

Research Statement

My research interrogates two related central questions: whether, how, and to what extent political regimes shape economic policies and, vice versa, how economic conditions and policies stabilize or destabilize democratic and authoritarian forms of governance. By leveraging contemporary economic developments and novel methodological tools, my research agenda explores the advantages and disadvantages of democratic governance, democratization and autocratic stability, policy responses to exogenous shocks, and delegation of economic policies.

In the first chapter of my three-article dissertation, **Democracy and Macroprudential Banking Regulation**, I investigate the conditions that exacerbate the democratic disadvantages of regulatory implementation. The study extends the growing debate about whether authoritarian or democratic governance best addresses contemporary global issues such as financial crises, contagious disease outbreaks, or climate change. Building on the existing literature on the short-termism of democratic decision-making and policy stagnation stemming from veto players, I argue that democratic governance limits the implementation of macroprudential regulatory. My theoretical contribution is to show how vertical and horizontal accountabilities of democratic governance do not yield better outcomes in areas such as macroprudential policies. Because macroprudential policies preemptively restrict credit expansion to reduce the risk and magnitude of banking crises, and because voters do not realize the policy benefits without the occurrence of the crisis, the uncertainty in the future timing and magnitude of crises compounds the short-termism of democratic decision-making. I also argue that banking regulation increases the cost of veto bargaining in democracies. In particular, because the regulation creates a highly heterogeneous distribution of benefits, macroprudential regulation not only divides banks from veto players in other sectors but also leads to fragmented preferences over regulation within the financial sector. In contrast, authoritarian regimes more readily implement macroprudential regulation because avoiding banking crises is critical to long-term regime survival. Empirically, using a panel dataset of macroprudential policies in 126 countries from 1990-2020, event history and synthetic control models uncover that democracies are less likely to adopt macroprudential policies. I also explore case studies in the United States, China, and Hungary to corroborate the mechanisms behind this relationship.

In the second study, I revisit the canonical debate on the relationship between democracy and development. Because prior findings are contingent on the window of time selected for the study, such as the nineteenth century and the prewar period, or the early 21st century, the causal association between economic development and democracy remains unsettled. To address this challenge, my second study, **Democracy and Economic Development: A Time-Varying Parameter Model Approach**, explores dynamic relationships between levels of income and democracy. I develop a class of Bayesian time-dependent Probit models that include time-varying coefficients to capture nuanced and structural changes in the impact of income on regime transitions by quantifying the impact of covariates (e.g., income) on binary outcomes (e.g., democratization) in each time unit. Using this original method, I find that the magnitude of influence of per capita income

on democratization is stable from the 1960s to the 1980s, while it declines in the 1990s and the early 2000s. These empirical findings support my proposed theory that the emergence of institutionalized autocracies after the collapse of the Soviet Union exerts a structural change in the relationship between income and democratization. Moreover, my results invite a new thread of research to investigate why and how authoritarianism becomes resilient after this large change, which leads me to analyze macroeconomic policy institutionalization in authoritarian regimes in my future projects.

The third paper, **Democracy-at-Risk: Estimating Resilience and Vulnerability of Democracy**, also examines the causes of democratic backsliding and consolidation by employing the quantile regression method in a study of democracy. Previous scholarship theorizes an asymmetric relationship between economic factors and political regimes, assuming the probabilities of a transition to democracy (endogenous democratization) and a democratic breakdown (exogenous democratization) are distinct. However, the approach of extant empirical work fails to capture the nuances of these theories. For instance, distributive conflict theory expects an *increase* in income inequality to promote democratization, but does not necessarily expect decreasing inequality to promote autocracy. To address this kind of theoretical nuance, quantile regression avoids the limitations of the conventional methods (e.g., OLS) that assume economic factors exert an *linear* relationship between democratization and autocratization. This novel application estimates not just a mean but a complete conditional distribution of the democracy index as a function of economic conditions. I find that widening income inequality increases the risk of democratic regression (democratic vulnerability), whereas lowering inequality does not affect the upside risk of democracy (democratic resilience). Despite the recent evolution of quantile regression analysis attracting scholars who study economic and financial data, where extreme events assume critical importance, the applications of this method in political science have not prevailed. Thus, I expect this study to invite other researchers to answer important questions in political science fields.

Beyond my dissertation, my interest in the relationship between political institutions and policy outcomes led me to analyze policy responses to the COVID-19 pandemic within an interdisciplinary team. Collecting data on the adoption of social distancing policies in US states in real time, we tested the determinants of social distancing policy introduction. In my capacity, I led the processing and managing of the dataset, which includes more than ten thousand interconnected policy items, developing tools to prepare this data for empirical analysis. In this research, we first found the partisanship of the governor and the political composition of the state were stronger predictors of social distancing policy adoption than public health or economic indicators. Our continued efforts in the data collection and analysis were published in *Perspectives on Politics*, the *Journal of Health and Public Policy Law*, and *State Policy & Politics Quarterly*.

My research agenda on the relationship between political regimes and economic policy informs another ongoing project, where I bring together my expertise in text analysis and central banks. In a co-authored project entitled **Driving Forces of Diversification in Central Banks'**

Functions: Global Textual Analysis of Central Bank Laws (with Masaaki Higashijima, Tohoku University), we explore the influence of political regimes on delegating non-monetary functions to the central bank. While existing scholarship on central banks centers on the role of the central bank in achieving price stability, the diversification of central bank functions and mandates after the Great Financial Crisis has received little scholarly attention, leaving gaps in our understanding of both the content and political determinants of these changes in central banks' role. To empirically capture the diversification of central bank functions, we apply Keyword Assisted Topic Models to cross-sectional data on the central bank statutes of 103 countries. We find in preliminary analyses that autocratic governments are likely to permit the central bank to take on broader policy roles than democracies. In addition, I am developing a theory of governments' delegation strategies by focusing on the tradeoff between central bank autonomy and the breadth of its policy functions under different political institutions and regimes. The theoretical contribution of this project will help investigate the conditions under which policy innovation and delegation occur, and in particular, how it depends on political regimes. The project will also expand the legal dataset over time and publish the dataset, inviting other researchers to analyze the central bank statutes for their own research interests. The project is funded by the Japan Society for the Promotion of Science, which is equivalent to the National Science Foundation in the United States.

In addition to cross-national analysis, my expertise in Japanese politics contributes to the field of comparative political economy. In ongoing projects with Saori N. Katada at the University of Southern California, we analyze the electoral dominance of the Liberal Democratic Party (LDP) and opposition party fragmentation in Japan, focusing on macroeconomic policy strategies and debates. We argue that the LDP weakens opposition parties by co-opting their innovative policy proposals, thus exploiting the opposition parties' own policy space and producing less competitive elections. This research suggests incumbent party's co-optation strategies could lead to democratic erosion, with implications for other established democracies. My work related to Japanese politics was also published as a book chapter analyzing the results of the last general election in Japan, focusing on macroeconomic policies (coauthored with Saori N. Katada). Drawing on my expertise in Japanese observational data, I also contributed to an article published at *PS: Political Science Politics* that identifies opportunities to conduct field research when there is limited access to the field.

Investigating the relationship between political institutions, including regimes and policy outcomes, is one of the fundamental themes in political science. My research explores the long-standing and contemporary issues in comparative politics by developing and applying novel methodological tools. My existing and future research agenda demonstrates the breadth of topics and methodological approaches which contribute to public debates about democratic and authoritarian governance and economic policy outcomes when we address future crises and challenges.