

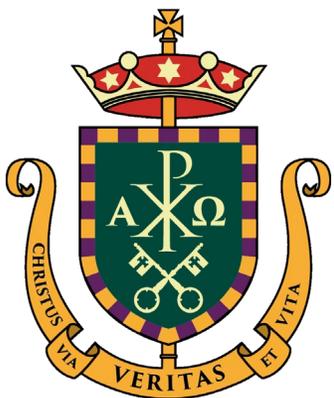
Assessments of Financial Concern during the COVID-19 Pandemic

Andrea Lawlor, King's University College, Western University
Miranda Goode, Ivey School of Business, Western University

&

Zuzanna Jurewicz, Philippe Wodnicki and Michael Moorhouse,
Ivey School of Business, Western University

April 22, 2021



Financial Worry and Assessments of Government Performance

Research Question: How have personal experiences and perceptions of the financial situation affect personalized and generalized financial worries during the COVID-19 pandemic? How do these affect support for government's financial interventions?



**Experience (debt,
socio-demographics)**



**Perceptions
(opinion, attitudes)**



**Personalized worry
(personal financial
situation)**



**Generalized worry
(Canadian economy)**

Conceptual Model

Experiential factors → personalized financial concern **X
government approval**

**Perceptual factors → generalized financial concern →
government approval**

Hypotheses

H1: At the individual level, financial **experience factors** will drive personalized financial concerns more than **perceptions** about finances.

H2: At the individual level, **perceptions** toward finances will drive generalized financial concerns more than financial **experience factors**.

H3: **Generalized concerns** about financial well-being are more likely to drive general measures of government approval of the financial aspects of pandemic handling than **personalized concerns**.

Conceptual Framework: Financial Worry and Assessments of Government Performance

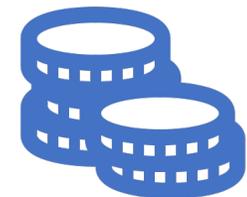
“How worried are you about the effects of the COVID-19 pandemic on your personal financial situation (personalized) and the Canadian economy (generalized)?” (1-4 scale)



