MORE THAN WORDS:
LEADERS' SPEECH AND RISKY BEHAVIOR DURING A PANDEMIC

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How do political leader's words and actions affect people's behaviour? We address this question in the context of Brazil by combining electoral data and geo-localized mobile phone data for more than 60 million devices throughout the entire country. We find that after Brazil's president publicly and emphatically dismisses the risks associated with the COVID-19 Pandemic and advises against isolation, social distancing measures of citizens in pro-government localities reduce relative to those places in which his support is weaker, while pre-event effects are insignificant. The impact is large and robust to different empirical model specifications. We also find suggestive evidence that this impact is driven by localities with relatively higher levels of media penetration.

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More than Words: 
Leaders’ Speech and Risky Behavior During a Pandemic*

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Abstract

How do political leader’s words and actions affect people’s behavior? We address this question in the context of Brazil by combining electoral data and geo-localized mobile phone data for more than 60 million devices throughout the entire country. We find that after Brazil’s president publicly and emphatically dismisses the risks associated with the COVID-19 Pandemic and advises against isolation, social distancing measures of citizens in pro-government localities reduce relative to those places in which his support is weaker, while pre-event effects are insignificant. The impact is large and robust to different empirical model specifications. We also find suggestive evidence that this impact is driven by localities with relatively higher levels of media penetration.

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Leadership is a powerful tool to influence human behavior. From Plato to the modern literature in economics (e.g. Hermalin, 1998), sociology of organizations (e.g. Weber, 1947) and management (e.g. Burns, 1978), there is a widespread consensus that leadership matters. Leaders can have an effective role in affecting people’s beliefs and behavior by different channels: by reducing information asymmetries and thus reducing coordination problems (e.g. Dewan and Myatt, 2008), by setting a social norm (e.g. Acemoglu and Jackson, 2015) or, simply, by transmitting a message symbolically and emotionally (e.g. Hermalin, 2017; Antonakis et al., 2014).

A growing empirical literature (in the field or in the lab) has recently shown that leaders have the power – with their actions and with their words – of persuading people in a variety of relevant contexts, such as behaving more or less honestly (e.g. Ajzenman, 2018; d’Adda et al., 2017), increasing their contributions to public goods (e.g. Güth et al., 2007; Andreoni, 2006); and increasing their productivity at work (e.g. Brandts and Cooper, 2007). A crucial yet virtually unexplored domain in which leaders may potentially have a relevant impact is in health-related risky behavior. Information on recommended prevention practices is typically asymmetrical between governments and citizens, and the problem becomes even more stringent during a public health emergency, such as a pandemic. Not only regular citizens may ignore the best practices from a medical point of view but, more importantly, they are likely to be unaware of the global spread of the disease (and ignore negative externalities) and thus the urgency of the situation. The role of leaders in this context is, therefore, crucial. Indeed, and despite the scarcity of rigorous evidence, recent anecdotal evidence suggests that political leaders’ recommendations on preventive health behavior could be taken seriously by followers, regardless of how scientifically based the statements are. For instance, after President Trump suggested that disinfectant could be injected as a remedy against the Coronavirus (Vox (2020b)), several articles reported an increase in the interest (and eventually purchasing) of disinfectant (Vox (2020a)).

In this paper, we aim at bridging this gap in the literature by exploring the effect of a high-profile political leader’s behavior and public speech on the citizens’ preventive and risky behavior. We focus on the recent outbreak of the COVID-19 Pandemic in Brazil, a particularly suitable setting to address our research question.\(^1\) Since the beginning of the pandemic, the official response was notably heterogeneous among the different governments at the state and federal levels. While many sub-national governments declared non-pharmaceutical interventions with different levels of strictness (e.g. Anderson et al., 2020) and recommended adherence to social distancing, President Bolsonaro has minimized the effect of the disease to the point of explicitly and publicly contradicting the instructions communicated by governors. In a number of different events (that even reached the international media — see, for instance, (e.g. FT, 2020; The Economist, 2020), Brazil’s President publicly motivated citizens to go out and thus break the social isolation policies.

The framework is thus ideal for testing if the speech of a public leader (in this case, the head of state) could induce certain types of behavior that might lead to perceptible risks for individuals with potential negative externalities to communities. Brazil is a highly polarized country in which the President has an almost equal level of strong approval and disapproval from the citizens (e.g. Hunter and Power, 2019). We hypothesize that the President’s supporters are significantly more prone to be persuaded by his words than his critics, even in a context of high-stake decisions, such as adherence (or not) to preventive measures during the pandemic, which were recommended by the World Health Organization, Brazil’s sub-national governments, and

\(^1\)Brazil is a three-tiered federation with 26 states, a Federal District and 5,571 municipalities.
also endorsed by the national Ministry of Health.\footnote{On 16 April 2020, Bolsonaro sacked his ministry of health after weeks of public conflicts on their different views on social distancing policies and the effectiveness of treatments based on anti-malaria drugs to fight critical cases of the novel coronavirus.}

In order to address our research question we use several datasets. We first deploy a social distancing index at the municipal-day level constructed by In Loco (a technology company with offices in Brazil and in the United States), based on granular location data from tens of millions of anonymous mobile devices across Brazil. The index is defined as the proportion of mobile phones in a given municipality that stayed within a radius of 450 meters from their habitual home during a day. We then combine this with municipal data from the 2018 presidential election and conduct an event-study type of analysis at the day-municipality level. In our setting, the “intervention” is defined by the interaction of a “pro-government” dummy (based on the average municipal support to the current President in the 2018 elections) and the dates corresponding to the events in which the President publicly challenged the social distancing policies.

We show that, following public and prominent speeches of the President against social isolation policies, the average social distancing index immediately falls in those municipalities with a majority of supporters. The effect is significant, it persists for at least a week and it is robust to several specifications and definitions of political support. We also show insignificant pre-event effects. Moreover, we present suggestive evidence of a larger effect being present in municipalities with a higher presence of local media or internet penetration among households, a result consistent with other papers that have emphasized the role of local media disseminating political news in Brazil (see Ferraz and Finan (2008)) and, in particular, the fundamental role of internet access Bessone et al. (2019)).

