' hands in Germany", Swiss trade unions "signed a no strike / no lockout agreement, the so-called Labour Peace, with major employers" (Church and Head 2013, p. 211). This spirit of unity in the face of Nazism is also exemplified by the fact that the Social Democrats, the party most closely associated with the trade unions, first served on the governing Federal Council in 1943 (Luebbert, 1991). Similarly, the Social Democrats had "pursued a policy of truce (Burgfrieden)" during World War I (Koller 2015, p. 5), with the explicit intention of keeping the peace. Crucially, despite the increased level of consensus in politics, we find that voters were less likely to follow the government's recommendations during wartime, as discussed below. Information on all referenda presented to citizens, the topics voted on and references to legal documents in Switzerland during the relevant periods, is available from the website of the Federal Chancellery (2018) in three national languages.

In our analysis, we use a data set of up to 1,875 canton-referendum observations from 25 cantons¹² examined in a timeframe from 10 years prior to 10 years after each world war. We conduct our analysis at the cantonal level in recognition of the fact that Switzerland displays substantial degrees of regional and cultural heterogeneity. It is entirely plausible that rural and urban cantons may exhibit different voting patterns, as may the three major linguistic groups in the country (German, French, and Italian speakers, respectively). Including canton fixed effects in our specifications therefore allows us to capture all unobserved confounders that are canton-specific and time-invariant, such as local culture, geography, and social norms. Following Bertrand *et al.* (2004), we cluster standard errors at the cantonal level throughout

¹² Before, during, and after both world wars, Switzerland consisted of only 25 cantons as Jura did not become a canton until after its 1979 secession from Bern.

the analyses, allowing us to relax the assumption that error terms in all cantons follow identical processes. Our results also hold when we weigh each canton-referendum observation by the margin of victory in the canton-referendum, thus assigning greater weights to referenda won by larger margins and ensuring that our results are not attributable to knife-edge referenda. Weighting by turnout in the canton-referendum, to preclude conclusions based on low levels of voter engagement, also does not change our results.

We focus our discussion mainly on Federal Council (hereafter, 'government') recommendations rather than parliamentary ones because it, being the executive branch, is more likely to be seen as the relevant authority in navigating the crisis. Descriptive statistics for our main variables are provided in Appendix Table A1.

4.2 Non-Parametric Results

To derive the non-parametric estimates of the probability that constituents will accept a referendum, we calculate this probability in each of four cells defined by the interaction of the following two conditions: (i) the government recommends a Yes (No) vote, and (ii) the referendum takes place during war (peace) time (Figure 3 and corresponding Table 1).



Figure 3. Probability of constituent referendum acceptance.

Source: Author's calculations; see Table 1 for precise figures and significance tests.

Table 1: Average probability of constituent referendum acceptance dependent on government
recommendation and war crisis

	Gov. Recommends No	Gov. Recommends Yes	First differences
Pre-war referenda	0.160***	0.440***	0.280***
	(0.033)	(0.045)	(0.055)
Wartime referenda	0.273***	0.380***	0.107***
	(0.037)	(0.049)	(0.061)
First differences	0.113**	-0.060	-0.173**
	(0.049)	(0.066)	(0.082)

Notes: The values represent the average probability (first difference and difference-in-difference) that constituents will accept a referendum either 5 years before or during the war crisis (excluding observations with no government recommendation). Standard errors are in parentheses, and ***, **, and*indicate a mean significance level of below 1%, between 1 and 5%, and between 5 and 10%, respectively.

Although we restrict the sample to referenda for which the government offered a recommendation, in our regression results, we also include referenda on which it remained neutral. Before each war crisis, the average probability that constituents would approve a

referendum was 16 percent (44 percent) for a government recommendation of a No (Yes) vote, so constituents were 28 percent more likely to approve a peace time referendum given a government recommendation of Yes relative to No. During the war crises, the expected probability was 27.3 percent (38 percent) for a government recommendation of No (Yes), so constituents were only 10.7 percent more likely to pass a wartime referendum on a Yes recommendation, far lower than the 28 percent observed in peace time. The difference-in-differences estimate (bottom right, Table 1) is thus a strongly statistically significant 17.3 percent, providing *prima facie* evidence that voters trust government recommendations less during times of crisis and are more sceptical of government policy initiatives during wartime. It is also worth noting that the observed effects are approximately symmetric: in wartime, the constituent propensity to disregard government advice is evident for both No *and* Yes recommendations, with No referendums passing *more* often in wartime than in peace time (27.3 percent to 16 percent, respectively) but Yes referendums passing *less* often (38 percent to 44 percent, respectively).

