

Effects of COVID-19 Pandemic Related Uncertainties on Economic Behavior, Political and Social Preferences

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Abstract:

This article investigates the social, psychological and political impacts of the COVID-19 pandemic in Turkey. The first part of this paper aims to uncover observational correlations between the pandemic-induced factors and behavioral changes. Specifically, we scrutinize these changes on two different domains. First, we analyze the instrumental factors of individuals' risk perceptions and their future economic expectations. Second, we investigate preferences with respect to preventative health measures and whether the pandemic has led to changes in voting preferences. In the second part, we shift our focus away from the domestic realm to foreign policy and analyze if the pandemic has contributed to voters' unilateralist tendencies and increased reluctance for international cooperation and reciprocal behavior, a core principle of multilateralism. To test our theoretical expectations, we conduct an online survey with a novel experimental module conducted in October-November 2020 on a sample of 1,512 adult respondents in Turkey. The empirical investigations in Part-I demonstrate that how people perceive risks and support for stricter measures have strong demographic and economic roots. More educated, women, and those who suffered financial losses during the pandemic are more worried, have more pessimistic sentiments of the economy and demand more efficient health measures. Direct personal experience with the virus is also closely associated with threat appraisal. In Part-II, the experimental results show that in general, individuals are fairly sensitive to target countries' foreign policy actions and are inclined to reciprocate against those. Further analyses concur that though health-related concerns from COVID-19 do not affect reciprocal behavior, negative economic expectations, which themselves are closely correlated with pandemic-induced risk perceptions, substantially influence respondents' inclination to reciprocate. Specifically, individuals who are more pessimistic about their own economic outlooks are indifferent to the positive actions of other countries, but they are more likely to penalize target countries' negative actions by reciprocating in kind. These results contribute to our understanding of COVID-19-induced changes in citizen preferences and attitudes in Turkey.

Keywords: COVID19, risk perception, social and political preferences, trust in organizations

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