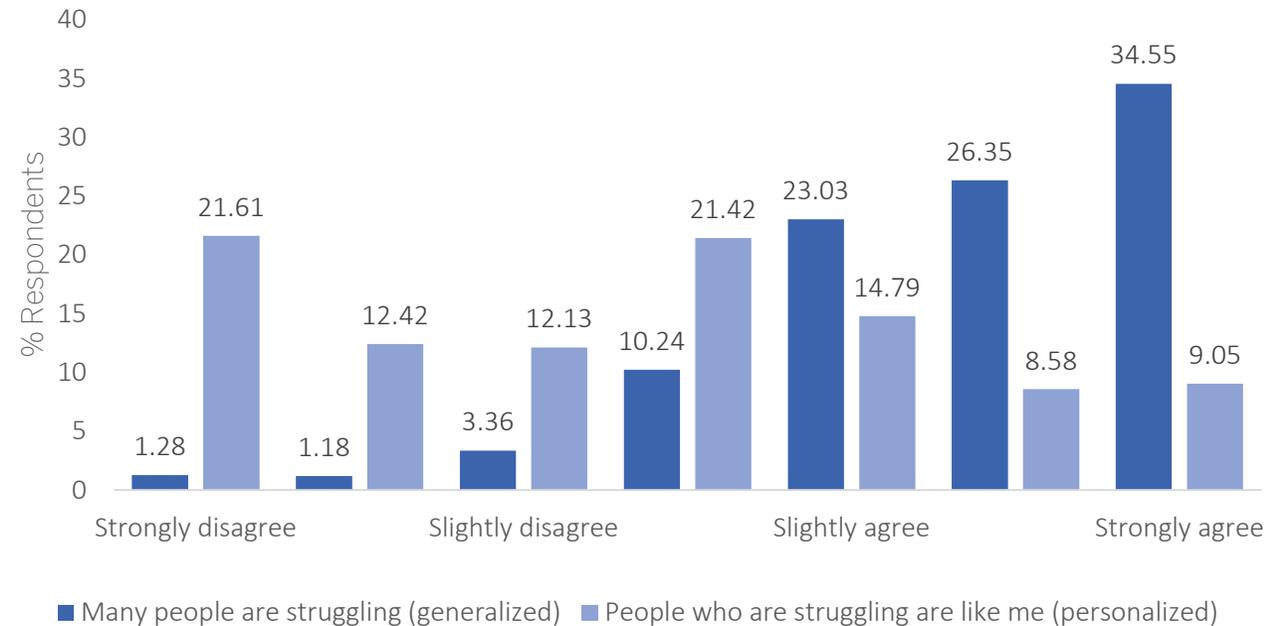
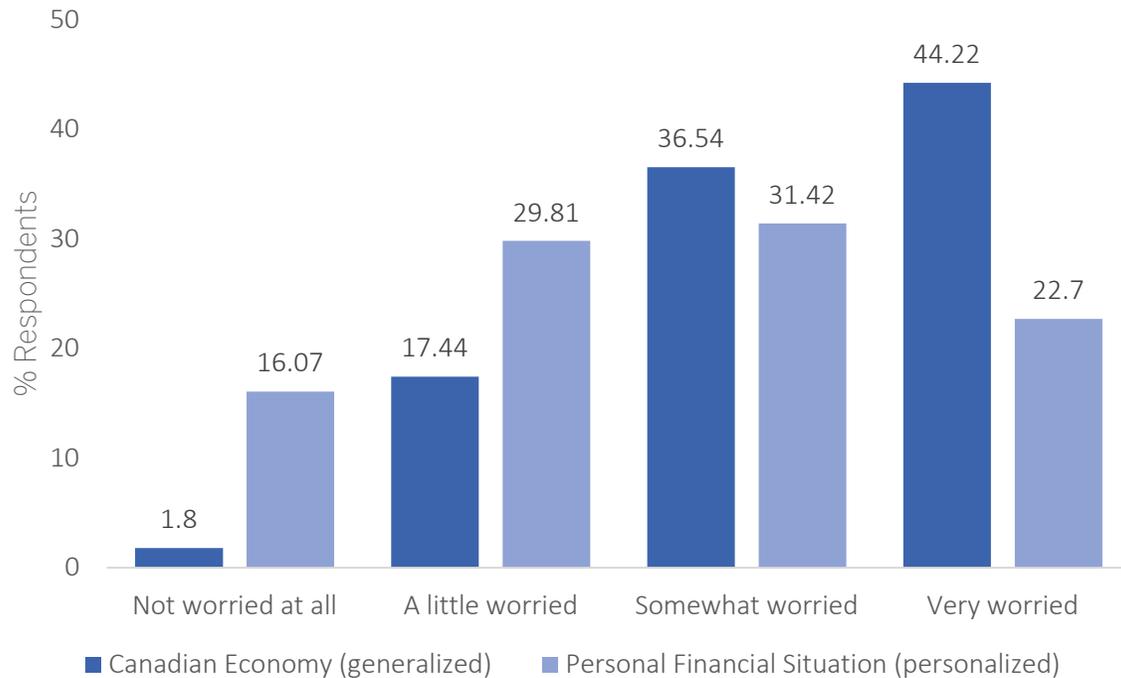
“Many people are struggling” (generalized) / “people who are struggling are like me” (personalized) (1 to 7 scale)



“In general, do you feel the federal government did a good job at handling the financial supports or benefits to individuals during the COVID-19 pandemic” (yes/no)