4.3 Regression Results

A similar picture emerges when we use a logit model to analyse the probability of a constituency accepting a referendum (see Table 2). Here, to rule out time-invariant canton-specific characteristics that may affect the results (e.g., culture and geography), we include a set of cantonal fixed effects in all specifications. We also report robust standard errors clustered at the constituency level. Although the sample period runs from 5 years before each war year began to the year it ended, our results remain robust to alternate time periods (see Section 5). For each regression, we also report a Brier (1950) score of predictive accuracy in limited dependent variable models, which ranges between 0 (most accurate prediction) and 1 (least accurate). Given the small size and tight distribution of the Brier scores estimated throughout

the paper (between 0.170 and 0.199), we are reasonably confident that, in addition to properly identifying the coefficient of interest, our model makes relatively accurate predictions and that any omitted variable bias the model may suffer from is unlikely to be very large.

Our main variable of interest is the Gov. Recommends Yes*War Crisis interaction term, which identifies the influence of government recommendations during a war crisis while also controlling for cases in which the council remained neutral (Gov. Neutral). In our baseline results, specification (1), Gov. Recommends Yes*War Crisis is negative and statistically significant at the 1 percent level, confirming that constituents trust government less during crises. The quantitative interpretation of this result is given by the discrete effect calculated while holding other variables at their medians. This outcome suggests that constituents are 19.59 percentage points less likely to follow government recommendations and accept a referendum in wartime. This effect is in the same order of magnitude as the 17.3 percent decrease estimated non-parametrically in Table 1. The positive statistical significance of the War Crisis dummy throughout all specifications indicates that constituents are on average more likely to pass referenda during crises than in peace time, which corroborates the notion that wartime politics in Switzerland was characterized by more consensus, as discussed in Section 4.1 above. Thus, more controversial issues might have been put on the ballot after the war; if anything, our estimates of a reduction in trust in government during crises are therefore conservative.

Table 2: Trust in government in times of crisis

		5 Years	Before/During V	Var Crisis	
	(1)	(2)	(3)	(4)	(5)
Gov. Recommends Yes	1.472*** (0.305)	1.483*** (0.302)	1.480*** (0.297)	1.498*** (0.294)	
Gov. Recommends Yes*War Crisis	-0.946*** (0.348)	-0.953*** (0.348)	-0.949*** (0.350)	-0.978*** (0.373)	
War Crisis	0.682*** (0.161)	0.678*** (0.164)	0.703 (0.431)	0.703*** (0.181)	0.592*** (0.216)
Gov. Neutral	3.025*** (0.189)	3.016*** (0.184)	3.017*** (0.185)	3.045*** (0.179)	
Gov. Neutral*War Crisis				-0.054 (0.300)	
Turnout		-0.119 (0.462)	-0.099 (0.574)	-0.113 (0.455)	-2.486*** (0.585)
Turnout*War Crisis			-0.049 (0.737)		
Parl. Recommends Yes					2.467*** (0.278)
Parl. Recommends Yes*War Crisis					-0.702** (0.295)
Intercept	-1.948*** (0.187)	-1.852*** (0.421)	-1.862*** (0.470)	-1.873*** (0.385)	0.050 (0.518)
Cantonal Fixed Effects	Yes	Yes	Yes	Yes	Yes
DE "Gov./Parl. recommends Yes" DE "(Gov./Parl. Recommends Yes) * (War crisis)"	32.03 -19.59	32.40 -19.90	32.34 -19.69	32.63 -20.30	53.90 -13.91
Dataset	5 years + war				
R2	0.389	0.389	0.389	0.389	0.313
Brier	0.171	0.171	0.171	0.171	0.187
n. Obs.	775	775	775	775	775

Notes: The values reported are from logit estimates in which the dependent variable is Constituency Accepts Referendum. Robust standard errors clustered on a cantonal level are given in parentheses. DE = discrete effect in the predicted probability. The effects for Gov. Recommends Yes and Gov. Recommends Yes*War Crisis are discrete effects in percentage points for these coefficients when all other variables are evaluated at their median values. ***, **, and*indicate a mean significance level of below 1%, between 1 and 5%, and between 5 and 10%, respectively.

In specification (2), we control for the critical issue of voter turnout, a necessary precaution given that, as in all observational studies of voluntary decisions (e.g., turning out to vote), our estimates may suffer from a sample selection problem caused by non-random attrition. Other reasons to control for this factor are evidence from the political participation literature that voter turnout declines during times of adversity (e.g., Rosenstone 1982) and our own observation that turnout is indeed lower during periods of crisis (see Appendix Table A2). The results for this specification show that both the coefficient of *Gov. Recommends Yes*War*

Crisis and the discrete effect remain virtually unchanged, meaning that our findings are not attributable to changes in electoral composition across crisis and non-crisis periods.