We complement the empirical analysis with a simple theoretical model to rationalize how differences in perceived expected loss of being infected by the virus (likely to be affected by the presidents’ words and actions) affect equilibrium social distancing. In our model, individuals are willing to self-isolate voluntarily when the probability of contracting the disease is tangible. However, people also weigh the contagion risk against losses of income and the inconvenience of living in isolation. As a consequence, voluntary social distancing can start to keep people at home only when the infection risk becomes visible, which is unlikely in the initial stages of the pandemic. Individuals might overexpose themselves to infection.

Our paper relates to several strands of the literature. First, it builds on the literature on the role of leaders in shaping people’s beliefs and behavior. Although the traditional approach of economics has focused on transactional leadership (e.g. Burns, 1978) – incentives as the main channel through which the principal can induce behavior among the agents (see for instance Lazear and Rosen (1981), Holmstrom and Milgrom (1991) or Holmstrom and Milgrom (1994)) –, there is a growing theoretical (such as Hermalin (1998) or Acemoglu and Jackson (2015)) and empirical literature studying how leaders can motivate followers to voluntarily behave in certain ways, with their speeches and their exemplar behavior. Using Mexican data, Ajzenman (2018), for example, shows that when a corruption scandal by a political leader is revealed,

\footnote{In the Appendix, we also document suggestive evidence of a change in the trend of reported cases few days after the events. As we explain in the appendix, cases’ reporting data in Brazil has serious concerns in terms of its quality and under-reporting and it is, thus, unreliable. Although this is true for many countries, in the case of Brazil, testing seems to be disproportionally low in comparison to other countries, even within the same Region. Brazil, up to now, has tested people at a rate far lower than any other nation with at least 40,000 cases. For instance, Brazil has tested 12 times fewer people than Iran and thirty-two times fewer than the United States (see The Washington Post (2020)). Moreover, testing is not uniformly distributed among states (or municipalities) or days, and there is no reason to believe that its distribution across time or space is unrelated to other relevant variables or events.}
citizens become more dishonest and adopt more corrupt beliefs (results consistent with those of d’Adda et al. (2017), tested in the lab). Jack and Recalde (2015), in a field experiment in Bolivia, find that voluntary contributions to a public good rise when an elected politician leads by the example. In a different setting, Antonakis et al. (2014) show in field and lab experiments that listening a charismatic speech from a leader can induce prosocial behavior among workers (results in line with the in-the-lab findings of Gächter and Renner (2018)). Two papers are particularly related to ours: Bassi and Rasul (2017) show that the Papal’s visit to Brazil in 1991 had a significant effect on beliefs and behavior related to fertility, among those directly exposed to his speech; while Stroebel and van Benthem (2012) show that the public approval of the use of condoms to fight HIV by an influential Catholic archbishop in Kenya caused a significant increase in its use among unmarried Catholics in the diocese. Our study contributes to this literature, and complements these papers by focusing on a particularly relevant type of leader – the head of state – and showing how his speech affects citizens’ risky health-related behavior.

Second, and related to the effects of a leader’s speech on behavior, our paper contributes to the general literature on persuasion. DellaVigna and Gentzkow (2010) present a complete empirical review of the effect of persuasion on consumers, donors, voters, and investors. We contribute to this literature by providing a novel piece of evidence on how political leaders can persuade citizens to adopt a risky behavior amidst the most disruptive and widespread pandemic of a century.

Third, our paper relates to the recent literature on the COVID-19 Pandemic and social distancing compliance. Barrios and Hochberg (2020) document a partisan divide in compliance with social distancing. In particular, the paper shows that pro-Trump counties are more prone to keep social distancing, a result consistent with the findings of Allcott et al. (2020) and Kushner Gadarian et al. (2020). In a paper closer to ours, Painter and Qiu (2020) show that state-level “stay-at-home” orders in the US are more likely to be abided by democrats when the governor is a democrat. In a paper very similar to ours, Grossman et al. (2020) use twitter data from governors to show that Governors’ recommendations for residents to stay at home preceded stay-at-home orders led to a large and significant reduction in mobility, an effect that was larger in Democratic than Republican-leaning counties, and more pronounced under Republican governors. Our paper contributes to this growing literature by showing how the actions and words of the president can affect the behavior of the followers, regardless of the legal or official policies (such as “stay-at-home” orders) put in place.

Finally, and more generally, our paper contributes to the literature on behavioral change promotion in public health through opinion leaders. Most of the papers in this field focus on the identification of efficient channels/agents to spread a positive change/innovation in health behavior, such as celebrities, community leaders or peer leaders (see Valente and Pumpuang (2007) for a comprehensive review). Kalichman and Hunter (1992), for instance, show significant changes in HIV-related beliefs after professional NBA star “Magic” Johnson’s disclosure of his HIV infection; La Ferrara et al. (2012) show how a popular soap opera in Brazil caused a significant reduction in fertility, induced by the behavior of the main characters of the TV show. In a similar paper, Kearney and Levine (2015) show that a popular MTV show (“16 and Pregnant”) reduced teen births in the US. In a context similar to ours, Bursztyn et al. (2020) show that prevention (or anti-prevention) messages broadcasted through TV shows had a significant impact on viewers’ behavior and downstream outcomes during the COVID-19 Pandemic in the US. We contribute to this literature by showing that the head of state can be an effective agent of behavioral change. In our case, to promote or not a lessening in preventive health behavior.

The paper is structured as follows. Section II describes the context and the chronology
of events in Brazil. Section III presents a theoretical model of social distancing compliance. Section IV describes the data. Section V presents the empirical model and the main results and Section VI concludes.