Generalized vs Personalized Perceptions of Financial Struggle

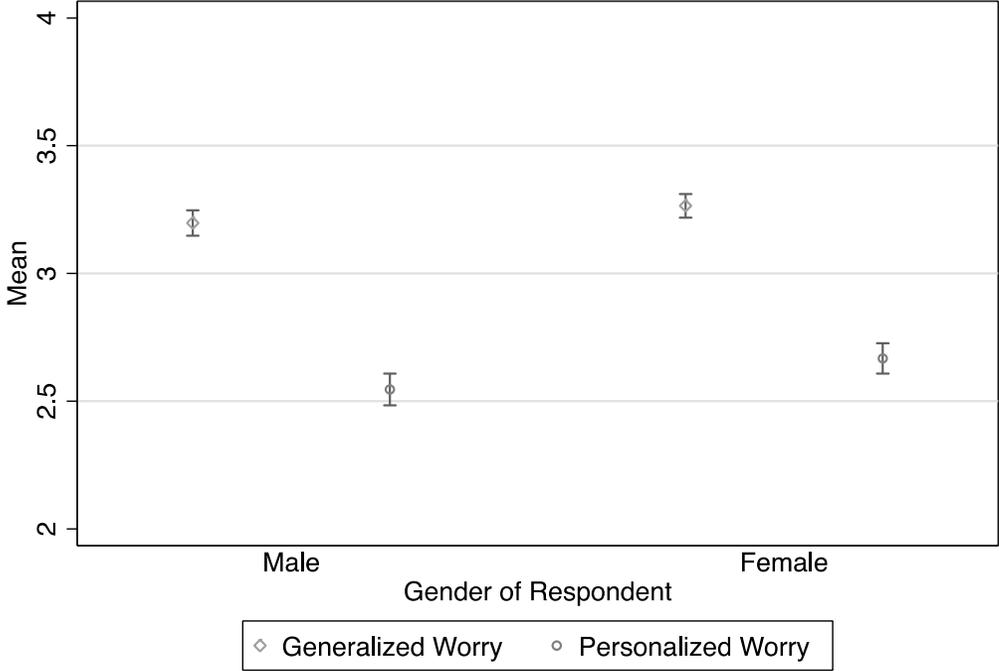


Assessments of Financial Worry

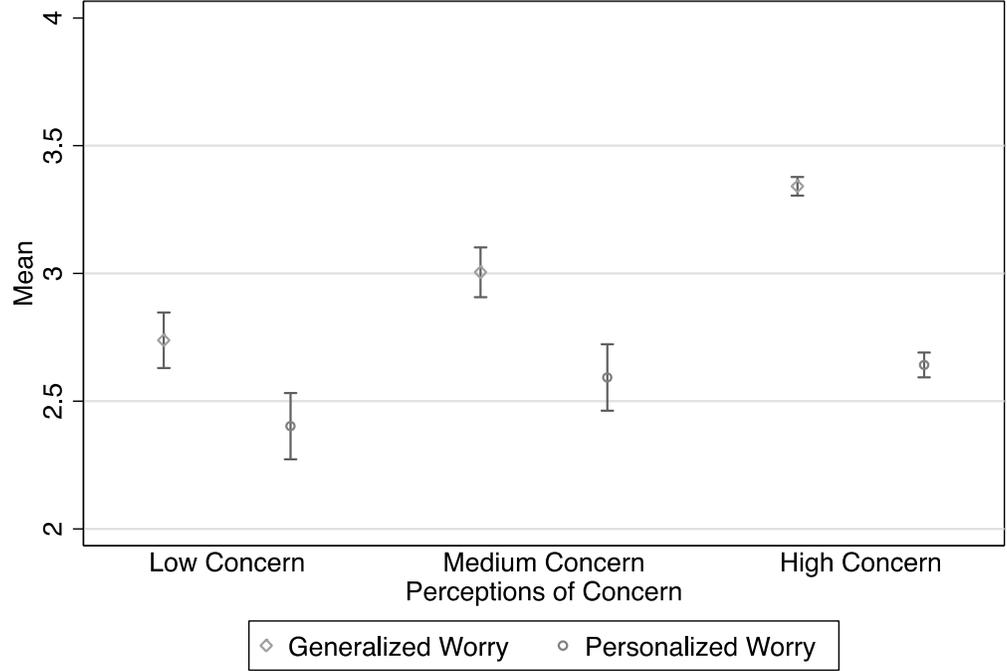
| | Worry about Canadian Economy (1) b/se | Worry about Personal Financial Situation (2) b/se | |
|-------------------------|--|--|---------------------|
| Perceptions | Perceptions of Confidence in Government | -0.202*** (0.06) | -0.147** (0.06) |
| | Concerns about debt handling | 0.411*** (0.03) | 0.093** (0.03) |
| | Concerns about Financial Stigmatization | 0.014 (0.01) | 0.097*** (0.01) |
| | New Debt Accumulated | 0.068* (0.03) | 0.211*** (0.03) |
| Experience | Gender | 0.176* (0.09) | 0.257** (0.08) |
| | Income | 0.110 (0.07) | -0.237*** (0.07) |
| | Employment Status | -0.084 (0.04) | -0.141** (0.04) |
| | Canadian Born | -0.106 (0.11) | -0.374*** (0.11) |
| | Children | 0.203* (0.09) | -0.106 (0.08) |
| Adjusted R ² | .06 | .05 | |
| N | 2081 | 2081 | |