In specification (3), we interact voter turnout with the war crisis dummy to allow for any heterogeneous turnout effects across wartime and peace time. We find no evidence that either peace time turnout or wartime turnout significantly affects the probability of constituents accepting referenda, which provides further reassurance that electoral composition plays no part in explaining our main finding. More importantly, none of the point estimates, significance levels, or discrete effects of *Gov. Recommends Yes*War Crisis* are affected by the inclusion of the turnout variables.

In specification (4), we interact the *Gov. Neutral* and *War Crisis* dummies. The coefficient of the interaction term is not significantly different from zero. Thus, when the government provides no recommendation, the likelihood of a Yes vote by the constituents is not significantly different between peacetime and wartime. This offers further confirmation for our main result that voters react specifically, and negatively, to government recommendations during wartime: when no recommendation is offered, referenda outcomes are no different between peacetime and wartime.

Lastly, in specification (5), we study how voters respond to recommendations from Parliament rather than the Federal Council using a sample in which the former offers the same voting recommendations as the latter. However, because Parliament, unlike the Council, is unable to remain neutral, we cannot validly analyse the effect of the two bodies' recommendations separately¹³. Here, the negatively statistically significant coefficient of *Parl. Recommends Yes*War Crisis* indicates that constituents disregard parliamentary recommendations more often during crises than in ordinary times. The interaction term's

¹³ This should not be a problem, as during the whole history of over 600 referenda, the Council decided against the Parliament in only three instances.

discrete effect indicates a difference-in-differences estimate in the order of 13.91 percent, which is smaller than that for the discrete effects estimated for government (council) recommendations. This finding corroborates our view that, as the holder of executive power, the Federal Council is perceived as the relevant institution for navigating the crisis. Trust in the Council therefore appears to be more affected by crises than trust in Parliament, although voters may also be less distrustful of Parliament because of the former's more opaque recommendations, which involve fewer politicians and much less public debate.

	Start o	f Crisis:	Start o	f Crisis:				
	July 28, 1914 a	and September	July 28, 1914	and March 12,	Post-War Dynamics			
	01, .	1939	19	38				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Gov. Recommends Yes	1.506*** (0.311)		1.621*** (0.339)		1.545*** (0.123)		1.999*** (0.292)	
Gov. Recommends Yes*(War Crisis)	-1.074*** (0.355)		-1.101*** (0.368)		-1.320*** (0.273)		-1.766*** (0.405)	
War Crisis	0.766*** (0.182)	1.247*** (0.221)	0.861*** (0.171)	0.595*** (0.217)	0.950*** (0.152)	0.840*** (0.269)	1.156*** (0.194)	0.681* (0.391)
Parl. Recommends Yes		2.960*** (0.271)		2.415*** (0.281)		2.117*** (0.179)		1.942*** (0.372)
Parl. Recommends Yes * War Crisis		-1.810*** (0.339)		-0.603** (0.258)		-0.368 (0.306)		-0.193 (0.452)
Gov. Neutral	3.076*** (0.202)		2.968*** (0.180)		2.274*** (0.105)		2.317*** (0.114)	
Turnout	-0.447 (0.467)	-2.940*** (0.605)	-0.231 (0.536)	-2.416*** (0.591)	0.296 (0.295)	-0.485* (0.285)	0.446 (0.288)	-0.521* (0.286)
1-3 Years Post War Crisis					0.271*** (0.084)	0.235*** (0.081)	0.491*** (0.145)	0.135 (0.309)
Gov. Recommends Yes*1-3 Years Post War Crisis							-0.782*** (0.263)	
Parliament Recommends Yes*1-3 Years Post War Crisis								0.106 (0.360)
4-6 Years Post War Crisis					-0.572*** (0.111)	-0.505*** (0.114)	-0.234 (0.180)	-0.781*** (0.292)
Gov. Recommends Yes*4-6 Years Post War Crisis							-0.532 (0.378)	
Parliament Recommends Yes*4-6 Years Post War Crisis								0.324 (0.305)
Intercept	-1.584*** (0.384)	0.103 (0.488)	-1.886*** (0.460)	-4.1e-03 (0.528)	-2.270*** (0.223)	-1.824*** (0.223)	-2.606*** (0.281)	-1.637*** (0.342)
Cantonal fixed effects	Yes							
Dataset	5 years + war	war + 9 years						
R2	0.391	0.34	0.395	0.313	0.282	0.262	0.287	0.263
Brier	0.17	0.181	0.17	0.187	0.194	0.199	0.193	0.199
n Obs	775	775	775	775	1875	1875	1875	1875

Table 3: Start of crisis and post-war dynamics: Trust in government versus Parliament in times of crisis

Notes: The dependent variable for all logit estimations is Constituency Accepts Referendum. Robust standard errors clustered on a cantonal level are reported in parentheses. The evaluation of the interaction terms follows Ai and Norton (2001). ***, **, and*indicate a mean significance level of below 1%, between 1 and 5%, and between 5 and 10%, respectively.

