

1. Title

Coronavirus Effects on the U.S. Unemployment: Evidence from Google Trends

2. Authors and affiliations and contact emails

Hakan Yilmazkuday

Department of Economics, Florida International University, Miami, FL 33199, USA

E-mail: hyilmazk@fiu.edu

3. Abstract

This paper investigates the relationship between Google search queries of "coronavirus" and "unemployment" using daily data from the United States. The investigation is achieved by employing a structural vector autoregression model, where queries of "interest rate" and "inflation" are also included. Historical decomposition analysis suggests that the spike in the search interest of "unemployment" is mostly explained by that of "coronavirus" in March 2020. The results also show that one unit of a positive shock in the search interest of "coronavirus" leads to 3 units of a significant cumulative increase in that of "unemployment" after one week which increases to 6 units after one month.

4. Data description

Daily U.S. data on Google search queries.

5. JEL codes for the project

J63, F66, I10

6. Key-words

COVID-19; Coronavirus; Unemployment; Interest Rate; Inflation

The paper is available at <https://ssrn.com/abstract=3559860>