Ordered logit models. Cut point constants excluded. p<.05*, .01**, .001***

Assessments of Government Performance

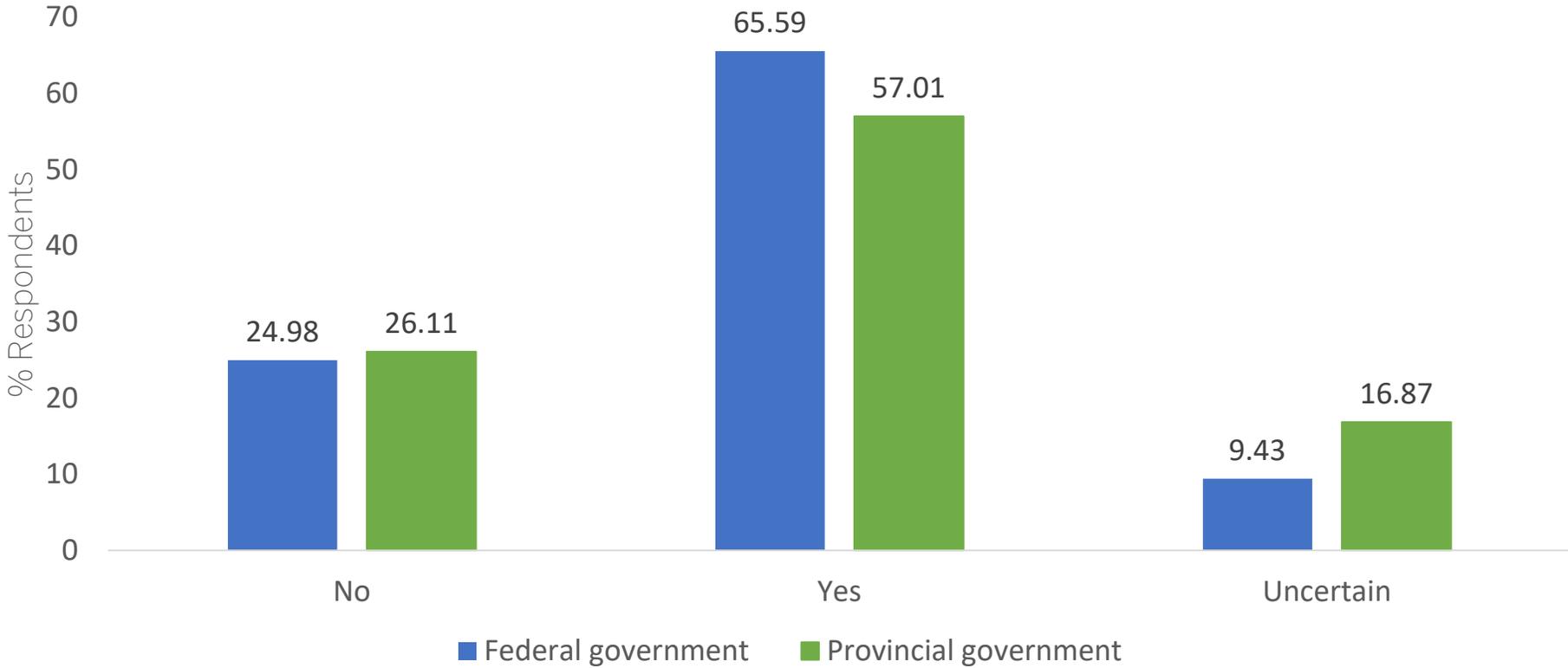


95% confidence intervals



95% confidence intervals

Assessments of Government Performance



Assessments of Government Performance

| | Approve of Federal Handling b/se | Approve of Federal Handling b/se | Approve of Federal Handling b/se |
|---|--|--|--|
| Worry about Canadian Economy | -0.375*** (0.07) | | -0.356*** (0.08) |
| Worry about Personal Financial Situation | | -0.146** (0.05) | -0.039 (0.06) |
| Gender | 0.322** (0.11) | 0.293** (0.11) | 0.323** (0.11) |
| Left-Right Self-Placement | -0.179*** (0.03) | -0.195*** (0.03) | -0.179*** (0.03) |
| Income | -0.049 (0.09) | -0.103 (0.09) | -0.060 (0.09) |
| Education | 0.129* (0.06) | 0.135* (0.06) | 0.129* (0.06) |
| News Consumption | 0.109 (0.06) | 0.067 (0.06) | 0.108 (0.06) |
| Employment Status | -0.050 (0.06) | -0.042 (0.06) | -0.049 (0.06) |
| Constant | 2.574*** (0.39) | 1.993*** (0.37) | 2.636*** (0.40) |
| AIC | 2135.266 | 2156.161 | 2136.847 |
| N | 1898 | 1898 | 1898 |