5 Sensitivity Analysis

5.1 Crisis Start Dates

Table 3 reports results using the exact start and end dates of the wars rather than simply the starting year. In specifications (1) and (2), we use the widely agreed upon start dates of July 28, 1914, for World War I (when Austria-Hungary officially declared war on Serbia) and September 1, 1939, for World War II (when Germany invaded Poland). This interpretation of history, however, ignores a potentially important event from the Swiss perspective: Germany's annexation of Austria on March 12, 1938, which gave Switzerland two major land borders to protect from the Nazi regime. In specifications (3) and (4), therefore, we use the data of Austrian annexation as the beginning of the World War II crisis. In all four specifications, our results remain unchanged.

5.2 Post-War Dynamics

In specifications (5) to (8) (Table 3), we drop the pre-war period from our sample and instead compare wartime voting behaviour with post-war behaviour while allowing for unobserved heterogeneity in 3-year intervals during the post-war period. Specifications (5) and (6) thus include a *1 to 3 Year Post War* dummy and a *4 to 6 Years Post War* dummy, for which a *7 to 9 Years Post War* dummy serves as the reference category. When we check voting behaviour against these alternate control periods, we again find that voters are more likely to disregard government recommendations during wartime, with discrete effects in the order of 19 percentage points, which is very similar to our previous results.

In specifications (7) and (8), we estimate how long it takes for voter behaviour to return to pre-war patterns by interacting each of the same 3-year period dummies with council and parliamentary voting recommendations. The results for specification (7) suggest that the decline in trust in government lasts up to 3 years after the crisis: *Gov. Recommends Yes*1-3* *Years Post Crisis* is negative and statistically significant but then subsides (i.e., voting recommendations are no more frequently ignored in the 4- to 6-year post-crisis period than in the 7- to 9-year post-crisis period). In specification (8), however, trust in Parliament returns to pre-crisis levels as soon as the crisis is over, again suggesting that constituents view the Federal Council as more responsible for crisis management than Parliament. These results corroborate those from specification (5) in which the discrete effect for parliamentary recommendation is smaller than the discrete effect for council recommendation (see Table 2).

	10 Years	s Before/During I	Var Crisis	5 Years Before/ During/ 5 Years After War Crisis			
	(1)	(2)	(3)	(4)	(5)	(6)	
Gov. Recommends Yes	1.632*** (0.192)	1.679*** (0.191)		1.251*** (0.123)	1.252*** (0.122)		
Gov. Recommends Yes*War Crisis	-1.057*** (0.326)	-1.151*** (0.338)		-0.983*** (0.243)	-0.987*** (0.238)		
War Crisis	0.280** (0.135)	-0.330 (0.460)	0.738*** (0.212)	0.909*** (0.135)	0.880*** (0.341)	0.848*** (0.209)	
Gov. Neutral	2.764*** (0.142)	2.767*** (0.141)		2.361*** (0.093)	2.362*** (0.091)		
Turnout	-2.450*** (0.586)	-2.752*** (0.723)	-3.955*** (0.551)	0.248 (0.292)	0.240 (0.306)	-0.975*** (0.293)	
Turnout*War Crisis		1.176 (0.829)			0.057 (0.582)		
Parl. Recommends Yes			2.928*** (0.232)			2.160*** (0.114)	
Parl. Recommends Yes*War Crisis			-1.165*** (0.279)			-0.421* (0.234)	
Intercept	0.406 (0.442)	0.545 (0.512)	1.027** (0.404)	-2.227*** (0.269)	-2.225*** (0.273)	-1.459*** (0.266)	
Cantonal Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	
Dataset	10 years + war	10 years + war	10 years + war	5 years + war	5 years + war	5 years + war	
R2	0.368	0.369	0.371	0.277	0.277	0.263	
Brier	0.175	0.175	0.174	0.193	0.193	0.197	
n. Obs.	1225	1225	1225	1675	1675	1675	

Table 4: Robustness - Trust in government and Parliament in times of crisis

Notes: The dependent variable for all logit estimations is Constituency Accepts Referendum. Robust standard errors clustered by canton are given in parentheses. The evaluation of interaction terms follows Ai and Norton (2001). ***, **, and * indicate a mean significance level of below 1%, between 1 and 5%, and between 5 and 10%, respectively.