II Context and Chronology

The COVID-19 Pandemic has claimed many lives and is causing widespread disruption to the world economy. Since its outbreak, most countries are reporting exponential growth in the incidence of reported COVID-19 cases. Several countries started to actively implement non-pharmaceutical interventions with different levels of stringency to mitigate the spread of the virus: ranging from traveling restrictions, school closings, bans on public gatherings to home isolation or even mandatory quarantines. The mitigation strategy, as it was popularized by the Imperial College Report, aims at “flattening the curve”, in order to keep the number of critic cases at a manageable level and thus avoid a collapse of the health system. Although some of these rules are, by definition, abided by the citizens (for instance, school closings), the level of compliance of many others depend on their goodwill (and, naturally, their socio-economic status), especially in countries in which isolation is recommended but not legally enforced.

Some countries have reacted more moderately, either by deliberate choice or due to implementation constraints (say, in places, with many slums and people living on the streets) leaving individuals to choose for themselves an appropriate degree of self-isolation.

As we show in our theoretical framework presented in Section III, individuals are willing to self-isolate voluntarily when the perceived expected loss of being infected is high. Individuals weigh the risk and the loss of getting the virus against losses of income, employment and the inconvenience of social distancing. Critics of voluntary social distancing believe that relying on individual choice can lead to people to self-isolate only when the infection risk becomes visible, and the epidemic has already taken off with no major effects on flattening the curve.

In Brazil, and similar to what was experienced in other countries such as the United States, the official response to the outbreak was not clear. In addition, being a federal country where state governments have real power to implement their own social distancing policies, the actions in the country were spatially heterogeneous and uncoordinated. Figure I shows that every single state ended up adopting mandated measures of social distancing policies, closing schools and some public spaces, although the timing varied across states.

As novel coronavirus cases and fatalities started to rise in the country, the Brazilian President Jair Bolsonaro minimized the pandemic and has not endorsed strict quarantine and social distancing measures, some implemented by Brazilian sub-national governments. Bolsonaro has encouraged people to go out and even make appearances in stores, markets and public demonstrations on the streets contradicting his own health minister, while dismissing the effects of the virus as “just a little dose of flu” (see The Wall Street Journal, 4/2) and calling the disease a “media trick” (see The Guardian, 3/23). His behavior was so controversial that it rapidly made it to dozens of international media outlets, such as The Times of India (“Brazil president takes selfies, cheers demonstrators despite virus warnings”, 3/16), The Economist (“Bolsonaro: Brazil’s president fiddles as a pandemic looms”, 3/26), BBC (“Coronavirus:

\footnotetext[4]{The Stringency Index, produced by the Oxford Blavatnik School of Government contains an up-to-date summary of the containing measures implemented by each country. It is available at https://www.bsg.ox.ac.uk/research/research-projects/oxford-covid-19-government-response-tracker.}

\footnotetext[5]{On 16 April 2020, Bolsonaro fired his health minister after weeks of public confrontation on their opposing views on governors’ policies to shut down schools and businesses and on the effectiveness of antimalarial medications to fight the disease.}

Despite his opposition to drastic social distancing measures and his denial regarding the health severity of the novel coronavirus, his messages on the issue were not always uniform and clear. We summarize some of his speeches and public demonstrations on COVID-19 Pandemic. We show that there were two key events in which his critiques were particularly focused on condemning the social distancing policies and, unlike other days, made to the front pages of the main national media outlets. The dates were March 15th and March 24th.

(i) In a neutral position regarding the severity of the pandemic, Bolsonaro first mentioned the virus in his twitter account on 31 January 2020.

(ii) In a televised presidential statement on 6 March, Bolsonaro stated that people “must strictly follow the experts’ recommendations as the best protective measure”. However, there was no clear recommendation on social distancing measures.

(iii) In an official visit to the United States on 10 March 2020, Bolsonaro recognized that there was a world crisis related to the coronavirus, but it was probably not as strong as the mainstream media reported. On 12 March 2020, Bolsonaro appeared with his health minister Mandetta on television, both wearing face masks, and the president monitored by doctors, since some members of his cabinet, who also went to the United States in the presidential mission, tested positive for COVID-19. Due to the risk of contagion, the health minister recommended to postpone the public protests against the Congress and the Federal Supreme Court (STF) scheduled for Sunday 15 March 2020. On an official pronouncement on 12 March, Bolsonaro stated that these public marches should be “reconsidered” given the “current events”.

(iv) **March 15th - Demonstration:** The marches on 15 March went on despite official messages calling them off. Then, unexpectedly, Bolsonaro, still on suspicion of being infected with COVID-19, joined one of the demonstrations in Brasilia. He took selfies and distributed fist bumps with several supporters and during that day posted the largest number of tweets since he became the president (47 tweets), most of them with videos showing the rallies in different cities of the country.

His behavior rapidly captured the attention of national and international media. On the 16th, Bolsonaro’s picture in the march appeared in the front page of the three largest newspapers in Brazil (Folha de Sao Paulo, O Globo and Estadao) with headlines directly alluding to his behavior in relation to the prevention of the virus. Folha’s headline, for example, stated that “Bolsonaro ignores the virus and shows up in a march against the Congress and the STF”. Estadao’s headline pointed towards the same direction “Infectologists criticize Bolsonaro for giving a bad example to the nation”, similar to O Globo’s headline: “Don’t do what I do, bad examples threaten the fight against Coronavirus” (see Figure II as an example). Other newspapers had similar headlines. On March 16, Gazeta do Povo, a conservative newspaper in the state of Paraná shows a picture of Bolsonaro taking selfies in one of the rallies.

