What I do in this paper:
- Develop newspaper-based indices for Poland, designed to measure the level of general as well as category-specific economic uncertainty, following the approach of Baker, Bloom and Davis (2016)
- Assess whether such natural-language-based indices, successfully implemented in the case of other countries, could also be regarded as proxies for economic uncertainty in Poland

What is new?
- First published (to the best of my knowledge) newspaper-based economic uncertainty measures for Poland stretching back to 1989, much further than any other uncertainty proxies available

Index construction
- Calculate the relative frequency of articles about economic uncertainty published in the Polish daily Gazeta Wyborcza (GW)
- Search GW's own online archive using Python (+ Selenium) scripts
- Look for articles in Polish containing at least one word from two term-sets: (U) uncertainty terms, and (E) economic terms about the economy
- Depending on the type of index, require that the article should also contain at least one word from a third set of e.g. ‘polity’ (P) terms or ‘category-specific’ terms (such as terms related to the stockmarket)

Example: terms sets for the Polish economic policy uncertainty (EPU) index designed to resemble the benchmark EPU index of Baker et al. (2016):

<table>
<thead>
<tr>
<th>Index</th>
<th>Term set</th>
<th>English translation</th>
<th>Implementation in Polish</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPU-[PL]</td>
<td>E</td>
<td>economic, economy</td>
<td>gospodark*, gospodarc*</td>
</tr>
<tr>
<td>U</td>
<td>uncertainty, uncertain</td>
<td>niepewn*</td>
<td></td>
</tr>
<tr>
<td>P</td>
<td>regulation, deficit, legislation, National Bank of Poland (NBP), government, parliament</td>
<td>regulacja*, deficyj*, legislat*, NBP*, rząd*, parlament*</td>
<td></td>
</tr>
<tr>
<td>[PL]</td>
<td>poland, polish</td>
<td>polsk*, polska*</td>
<td></td>
</tr>
</tbody>
</table>

- Relative frequency of articles standardized and normalized to a mean of 100 over 1989q2-2018q4

Results
- Indices spike around uncertainty-laden events or periods
- Overall economic uncertainty in Poland elevated in the early 1990s and post-2008, since mid-1990s driven largely by events abroad

Correlation with survey-based measures of econ. uncertainty

Correlation with relevant financial-market data (bond-yield and CDS spreads; option-implied FX vol and share-price vol)

Correlation with uncertainty measures based on other Polish textual data (Rzeczpospolita articles + minutes of the Monetary Policy Council)

Correlation with the EPU-indices of Baker et al. (2016)