5.3 Alternate 10-Year Windows

We check the robustness of our results against different time windows for non-crisis periods in Table 4. Rather than the results being driven by the choice of time before or after the war crisis,

the effect of interest can be pinpointed to actual times of crisis. First, we treat the 10 years before each war as a non-crisis period, allowing us to rule out any idiosyncratic anticipation effects that may have been ongoing immediately before the war started (specifications (1) to (3)). Then, in specifications (4) to (6), we treat the 5 years before and after each war as the control period. The results are virtually unchanged from Table 2, with the point estimates of *Gov. Recommends Yes*War Crisis* still statistically significant at the 1 percent level and of the same magnitude as before.

5.4 Proximity to Germany

Finally, in Appendix Table A3, we attempt to study whether the intensity of the crisis matters. For this, we exploit the fact that military threats mostly arose from Germany, and might therefore make for a higher-intensity crisis in border cantons relative to non-border cantons. We split the sample into cantons that share a land border with Germany and those that do not. This allows us to explore heterogeneous effects for potentially more affected parts of the population. We do find that, in cantons which share a common border with Germany, constituents disregard the government recommendation with a higher probability than in cantons that do not share a common border with Germany. These results, however, may be driven by unobserved attributes of border cantons other than merely proximity to Germany. While the empirical pattern shown in Table A3 is interesting, we recognize that this result is not robustly identifiable in this setting.

6 Concluding Remarks

To throw more light on what to date have been inconclusive findings, this study on whether crises erode trust in government had first to deal with the common problem that institutional quality affects both trust in government and the likelihood of a crisis. Luckily, not only did the

exogenous military threat to Switzerland during the two world wars provide a useful quasiexperiment, but Swiss neutrality means that the standard referenda-based political process continued without interruption throughout both war periods. We are thus able to exploit Switzerland's unique practice of referenda voting recommendations by its legislative and executive branches, which allowed us to use constituent adherence to government recommendations as a behavioural proxy able to measure trust continuously prior to, during, and after the crisis.

To overcome potential concerns that wartime referenda may be systematically different from those in peace time, we apply a difference-in-difference strategy that captures how voters respond to government recommendations during crises, in peace time, and in peace time relative to wartime. Our non-parametric estimates of the probability that the constituents accept a referendum dependent on a wartime versus peacetime government recommendation of a Yes or No vote indicate that during wartime, constituents are more than 17 percentage points less likely to listen to government. Such results remain robust even after we eliminate timeinvariant canton-specific characteristics that could affect the results (e.g., culture or geography) or control for lower voter turnout during times of crisis. In general, we find that constituents are around 20 percentage points less likely to follow government recommendations and accept a referendum in wartime, which is in the same order of magnitude as the 17 percent decrease estimated non-parametrically. These results cannot be attributed to the increased level of consensus in Swiss politics during wartime documented by historians, for which we do find supporting evidence.

Our difference-in-differences estimations further indicate that constituent trust in Parliament decreases during wartime but to a smaller degree than their trust in the Federal Council; perhaps the latter's executive power is more dominant and active in navigating such crises as war threats. We confirm these effect sizes in additional sensitivity studies using increased time windows for non-crisis periods or adjusted start dates for war events. Our analyses also show that voters have returned to pre-war trust patterns by 3 years after the crisis, meaning that individuals adjust quickly. However, again, the trust adjustment for Parliament happened quicker, which supports the finding that executive powers are more susceptible to crowding out of trust.

Although crisis management responses are often top-down and command-and-control oriented (Aldrich 2012), such a centralized approach requires the maintenance of a high level of social capital among citizens. Indeed, centralized procedures for handling crises have been criticized as too ambitious and flawed and failing, for example, to take into account trust aspects like damage to social bonds and networks or overlooking social resources (Aldrich 2012). According to our results, not only is trust in executive government crowded out during crises, but negative citizen responses are stronger for the executive than for the legislative branch. Although such results may not necessarily apply in other contexts, they imply that the crowding out of trust effects is more likely to occur for institutions perceived as having the authority and accountability to navigate crises.

Because the omnipresent crises and conflicts, whether local or global, could lead to the downfall of civilization, society needs a better understanding of how to manage such events if we are to improve resilience and efficiency during transitions and changes. As Boulding (1964) points out, moving such topics into the area of scientific knowledge has a 'stabilizing, one is tempted to say a sterilizing, effect' (p. 103).

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Appendix

Not intended for publication

Notes to Figure 1

Variables:

Dependent variable: Confidence in the National Government.

