

COVID-19
Work in Progress
Conference

COVID-19 Changed Tastes for Safety-Net Programs

Alex Rees-Jones, John D'Attoma, Amedeo Piolatto, Luca Salvadori

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WE ARE
CLOSED

COVID-19

The economic consequences of COVID-19 are severe.

- Especially big problems in low-income populations.

April employment rate up by 14.1pp, 17.8pp for those without college education. (Bitler et al. 2020)

Millions losing employer-sponsored health insurance.

(Bivens and Zipperer, 2020)

23% of households facing food insecurity, 7% receiving food assistance. (Bitler et al. 2020)

An illustration of a person in a red tank top with a white star and black leggings, floating in the air. They are holding a white mug and looking towards the viewer. The person is suspended by several vertical lines, suggesting a safety net. The background is a light blue sky with several white, fluffy clouds. At the bottom of the frame, a large, curved safety net is visible, made of a grid pattern. The overall style is a simple, hand-drawn illustration.

Reassessing Safety-Net Policy

Among academics, the limitations of the U.S.'s social insurance programs to deal with this crisis is motivating reassessment of safety-net policy.

- Moffit and Ziliak (2020)
- Bitler, Hoynes, and Schanzenbach (2020)

Our research question: is exposure to the consequences of COVID-19 leading the *populace* to reassess tastes for safety-nets?

Our approach

We combine four sources of data.

1. Data from our own UAS module.

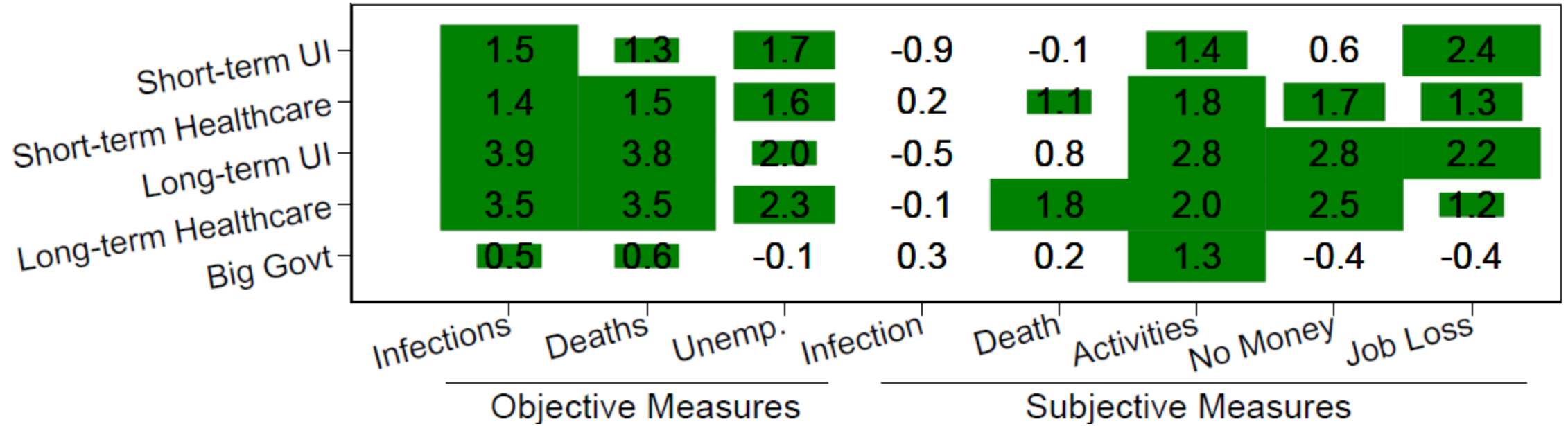
- Key questions: support for short- and long-term expansions to govt. provided healthcare and unemployment insurance.
- Also, support for bigger govt, tax increases, deficit spending.
- Fielded in late June, 2020. n = 2,516.

2. County-level data on deaths, infections, change in unemployment rate.

3. UAS COVID survey data.

- Key questions: battery of subjective measures capturing degree of concern about coronavirus.

4. UAS demographic data and a prior measure of political ideology.



Notes: Each cell of this figure summarizes an ordered logit regression of the DV indicated in the row on the IV indicated in the column, including demographic and ideology controls. Numbers reported are average marginal effects of a 1-sd increase in the column's measure on the probability of supporting expansion of the row's policy. Colored boxes indicate statistically significant results, with larger boxes indicating higher thresholds of significance (10%, 5%, 1%). Green boxes indicate positive effects and red boxes indicate negative effects (there are no negative results in this graph).

Key result: across most measures, higher real/perceived exposure to the consequences of COVID-19 is associated with greater support for expansion of safety-net programs.

Summing up:

COVID-19 has influenced many aspects of American life.

Our results suggest one additional influence to add to the list: COVID-19 appears to have influenced tastes for safety-net programs.

The timing may turn out to be important: recent politics have turned a great deal of attention to safety-net policy, and reforms may be on the docket over the next few years. Influencing this debate may be an especially long-term impact of this pandemic.