Title: Lives or Livelihoods? Perceived Tradeoffs and Public Demand for Non-Pharmaceutical Interventions

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Abstract

We study the role of cost-benefit considerations in driving public demand for non-pharmaceutical interventions (NPIs) during the Covid-19 pandemic. In a large-scale online survey experiment with a representative sample of the US population, we introduce exogenous variation in the perceived economic costs of shutdown measures by informing a random half of our sample about relevant research evidence. We find that a one standard deviation decrease in perceived economic costs (increase in perceived health benefits) of shutdown measures increases the preferred shutdown length by 13 (11) days. These effects are substantial, corresponding to two times the effect of having a Covid at-risk condition and to approximately half of the Democrat-Republican difference in demand for NPIs. Individuals with an acute and immediate personal exposure to the crisis, either in the form of health at-risk conditions or job loss, however, are less responsive to cost-benefit considerations. Along the political dimension, while we find substantial level differences in support for NPIs, this support is highly elastic to cost-benefit considerations regardless of individual political orientation. Our results provide insights for policy makers into the mechanisms determining public acceptance of pandemic response measures.

JEL Classification: C91, D01, D9, H12

Keywords: COVID-19, non-pharmaceutical interventions, beliefs, tradeoffs

Data description: Online survey experiment, representative US adult population