World Values Survey question: How much confidence do you have in the national government? Potential answers: Missing – Unknown; Not asked in survey; No answer; Don't know; A great deal; Quite a lot; Not very much; None at all. We treat the former four categories as missing and code the latter four categories on a scale of 1 to 4, from least to most confident in the national government. The resulting variable is then standardized by subtracting its mean from each observation and dividing by its standard deviation.

<u>Independent variable in the left-hand side panel</u>: armed conflict dummy. This variable is set equal to 1 if, in the current year or any of the previous 5 years, the country has experienced at least one of the four types of conflicts defined in the Uppsala Conflict Data Project, and 0 otherwise. These four types of conflict are defined in the UCDP codebook as follows: (i) internal conflict occurs "between the government of a state and one or more internal opposition group(s) without intervention from other states"; (ii) interstate conflict concerns "two or more states"; (iii) internationalized conflict "occurs between the government of a state and one or more internal opposition group(s) with intervention from other states (secondary parties) on one or both sides"; and (iv) extra-systemic conflicts occur "between a state and a non-state group outside its own territory" (UCDP/PRIO, 2017). We construct the dummy variable used in this paper using the UCDP conflict variables available in Teorell *et al.* (2017).

<u>Independent variable in the middle panel</u>: recession dummy. This variable is set equal to 1 if, in the current year or any of the previous 5 years, the country has experienced negative growth in per capita GDP as defined in the World Development Indicators, and 0 otherwise. We access this information through the Quality of Government dataset (Teorell *et al.*, 2017).

Independent variable in the right-hand side panel: natural disaster dummy. This variable is set equal to 1 if, in the current year or any of the previous 5 years, the country has experienced a natural disaster captured in the EM-DAT International Disaster Database, and 0 otherwise. The EM-DAT database collects information about all known natural, technological, and mixedtype disasters around the world. We extract data on natural disasters, but not technological or hybrid disasters from EM-DAT, since the latter two types of disasters are more likely to be due to human error. Our final dataset includes 3,387 disaster events over the 1984-2014 period. The sub-categories of natural disasters counted in EM-DAT are biological disasters (which can be broken down into animal accidents, epidemics, and insect infestations), climatological disasters (droughts and wildfires), meteorite impacts, geophysical disasters (mass movements of dry land, earthquakes, volcanic activities), hydrological disasters (floods and landslides), and meteorological disasters (storms, fog, and extreme temperatures).

Sample composition:

Left-hand side panel: 97 countries: Albania, Algeria, Andorra, Argentina, Armenia, Australia, Azerbaijan, Bahrain, Bangladesh, Belarus, Bosnia and Herzegovina, Brazil, Bulgaria, Burkina

Faso, Canada, Chile, China, Colombia, Croatia, Cyprus, Czech Republic, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Georgia, Germany, Ghana, Guatemala, Hong Kong, Hungary, India, Indonesia, Iran, Iraq, Italy, Japan, Jordan, Kazakhstan, South Korea, Kuwait, Kyrgyzstan, Latvia, Lebanon, Libya, Lithuania, Macedonia, Malaysia, Mali, Mexico, Moldova, Montenegro, Morocco, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Palestine, Peru, Philippines, Poland, Puerto Rico, Qatar, Romania, Russia, Rwanda, Serbia, Serbia and Montenegro, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Tanzania, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Kingdom, United States, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe.

Middle panel: 89 countries: Albania, Algeria, Andorra, Argentina, Armenia, Australia, Azerbaijan, Bahrain, Bangladesh, Belarus, Bosnia and Herzegovina, Brazil, Bulgaria, Burkina Faso, Canada, Chile, China, Colombia, Croatia, Cyprus, Czech Republic, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Georgia, Germany, Ghana, Guatemala, Hungary, India, Indonesia, Iran, Iraq, Italy, Japan, Jordan, Kazakhstan, South Korea, Kuwait, Kyrgyzstan, Latvia, Lebanon, Libya, Lithuania, Macedonia, Malaysia, Mali, Mexico, Moldova, Morocco, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Qatar, Romania, Russia, Rwanda, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Tanzania, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Kingdom, United States, Uruguay, Uzbekistan, Venezuela, Vietnam, Zambia, Zimbabwe.

<u>Right-hand side panel</u>: 97 countries: Albania, Algeria, Andorra, Argentina, Armenia, Australia, Azerbaijan, Bahrain, Bangladesh, Belarus, Bosnia and Herzegovina, Brazil,

Bulgaria, Burkina Faso, Canada, Chile, China, Colombia, Croatia, Cyprus, Czech Republic, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Georgia, Germany, Ghana, Guatemala, Hong Kong, Hungary, India, Indonesia, Iran, Iraq, Italy, Japan, Jordan, Kazakhstan, South Korea, Kuwait, Kyrgyzstan, Latvia, Lebanon, Libya, Lithuania, Macedonia, Malaysia, Mali, Mexico, Moldova, Montenegro, Morocco, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Palestine, Peru, Philippines, Poland, Puerto Rico, Qatar, Romania, Russia, Rwanda, Serbia, Serbia and Montenegro, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Tanzania, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Kingdom, United States, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe.

