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Nota di contenuto	Intro -- Contents -- I. Introduction -- II. Methodology and Data -- A. Empirical Model -- B. Policy Response Index -- C. Control Variables -- D. The Instrument -- III. The Results -- A. Results from Baseline Specification -- B. Comparison with Other Results in the Literature -- C. Sensitivity Analysis: Additional Controls -- D. Sensitivity Analysis: Alternative Measures of Crisis Performance -- E. Sensitivity Analysis: Alternative Policy Response Indexes -- F. Fiscal Policy during the Crisis. -- IV. Conclusions -- References -- Text Tables -- 1. Correlation among Crisis Performance Measures -- 2. Construction of the Policy Index -- 3. Crisis Episodes, Policy Response, and Political System -- 4. Cross-Correlations between Political System and Crisis Policies -- 5. Baseline Results -- 6. Additional Control Variables -- 7. Alternative Measures of Crisis Performance -- 8. Alternative Policy Indexes -- 9. Fiscal Policy Response and Political System -- Figure 1. Distribution of Policy Index -- Appendix Tables -- A1. Variable Definitions and Data Sources -- A2. Summary Statistics -- A3. Cross Correlations among Variables.
Sommario/riassunto	A common legacy of banking crises is a large increase in government

debt, as fiscal resources are used to shore up the banking system. Do crisis response strategies that commit more fiscal resources lower the economic costs of crises? Based on evidence from a sample of 40 banking crises we find that the answer is negative. In fact, policies that are riskier for the government budget are associated with worse, not better, post-crisis performance. We also show that parliamentary political systems are more prone to adopt bank rescue measures that are costly for the government budget. We take advantage of this relationship to instrument the policy response, thereby addressing concerns of joint endogeneity. We find no evidence that endogeneity is a source of bias.