(v) On 18 March 2020, Bolsonaro and several of his ministers, all wearing face masks, spoke with the press and presented policies to mitigate the economic and health impacts of the pandemic. There was no clear message on social distancing.
March 24\textsuperscript{th} - Official Presidential Pronouncement: Since the beginning of the outbreak, until April 14\textsuperscript{th}, there were five official presidential pronouncements. This type of pronouncement is particularly relevant because every TV or radio station in the country broadcast official pronouncements. Broadcasting is mandatory and, thus, these types of messages are scarce and reserved for especially relevant communications from the president (in 2019, for instance, there were five official pronouncements throughout the entire year).\textsuperscript{6} In the first two communications (March 6\textsuperscript{th} and 12\textsuperscript{th}), the president gave short speeches and the messages were not very specific on social distancing. He emphasized the work of the federal government and tried to bring calm and encouraged people to follow the prevention measures recommended by the specialists. The tone of these messages were completely reverted in the speech of March 24\textsuperscript{th}.

Doubling the length of his discourse, in this one Bolsonaro directly referred to the social distancing policies implemented by the sub-national governments. He first emphasized that the risk group was mainly the elderly and, thus, suggested there was no point in closing schools. He also emphasized that jobs had to be maintained and criticized the media for spreading the news of Italy (“a country with a large elderly population and completely different weather”).

He referred to his personal situation and said that, because of his athletic historical condition, he would not need to worry even if he got infected: “I would feel nothing or, in the worst case, it would be like a little flu.”

He finally mentioned the effectiveness of antimalarial medications based on hydroxychloroquine (HCQ) in fighting the disease caused by COVID-19.

As in the case of the public protests on 15 March (and unlike any of the previous or posterior official communications), his speech made it again to the front pages of the main national newspapers the following day. Folha’s headline, for example, stated that “Bolsonaro criticizes school closures and attacks the press”. Estadão’s headline stated that “Bolsonaro criticizes the quarantine and wants stores and schools to open”, similar to O Globo’s headline: “Bolsonaro ignores the world’s trends and criticizes isolation and school closures” (see Figure III as an example).

The next official pronouncement was on March 31\textsuperscript{st} and Bolsonaro toned down his speech. Citing the World Health Organization he highlighted the need of saving jobs as much as possible “If we prevent people from moving, what would happen to those who have to work in order to get their daily bread?” He praised the policies implemented by the federal government to mitigate the effects of the epidemic together with sub-national governments but was clear to state that the side effects of the measures should not be worse than the disease.

Finally, on April’s 8\textsuperscript{th} official pronouncement, Bolsonaro kept the tone of the previous one, praising his policies, the coordination of the federal government with the states, but continued emphasizing the need to keep jobs and the effectiveness of HCQ in treating patients with COVID-19. If any, media’s interpretation was that Bolsonaro’s was toning down his message (Folha, for example stated on April 1\textsuperscript{st} that “Bolsonaro changes his tone, and speaks about a pact and a challenge for this generation”,\textsuperscript{7} while O Globo stated that “Cases in the country hit a record, and Bolsonaro, isolated, moderates his tone”\textsuperscript{8}).

\textsuperscript{6}The text of each of these speeches can be accessed publicly in this website: \url{https://www.gov.br/planalto/pt-br/acompaine-o-planalto/pronunciamentos}.
\textsuperscript{7}See \url{https://www.vercapas.com.br/edicao/capa/folha-de-s-paulo/2020-04-01/}
\textsuperscript{8}See \url{https://www.vercapas.com.br/edicao/capa/o-globo/2020-04-0}
\textsuperscript{9}Each of the main newspapers’ front pages can be downloaded from \url{https://vercapas.com.br}. 
Therefore, two events were very strong and outliers in spreading a message against social distancing. The first is his personal demonstration on 15 March by joining the crowd with a non-negligible risk of being infected and breaking public health guidelines to avoid contagion. The second event is his official pronouncement on 24 March in which he pushed to end social distancing measures implemented by some sub-national governments. Since 24 March there were public demonstrations of Bolsonaro against measures of social distancing.

III Theoretical Model

In this section, we present a simple model to understand how differences in perceived expected loss of being infected by the virus affect equilibrium social distancing and the dynamics of infection. This is a stylized model which is used only for qualitative and positive analysis. We do not implement any normative or quantitative analysis.\(^{10}\) The background of the environment is the basic SIR (Susceptible (S), Infected (I) and Recovered(R)) model presented by Kermack and McKendrick (1927). Here, we briefly describe this model and then extend it to an environment with heterogeneous agents and equilibrium social distancing.\(^{11}\)

Time is continuous and the population size is normalized to one such that \(S_t + I_t + R_t = N = 1\). At the initial period the number of recovered or deceased (or immune) individuals is \(R_0 = 0\) and a small measure of individuals gets infected such that \(S_0\) is just below 1 and \(I_0\) is just above zero. At each instant, individuals match randomly. Susceptible individuals \(S_t\) might be contaminated at rate \(\beta\) once they match with infected individuals \(I_t\). Infected individuals recover from the disease at rate \(\gamma\) and then become immune to the disease. The dynamics of infection is described by the following system of differential equations

\[\begin{align*}
\dot{S}_t &= -\beta I_t S_t, \\ \dot{I}_t &= \beta I_t S_t - \gamma I_t, \\ \dot{R}_t &= \gamma I_t.
\end{align*}\]

During the epidemic, the measure of infected individuals initially rises and peaks at \(S = \frac{\gamma}{\beta}\) and it then decreases. In the literature, the ratio \(r = \frac{\beta}{\gamma}\) is defined as the basic reproduction number. It is the average number of people infected from one other person. The solid line of Figure IV(a) illustrates the dynamics of the SIR model.

A lockdown can be thought as a reduction on \(\beta\), the passage rate and it flattens the infection curve out. This typical model can be extended in many dimensions. One of them is to introduce congestion in hospitals.\(^{12}\) Since the measure of fatalities relative to total infection is, for most of

\(^{10}\)See Greenwood et al. (2019) for a quantitative model of HIV/AIDS epidemic and Toxvaerd (2019) for an analysis of optimal policy in an epidemic model with costly preventive behavior.