References:

EM-DAT: The Emergency Events Database - Universite catholique de Louvain (UCL) - CRED, D. Guha-Sapir - www.emdat.be, Brussels, Belgium

Teorell, Jan, Stefan Dahlberg, Sören Holmberg, Bo Rothstein, Anna Khomenko & Richard Svensson. 2017. The Quality of Government Standard Dataset, version Jan17. University of Gothenburg: The Quality of Government Institute, http://www.qog.pol.gu.se doi:10.18157/QoGStdJan17

UCDP/PRIO, 2017. UCDP/PRIO Armed Conflict Dataset Codebook.

http://ucdp.uu.se/downloads/ucdpprio/ucdp-prio-acd-172.pdf

Notes to Figure 2

Dependent variable: Trust in the National Government.

Eurobarometer question: 'I would like to ask you a question about how much trust you have in certain institutions. For each of the following institutions, please tell me if you tend to trust it or tend not to trust it? The (NATIONALITY) government'. A higher score means 'tends to trust'; a lower score means 'tends not to trust' (Teorell *et al.* 2017, p. 338).

<u>Countries:</u> Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, the United Kingdom.

<u>Time coverage</u>: 2003–2013.

<u>*Recessions:*</u> For each country, we identify the year of onset of a recession as the first year with negative growth in per capita GDP, as identified by the wdi_gdpcapgr variable in the QoG dataset. When a country has experienced more than one recession, because of the relatively short data timeframe, we focus on the first recession episode and ignore subsequent episodes.

<u>Source</u>: Teorell, Jan, Stefan Dahlberg, Sören Holmberg, Bo Rothstein, Anna Khomenko & Richard Svensson. 2017. The Quality of Government Standard Dataset, version Jan17. University of Gothenburg: The Quality of Government Institute, http://www.qog.pol.gu.se doi:10.18157/QoGStdJan17

Table A1: Data description and sources

Variabla	Description & Source		5 years + war		10 years + war		5 years + war + 5 years		war + 9 years	
Valiable			SD	Mean	SD	Mean	SD	Mean	SD	
Constituency accepts	Indicator variable: Constituency (canton) accepts the referendum. Federal	0.492	0.500	0.537	0.499	0.441	0.497	0.442	0.497	
referendum	Statisical Office and Swissvotes Database.									
Government suggests	Indicator variable: Government suggests to vote Yes. Federal Statisical Office and	0.290	0.454	0.306	0.461	0.284	0.451	0.307	0.461	
Yes	Swissvotes Database.									
Government neutral	Indicator variable: Government does not give a voting recommendation. Federal	0.355	0.479	0.388	0.487	0.373	0.484	0.387	0.487	
	Statisical Office and Swissvotes Database.									
Parliament suggests Yes	s Indicator variable: Parliamentary majority suggests to vote Yes. Federal Statisical	0.613	0.487	0.694	0.461	0.642	0.480	0.693	0.461	
	Office and Swissvotes Database.									
War crisis	Indicator variable: Referendum takes place between 1914 and 1918 or 1939 and	0.516	0.500	0.327	0.469	0.239	0.426	0.213	0.410	
	1945 (exact dates of start of war in Table 5). Own construction.									
Turnout	Number of valid votes in constituency divided by number of eligible voters. Federal	0.549	0.184	0.560	0.192	0.542	0.196	0.534	0.185	
	Statisical Office.									

Notes: Unweighted descriptive statistics. Data sources indicated next to variable descriptions.

Table A2: Referendum turnout in crisis compared to non-crisis

	5 Years Befo Cr	re/During War isis	10 Years Before/During War Crisis		5 Years Bet Years Afte	Post-War Dynamics	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
War Crisis	-0.062*** (7.1e-03)		-0.060*** (6.4e-03)		-0.029*** (6.0e-03)		-0.029*** (8.8e-03)
World War I (1914-1918)		-0.081*** (0.015)		-0.078*** (0.013)		-0.048*** (0.011)	
World War II (1939-1945)		-0.053*** (7.0e-03)		-0.051*** (7.5e-03)		-0.020** (8.7e-03)	
1-3 Years Post War Crisis							-0.029*** (8.3e-03)
4-6 Years Post War Crisis							-4.4e-03 (5.2e-03)
Intercept	0.812*** (3.7e-03)	0.812*** (3.7e-03)	0.807*** (2.1e-03)	0.807*** (2.1e-03)	0.778*** (1.4e-03)	0.778*** (1.4e-03)	0.784*** (4.4e-03)
Cantonal Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dataset	5 years + war	5 years + war	10 years + war	10 years + war	5 years + war + 5 years	5 years + war + 5 years	war + 9 years
R2	0.440	0.443	0.376	0.378	0.343	0.344	0.385
n. Obs.	775	775	1225	1225	1675	1875	