Fixed effects (province) logit models. Province accounts for 7% of variation. $p < .05^*$, $.01^{**}$, $.001^{***}$

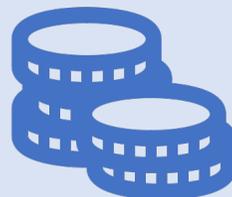
Discussion

Personal financial worry is driven by experiential factors

Generalized financial worry is driven by perceptual factors (and some experiential factors too)



When controlling for both, generalized financial worry has stronger predictive power than personalized financial worry



Therefore, we might discount the effect of personalized considerations on federal government approval and, eventually, vote choice

***Provincial governments?**

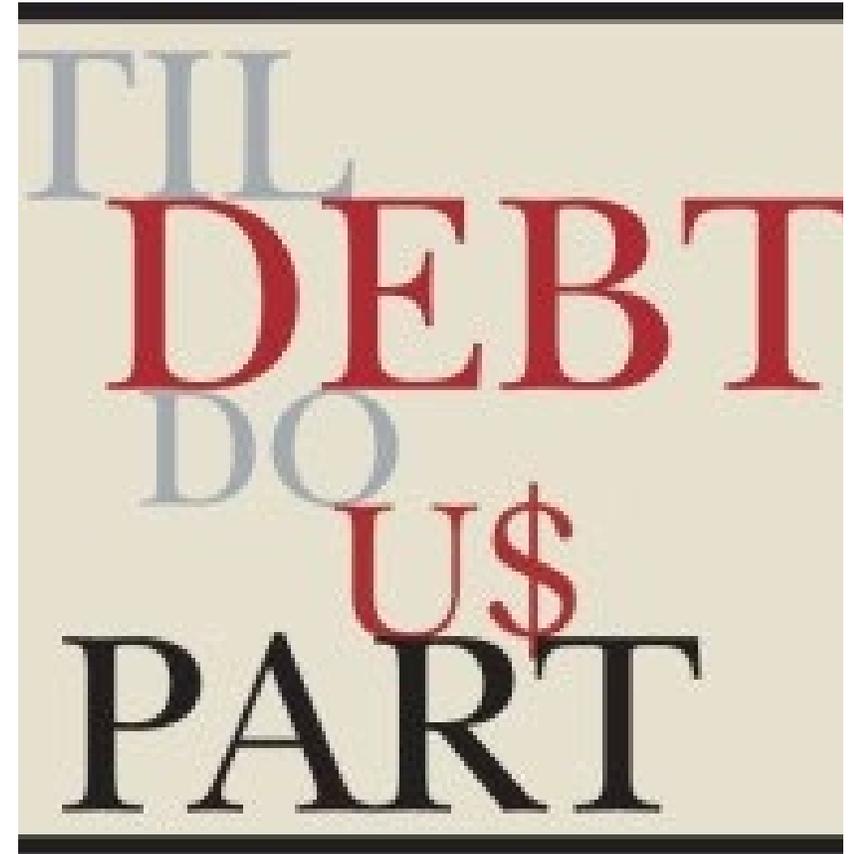




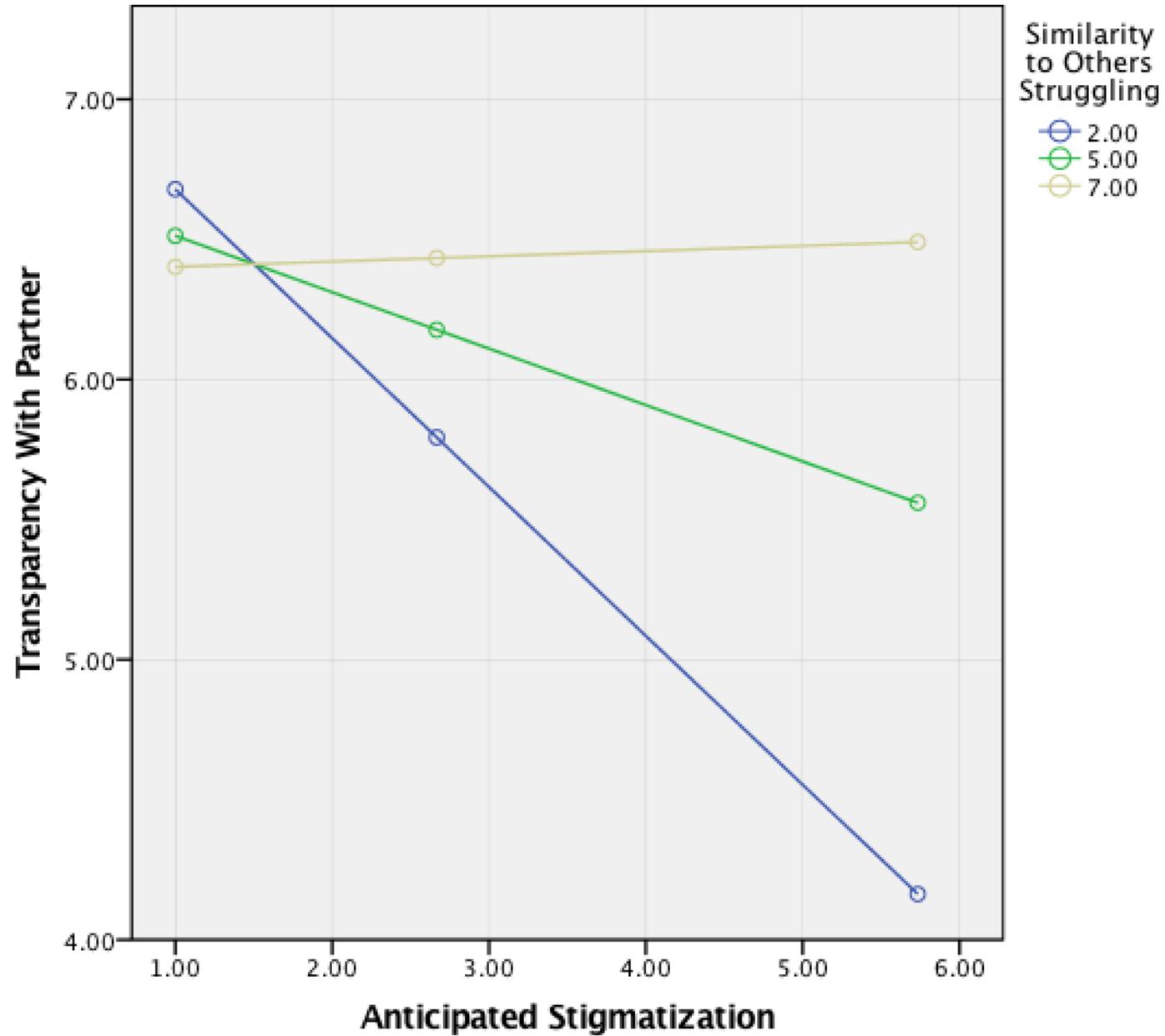


Background

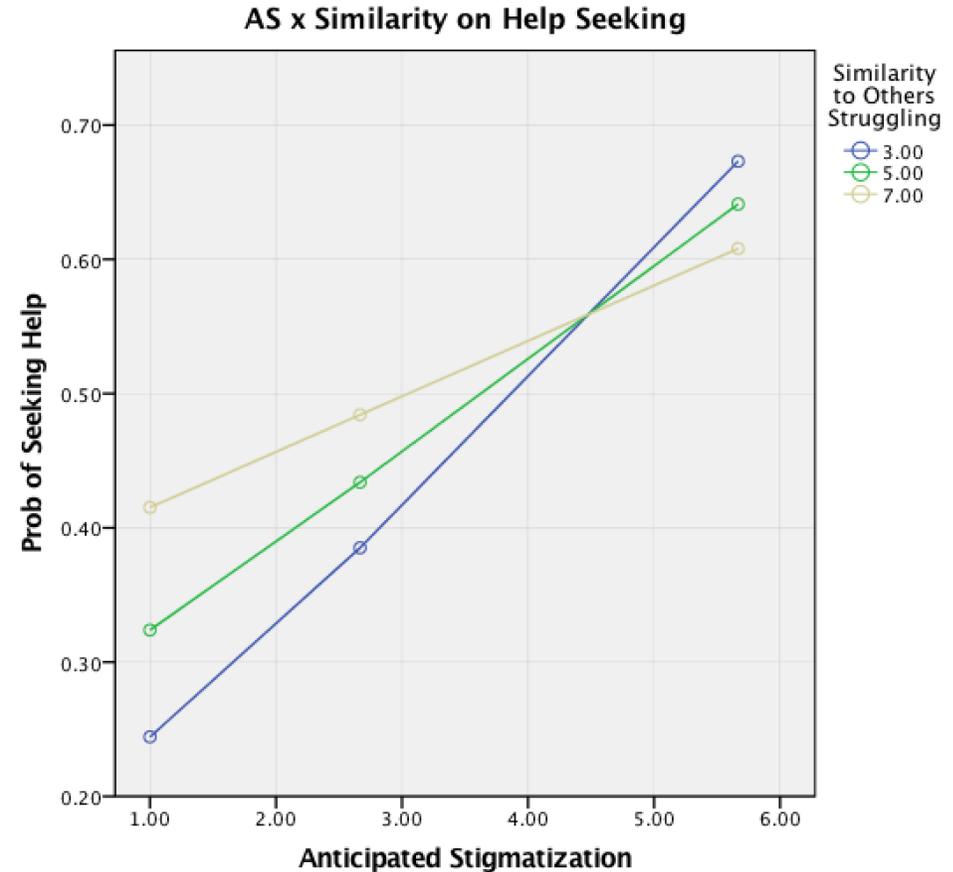
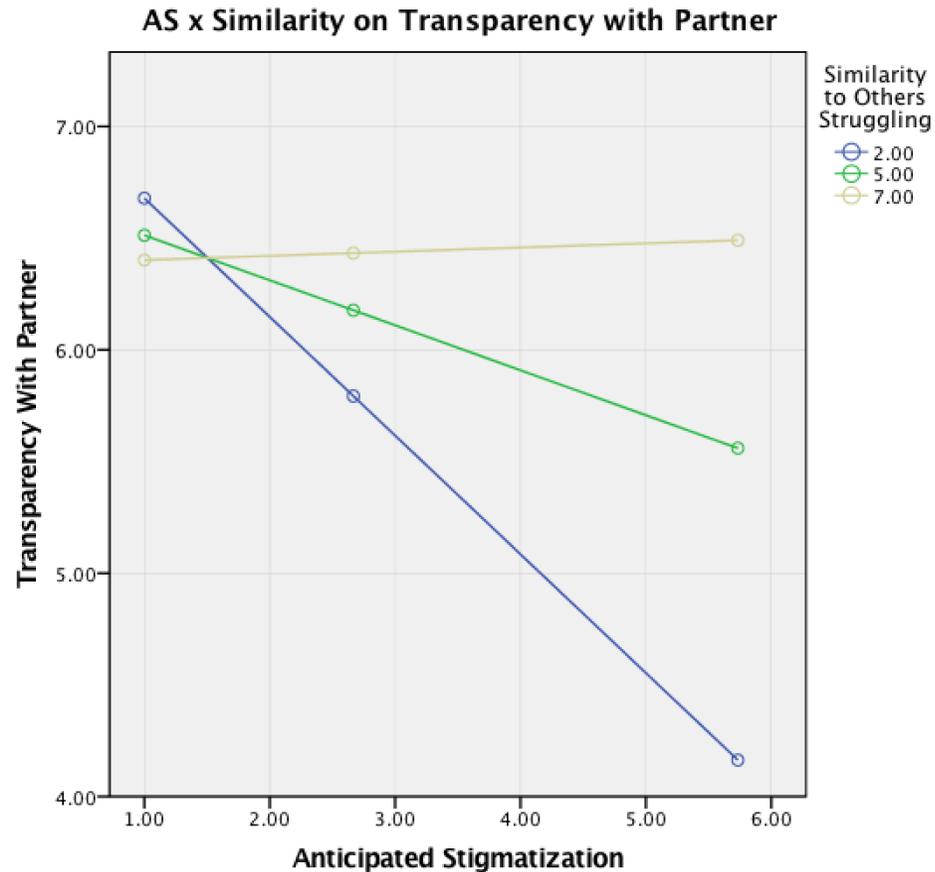
- Anticipated stigmatization leads to decrease in transparency with those in a social circle (Goode et al. 2021), but what about the impact of anticipated stigmatization on transparency with a significant other?
- Those who deal with stigma sometimes find comfort knowing that similar groups exist (Pachankis 2007). Can the feeling that similar others are also struggling financially attenuate the impact of anticipated stigmatization on transparency with a significant other ?