\(^{11}\)For models with equilibrium social distancing see Toxvaerd (2020). Based on Keppo et al. (2020), we introduce heterogeneity in the perceived expected loss of being infected.

\(^{12}\)For instance, let \(C_t\) denote sick individuals in critical state. A typical equation describing the dynamics of individuals in the critical state is

\[\dot{C}_t = \gamma I_t - \lambda C_t.\]

The number of fatalities is given by:

\[\dot{D}_t = \lambda C_t \left(1 - \left((1 - \delta) + \frac{\theta_1}{(1 + C_t)^{\theta_2}}\right)\right).\]

The change in the number of fatalities has two terms. The first one corresponds to the fact that some people would naturally die from the disease. The second component depends on the amount of people being treated (a
the epidemic, small, then the dynamics for the susceptible, infected and recovered individuals are similar to those reported in Figure IV and therefore we will abstract from deaths here and explore the equilibrium social distancing dimension.

Now, let’s still assume that there is a continuum of individuals of measure one, but consider the case in which there are \( n \in \{1, 2, ..., N\} \) types of individuals. The share of type-\( n \) agents is \( \pi_n \in [0, 1] \) with \( \sum_{i=1}^{N} \pi_n = 1 \) and their expected perceived loss of being infected is \( L_n > 0 \). Without loss of generality assume we let \( 0 \leq L_1 < L_2 < ... < L_N \). Agents can take actions to avoid contagion by being vigilant. The social distancing effort of an agent \( n \) is \( v_n \) and this decreases the infection rate, as it will be described below. This can be thought of avoiding going out or visiting relatives, working from home, using masks, more hand washing and cleaning, self isolation and so on. The social distancing effort \( v_n \) to avoid infection comes with a cost described by the function \( c(v_n) = \frac{v_n^2}{2} \). This can be interpreted as the foregone income of working from home, employment loss and non-monetary stress and mental illness of being deprived of a social life.

As previously, at each instant, the population matches randomly and susceptible individuals \( S_t \) might be contaminated once they match with infected individuals \( I_t \). The rate at which infection is transferred to an individual \( n \) is

\[
\beta f(v_n) \left[ \sum_{i=1}^{N} \pi_i f(\bar{v}_n) \right] \text{ with } f(v_n) = 1 - \zeta v_n,
\]

where \( \zeta > 0 \) is a parameter describing the effectiveness of how individual’s own vigilance avoids infection and \( \bar{v}_n \) is the social distancing taken by the other agents. Clearly, if \( v_n \) is equal to zero for all \( n \), then the infection rate is \( \beta \). Therefore, the aggregate rate at which a susceptible individual becomes infected is given by

\[
x_t(v_n / \bar{v}) = \beta f(v_n) \left[ \sum_{i=1}^{N} \pi_i f(\bar{v}_n) \right] S_t I_t.
\]

Given other players’ strategy \( \bar{v} \), an individual chooses social distancing \( v_{nt} \) to minimize the perceived expected total loss, such that:

\[
v_{nt}^* = \arg\min_{v_n \geq 0} \left\{ x_t(v_n / \bar{v})L_n + \frac{v_n^2}{2} \right\}.
\]

In a Nash equilibrium of this contagion game, it can be shown that

\[
v_{nt}^* = \frac{\zeta \beta I_t S_t L_n}{1 + \zeta^2 \beta I_t S_n [\sum_{i=1}^{N} \pi_i L_i]} > 0 \quad \text{and} \quad f(v_{nt}^*) = (1 - \zeta v_{nt}^*) \in (0, 1).
\]

Therefore, the lower agent-\( n \) perceived expected loss \( L_n \), then the less caution of getting the virus the agent is and the lower is her vigilance. In addition, the lower is the perceived expected loss of the other agents, \( \bar{L} = \sum_{i=1}^{N} \pi_i L_i \), the higher is her vigilance. Clearly, social distancing congestion problem). The higher the number of individuals in the intensity unit, the higher will be the number of fatalities due to a problem of a congestion in hospitals.

\[\text{We live in households and maybe, for an epidemic, household heterogeneity is more important than individual heterogeneity. Therefore, we could interpret } L_n \text{ as the perceived loss of household type-} n.\]
rises with contagion $\beta IS_t$. The dynamics of the system is given by:

$$
\dot{S}_t = -\beta \left[ \sum_{i=1}^{N} \pi_i (1 - \zeta v_{i,t}^*) \right] \left[ \sum_{i=1}^{N} \pi_i (1 - \zeta v_{i,t}^*) \right] S_t I_t,
$$

(5)

$$
\dot{I}_t = \beta \left[ \sum_{i=1}^{N} \pi_i (1 - \zeta v_{i,t}^*) \right] \left[ \sum_{i=1}^{N} \pi_i (1 - \zeta v_{i,t}^*) \right] S_t I_t - \gamma I_t,
$$

(6)

$$
\dot{R}_t = \gamma I_t.
$$

(7)

Figure IV(a) shows the dynamics (solid line) of a typical epidemiological model without endogenous social distancing and the dynamics of a model with equilibrium social distancing (dotted line).

As the number of infected people increases and contagion rises, then individuals become more vigilant, equilibrium social distancing rises and therefore the number of infected people is reduced relative to the typical epidemiological model. As we can see, equilibrium vigilance flattens the infection curve out but quantitative it can be very different from a change in $\beta$. Individuals are willing to self-isolate quantitatively when the probability of contracting the disease is tangible. However, people also weigh the contagion risk against losses of income and the inconvenience of living in isolation. As a consequence, voluntary social distancing can start to keep people at home only when the infection risk becomes visible, and the epidemic has already taken off. This can be very different from a policy that enforces a lockdown.

Figure IV(b) shows the equilibrium vigilance for 3 different individuals (agent with highest $(v_{1,t}^*)$, median $(v_{m,t}^*)$ and lowest $(v_{2,t}^*)$ perceived expected loss) who are heterogeneous in their perceived expected loss of infection. The highest curve is associated with the individual with the highest perceived expected loss of infection.