Notes: The dependent variable for all OLS estimations is turnout in a canton (constituency). Robust standard errors clustered at the cantonal level are given in parentheses. ***, **, and * indicate a mean significance level of below 1%, between 1 and 5%, and between 5 and 10%, respectively.

Notes to Table A2

In Table A2, we investigate the hypothesis that turnout in a crisis is lower than during a period of non-crisis using referendum turnout for each constituency as the dependent variable and controlling for cantonal fixed effects throughout. In specification (1), we analyse referenda held 5 years before the war crisis, as well as those held during the war crisis. As specification (1) shows, during a time of war crisis, turnout is approximately 6.2 percentage points lower. The *R*-squared is 0.44, indicating that, even though the specification is very parsimonious, the model's explanatory power is quite high.

In specification (2), by breaking down the crisis period into two parts, one for each world war, we show that turnout during both world wars is always lower than during the pre-war periods. In specifications (3) and (4), we demonstrate that when we use a 10-year pre-war period, the effects are very similar to those in specifications (1) and (2). In specifications (5) and (6), we study a sample beginning 5 years before the war, continuing throughout the war, and including the 5 years immediately after the war. Specification (5) shows that during the war, turnout is approximately 2.9 percentage points lower, a smaller effect in absolute terms compared to earlier estimates, likely because of turnout taking some time to recover to pre-war levels. This latter assumption is confirmed in specification (7), which focuses on post-war dynamics. Here, turnout during the war crisis is approximately 2.9 percentage points lower than in our 7- to 9-year post-war reference period and remains so 1 to 3 years after war ends.

Notes to Table A3

In Table A3, we rerun estimations of Table 2, specifications (1) and (3) for subsamples of cantons/constituencies that share a common border with Germany. All specification indicate that constituents follow the recommendation of government less often during war crisis. The

quantitative effect is, however, larger for cantons that share a common border with Germany. Constituents from these cantons are between 19 to 34 percentage points less likely to follow government recommendations and accept a referendum in wartime. In contrast, constituents from cantons that *do not* share a common border with Germany are only between 9 to 12 percentages points less likely to follow government recommendation.

	Border with	h Germany	No border w	ith Germany	
	(1)	(2)	(3)	(4)	
Gov. Recommends Yes	2.126*** (0.483)	2.179*** (0.499)	1.255*** (0.366)	1.206*** (0.347)	
Gov. Recommends Yes*War Crisis	-1.061* (0.558)	-1.161** (0.555)	-0.918** (0.434)	-0.817* (0.432)	
War Crisis	0.955*** (0.313)	-0.685 (0.428)	0.590*** (0.184)	1.157** (0.509)	
Gov. Neutral	2.847*** (0.402)	2.934*** (0.397)	3.082*** (0.213)	3.080*** (0.211)	
Gov. Neutral*War Crisis		0.078 (0.512)		0.315 (0.645)	
Turnout		2.727*** (0.806)		-1.170 (0.875)	
Turnout*War Crisis	-2.261*** (0.373)	-2.581*** (0.348)	-2.037*** (0.219)	-2.153*** (0.493)	
Cantonal Fixed Effects	Yes	Yes	Yes	Yes	
DE "Gov./Parl. recommends Yes" DE "(Gov./Parl. Recommends Yes)*(War crisis)"	44.69 -19.01	45.62 -34.27	17.58 -12.48	17.24 -9.02	
Dataset	5 years + war				
R2	0.352	0.361	0.407	0.409	
Brier	0.182	0.181	0.166	0.165	
n. Obs.	186	186	589	589	

Table A3: Trust in government and parliament in times of crisis - Analyzing cantons that share a common border with Germany

Notes: The values reported are from logit estimates in which the dependent variable is Constituency Accepts Referendum. Robust standard errors clustered on a cantonal level are given in parentheses. DE = discrete effect in the predicted probability. The effects for Gov. Recommends Yes and Gov. Recommends Yes*War Crisis are discrete effects in percentage points for these coefficients when all other variables are evaluated at their median values. ***, **, and*indicate a mean significance level of below 1%, between 1 and 5%, and between 5 and 10%, respectively.