What are the effects on the infection rate of a rise in the share of individuals who perceive the infection to be a minor health problem (or the lowest value of $L_n$)? There are two opposing effects. The first effect is a composition effect since there will be more individuals with the lowest equilibrium vigilance, i.e. with $v_{1,t}^*$, and therefore the infection rate should rise. But the average perceived expected loss $\sum_{i=1}^{N} \pi_i L_i$ in society falls and vigilance and alertness to avoid infection of all agents rise, which decrease the infection rate. With two types of individuals, the following proposition shows that the former effect dominates the second and a rise in the share of individuals with the lowest perceived loss of infection increases the infection rate.

**Proposition 1.** Assume that there are two types of individuals $n \in \{1, 2\}$ with $L_1 < L_2$ and the share of type-1 individuals is $\pi$. Denote the society’s infection rate by $\beta_t$, where

$$
\beta_t = \beta \left[ \pi(1 - \zeta v_{1,t}^*) + (1 - \pi)(1 - \zeta v_{2,t}^*) \right]^2, \text{ with } v_{n,t}^* = \frac{\zeta \beta_t S_t L_n}{1 + \zeta^2 \beta_t S_t [\pi L_1 + (1 - \pi)L_2]}.
$$

Then a rise in $\pi$ increases the society’s infection rate $\beta_t$; and a fall in $L_1$ and/or in $L_2$ increases the society infection rate $\beta_t$.

**Proof.** Taking derivatives of $\beta_t$ with respect to $\pi$ yields:

$$
\frac{\partial \beta_t}{\partial \pi} = 2\beta \left[ \pi(1 - \zeta v_{1,t}^*) + (1 - \pi)(1 - \zeta v_{2,t}^*) \right] \zeta (v_{2,t}^* - v_{1,t}^*)(1 - \zeta (\pi v_{1,t}^* + (1 - \pi)v_{2,t}^*)) > 0.
$$

Similarly, taking derivatives of $\beta_t$ with respect to $L_1$ and $L_2$ imply that $\frac{\partial \beta_t}{\partial L_1} < 0$ and $\frac{\partial \beta_t}{\partial L_2} < 0$, as required. □
Figure V shows that as the share of individuals with lower perceived expected loss increases then the infection curve becomes steeper with a higher peak. If fatalities are positively related to the peak of the curve due to congestion of critical patients in hospitals, then a rise in the share of individuals with lower perceived loss would lead to a rise in fatalities from the epidemic. A similar effect can be found if, for some individuals in society, the perceived expected loss from the disease falls.

IV Data

Our unit of analysis is the municipality. We use four sources of data to conduct our empirical analysis. In order to measure social distancing, we use an index created and developed by In Loco (https://inloco.com.br/), a Brazilian technology company that provides intelligence based on mobile location data. In Loco collects anonymized location data from 60 million devices, enabling mobile apps to provide location-aware services while securing the privacy of their users. Using Bluetooth, Wi-Fi and GPS, In Loco can track the most likely devices’ locations across the country and their movement when mobile apps are used in different locations during a day, with a precision of three meters.

The social distancing index measures the percentage of devices in a given municipality, which remained within a radius of 450 meters of the location identified as home. The index is computed on a daily basis, and goes from zero to one. Figure VI shows the evolution of this daily social distancing index for the states of Sao Paulo and Rio de Janeiro from 1 February to 14 April 2020 (the entire period of time for which we got access to the data). As we can see, social distancing in both sates started to rise once the states introduced non-pharmaceutical interventions, such as school and non-essential store closure. Figure VII shows the map of Brazil and the social distancing index for all municipalities on Tuesday, 4 February 2020, and on Tuesday, 7 April 2020. Therefore, the aggregate evidence shows that social distancing has risen nationally, but the changes were not homogeneous, with some municipalities increasing more social distancing than others. The mean of the social distancing index for the total period is 0.37 (0.25 in February, 0.41 in March and 0.53 from the 1st to the 14th of April).

To measure support for the President, we use electoral data provided by the Superior Electoral Court (TSE — “Tribunal Superior Eleitoral”). We collect data on vote counts of the 2018 Presidential Election in Brazil aggregated at the municipality level to match the geographical unit of our social distancing outcome. Since these data contain vote totals for each candidate by municipality, we use several vote-related measures as a proxy for the President’s local support.

The Population Census of 2010 collected by the Brazilian Bureau of Statistics (IBGE) provides data on population size, income, poverty and consumption of durable goods (such as TVs and computers) at the municipal level. We also collect data from IBGE’s MUNIC (“Perfil dos Municipios Brasileiros”) in 2018 related to local-level media presence, such as the presence of local TV broadcasters.

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14No name, social security number or mobile number are provided.
15See Peixoto et al. (2020) for a complete description of how the data is collected and computed.
V Empirical Model and Main Results

In order to identify the causal effect of Bolsonaro’s public demonstrations and speech against social distancing on behavior, we estimate a two-way fixed effects model (day, municipality), with leads and lags, in order to test pre-trends (placebo) and post-trend (dynamic effects). In particular, we estimate the following empirical model:

$$Social Distancing_{md} = \sum_{t=-10}^{+10} \alpha_t \text{Treated}_{md-t} + \alpha \text{Treated}_{md} + \phi_d + \rho_m + \lambda X_{md} + \delta Z_{sd} + \epsilon_{smd},$$

where $Social Distancing_{md}$ is the social distancing index for the municipality $m$, in day $d$; and $Treated_{md}$ is a dummy that takes a value of 1 if two conditions are fulfilled: the municipality $m$ is defined as “pro-government” (voting for Bolsonaro was above 50% in the first round of the 2018 election) and the day $d$ corresponds to one of the two events that we defined: March 16th and March 25th (it takes a value of zero, otherwise). We define $t=0$ (treatment) the first day after the march that took place on the afternoon of the 15th and the first day after the official speech pronounced by Bolsonaro at night on the 24th. These are also the dates in which the news reached the front pages of the main Brazilian newspapers. We include ten leads and ten lags of this variable to detect pre-treatment and post-treatment effects. $\rho_m$ and $\phi_d$ are municipality and day fixed effects, respectively.16

We control for a number of relevant time-varying characteristics at the municipality-day and state-day levels. First, we control for a series of dummies indicating the type of non-pharmaceutical intervention in place in a given state ($s$) and day ($d$). These dummies ($Z_{sd}$) cover three categories: a school ban only, a school ban plus a general ban for non-essential activities or no ban at all. Also, to account for the fact that the support for the government is strongly correlated with variables such as poverty and condition of rurality (both time-invariant), we control for the interaction between day fixed effects and a poverty dummy at the municipality level, and fixed effect and a rurality dummy at the same level ($Z_{md}$).17 In our main specification we also include a state-specific linear trend. To account for the plausible temporal correlation of policies within states, we cluster the standard errors at the state-day level and we weight the municipal observations by their population in 2019.

The results of our baseline model are presented in Figure VIII. As expected, all except one leads ($t = -9$) are indistinguishable from zero. On the contrary, every single starting on day 1 is negative, and all of them starting from day 2 are significantly different from zero. As a robustness check, we estimate the same model but changing the definition of “pro-government” support. As the two graphs in Figure IX show, there is a clear regional divide in the support for Bolsonaro. When classifying municipalities were Bolsonaro obtained more than 50% of the votes in the first round of the 2018 presidential election as “pro-government”, we are losing within state variability in our treatment variable in around 14% of the observations, as there were some states where every single municipality were either anti-Bolsonaro or pro-Bolsonaro. Because most of the social distancing policies were implemented at the state level, having within state variability is important for our empirical analysis.

To address this potential problem, we estimate the same model, but we alternatively define that a municipality is “pro-Bolsonaro” if the votes for Bolsonaro in the first round were above the median observed in the state. In Figure X we show that the results, if any, are

16Our model, which includes multiple events in close succession, follows the standard specification in the literature. See Sandler and Sandler (2014) for a detailed description.
17The poverty dummy equals one if the municipal poverty rate is above the national-level median. The rurality dummy equals one if the proportion of residents living in rural areas is above the national-level median.)
more pronounced. A concern with this specification could be that, in those extremely “anti-Bolsonaro” states (e.g. the median vote for Bolsonaro in the first round was around 15%), a municipality would be considered as a “pro-Bolsonaro” unit, when the support for the President is actually very low. To account for this problem, we re-estimate the baseline equation, but now restricting the municipalities to the states in which there were at least a third of the municipalities where Bolsonaro obtained more than 50%. We then define a “pro-government” municipality as those where the president obtained more than the state median within the restricted sample. This model could be thus interpreted as the effect of the treatment within the most pro-Bolsonaro states. The results are presented in Figure XI. Again, if any, the effect seems to be more pronounced. The magnitude of the effect seems to be large, close to 2pp, on average (compared to a mean of around 0.37 for the entire period).

In order to provide some suggestive evidence on the mechanisms underlying our results, we explore the potential role of the local media presence in each municipality. Although we cannot present conclusive results, Figures XII, XIII and XIV document some interesting patterns. In Figure XII we estimate the baseline model for two sub-samples: municipalities where there is no presence of local TV broadcasters (left) and those where there is at least one (right). In Figure XIII, we run a similar regression but now dividing the sample into groups according to the households’ average internet penetration per municipality. A municipality is defined as having “low internet penetration” (left) if it is below the top 25% of the distribution of this variable according to the census, or “high internet penetration” (right), otherwise. Finally, in XIV we show the results of estimating the same model but now combining the definitions of the previous two. A municipality is defined as having “low media penetration” (left) if it is below the top 25% of the distribution of this variable according to the census and there is no local TV broadcaster in the municipality, or “high media penetration” (right), otherwise. In all three graphs a pattern emerges: the effects seems to be driven by those municipalities with higher level of media penetration. 1819

VI Conclusion

Studying the effects of leadership is particularly relevant during a crisis, such as a pandemic, as leaders’ behavior and attitudes can have a significant impact on individual health and the health-care systems. Information on recommended prevention practices is typically asymmetrical between governments and citizens, and the problem becomes even more stringent during a public health emergency. Citizens may ignore the best practices from a medical point of view but, more importantly, they are likely to be unaware of the global spread of the disease (and ignore negative externalities) since their perceived expected loss of getting the virus are heterogeneous. The role of leaders in this context is, therefore, crucial.

In this paper we focused on Brazil during the COVID-19 Pandemic. Brazil is a politically polarized country in which President Bolsonaro has been actively and publicly spreading an anti-isolation message, thus encouraging people to challenge the regulations imposed by the sub-national governments, the advises of the World Health Organization and even the recommendations of his minister of health (finally dismissed). Brazil is a federal country and

18Data on internet penetration was obtained from the last Census (2010). Data on local media presence at the municipality level was obtained from the “Perfil dos Municípios Brasileiros” in 2018.
19An expected consequence of breaking isolation is the number of cases should grow. Analyzing this pattern with the current data is hard, as it suffers from serious problems in terms of quality and under-reporting. In the Appendix we explain in detail the problems with the data and, with this caveat, we show suggestive evidence of a change in the trend of the reported cases around 4 days after the events.
the institutional reaction of each state and the federal government was notably heterogeneous. Thus, the setting is particularly suitable to explore the effect of high-profile political leaders’ words and actions on the behavior of his followers, beyond the legal enforcement of the official social distancing measures.

To address our research question, we deploy a social distancing index at the municipal-day level constructed by In Loco (a technology company with offices in Brazil and the United States), based on granular location data from tens of millions of anonymous mobile devices across Brazil. We found a strong persuasion effect of Bolsonaro on the behavior of his supporters. In particular, we document a significant decrease in social distancing following the most visible events of the President against self-isolation behavior and policies in pro-Bolsonaro municipalities. We also present suggestive evidence of the message being more effective among those municipalities with a higher presence of local media and internet penetration.

Our empirical results emphasize the behavioral change among citizens induced by political leaders’ examples — and not only through the design of incentives, regulations and institutions, but also through persuasion, motivation and leadership.

The article is still a work-in-progress, and we plan to update our estimates with new waves of data points and investigate the effects of individual behavior on outcomes related to public health (such as hospital congestion).

References


Bessone, P., Campante, F., Ferraz, C., Souza, P.C., 2019. Internet access, social media, and the behavior of politicians: Evidence from Brazil.”.


VII Figures

Figure I. NPI Policies implemented by each Brazilian state

Note: The figure shows non-pharmaceutical policies (school closure and stores closure) implemented by all Brazilian states between March 11th and March 27th.
Infectologistas criticam Bolsonaro por dar mau exemplo à Nação

Presidente ignora recomendações de máscaras para evitar contágio contra a alergia aos álcool, ainda a cada vez contagem de 273 espalhadoras.

Casos chegam a 200 no País, salto de 65%
Figure III. Media on March 25th

Note: Cover of the newspaper Estado de Sao Paulo - Tuesday, March 25th of 2020
Figure IV. SIR model with social distancing.

(a) Dynamics of the SIR model without (solid) and with (dashed) social distancing.

(b) Social distancing by different agents who are heterogeneous in their perceived expected loss.
**Figure V.** SIR model with social distancing and with an increase in the share of individuals who believe the infection has minor health effects.
Figure VI. Evolution of Social Distancing in Sao Paulo and Rio de Janeiro.

Notes. The figures show the daily social distancing index for the state of Sao Paulo and Rio de Janeiro from 1 February to 14 April 2014. The social distancing index is calculated by the technology company In Loco using location data from mobile devices.
Figure VII. Social Distancing Index: Before and After

(a) Social Distancing Before: Feb 4
(b) Social Distancing After: Apr 7

Notes. The figures show the social distancing index for all municipalities in Brazil on 4 February and 7 April 2020. Municipalities in white are those without data on social distancing. The social distancing index is calculated by the technology company In Loco using location data from mobile devices.

Figure VIII. Average Effect on Social Distancing

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1
Figure IX. Voting 2018 Election

Note: The figures show the association between social distancing and votes in the 2018 election.
**Figure X.** Average Effect on Social Distancing - Support for Bolsonaro: above state median

![Graph](image)

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1

**Figure XI.** Average Effect on Social Distancing - Support for Bolsonaro: above state median in Pro-Bolsonaro states

![Graph](image)

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1

**Figure XII.** Average Effect on Social Distancing - By presence of local TV broadcaster

![Graphs](image)

(a) No local TV broadcaster in the municipality  
(b) At least one local TV broadcaster in the municipality

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1
Figure XIII. Average Effect on Social Distancing - By household’s internet penetration

(a) Below p75 of Internet penetration
(b) Above p75 of Internet penetration

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1. Internet data comes from the 2010 Census. Internet penetration is defined as the proportion of households with internet at home in the municipality.

Figure XIV. Average Effect on Social Distancing - By household’s internet penetration and local TV broadcaster

(a) Below p75 of Internet penetration AND no local (b) Above p75 of Internet penetration OR at least one local TV broadcaster

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1. Internet data comes from the 2010 Census. Internet penetration is defined as the proportion of households with internet at home in the municipality.
VIII Appendix

Analyzing the effect of Bolsonaro’s speeches and actions on reported cases is difficult with the current data, because of at least two potential problems. Firstly, the number of cases is suspected to be heavily under-reported. The official number of cases - provided by the Ministry of Health - depends on testing and, besides, testing capacity is not uniformly distributed across municipalities. Moreover, there is no reason to believe its distribution in time or space is uncorrelated to other relevant variables for our analysis. Although this is true for many countries, in the case of Brazil, testing seems to be disproportionally low in comparison to other countries, even within the same Region. Brazil, up to now, has tested people at a rate far lower than any other nation with at least 40,000 cases. For instance, Brazil has tested 12 times fewer people than Iran and thirty-two times fewer than the United States (see The Washington Post (2020)). In the worst case, the estimation would be biased and, in the best case, the variable has a large measurement error.

Secondly, the distribution of the number of cases is heavily skewed, as the large majority of the municipalities have not had any recorded case so far (around 80% have zero cases until April 14th; around 90% with only one case. Overall, 95% of the observations in our dataset have zero cases).

With this caveat in mind, we estimate our baseline model using the log of the number of cases as the outcome.\textsuperscript{20} We show the estimations using the three models presented above. In Figure XV we show the result using our baseline model (defining that a municipality is “pro-government” when voting for Bolsonaro was above 50% in the first round of the 2018 election). Figure XVI shows the result using the alternative definitions of support: above the state-median voting for Bolsonaro (left) and above the state-median voting for Bolsonaro, restricted to states in which Bolsonaro won at least 50% of the municipalities (right).

In every model point estimates seem to grow around 3/4 days after our baseline. Although the point estimates seem to suggest an effect, overall, the estimations are very imprecise (as expected, given how noisy the outcome is).

\textsuperscript{20}In this specification, without population weights, given that the outcome is not a municipal average.
**Figure XV.** Average Effect on Confirmed Cases

-4 0 4

-10 -5 0 5 10

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1

**Figure XVI.** Average Effect on Confirmed Cases - Support for Bolsonaro: above state median in Pro-Bolsonaro states

(a) Support for Bolsonaro: above state median

(b) Support for Bolsonaro: above state median in Pro-Bolsonaro states

Note: CI: 90%. Standard Errors clustered at state day level. Estimations normalized to 0 at t=-1