AS x Similarity on Transparency with Partner



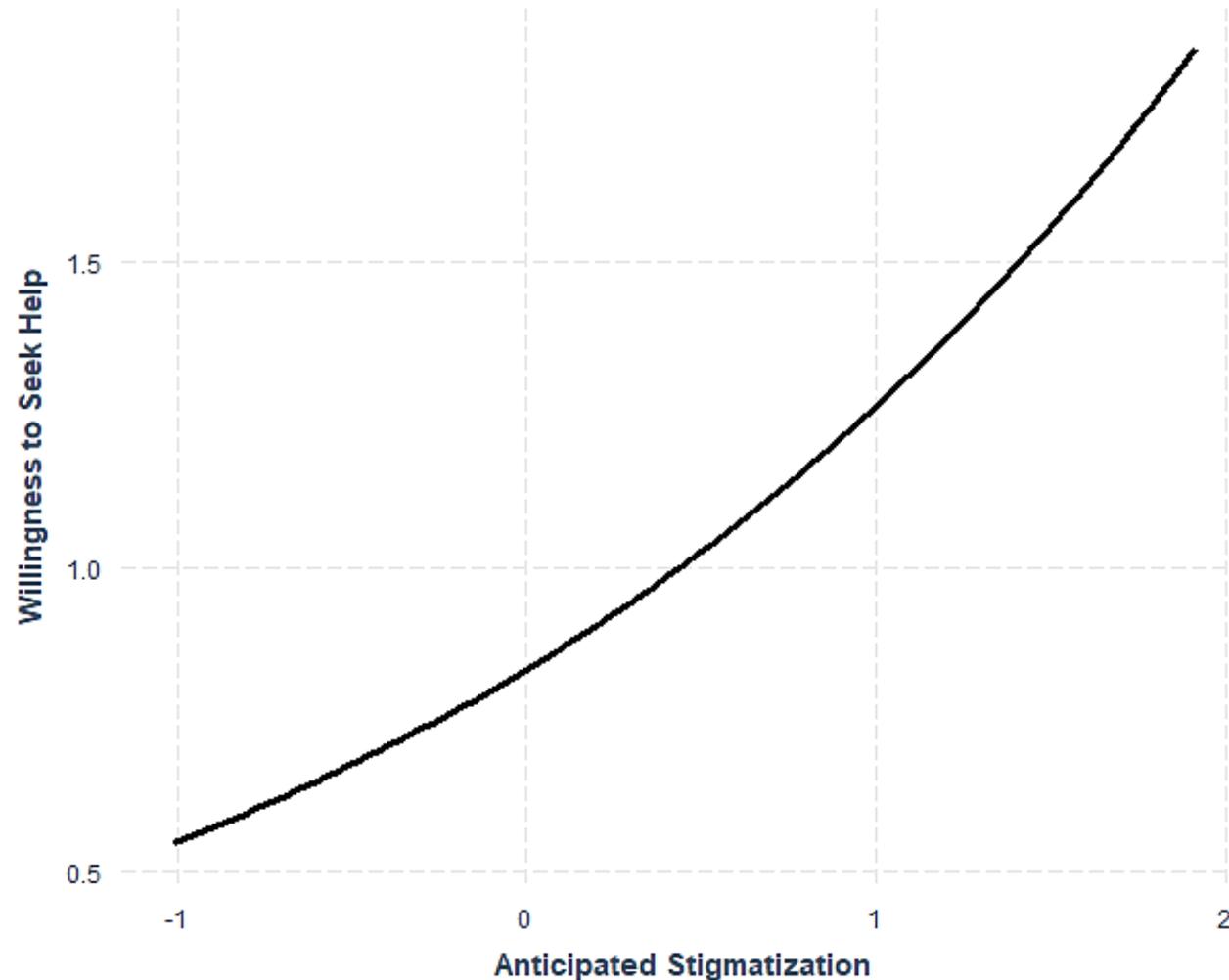
Comparing With Willingness to Seek Help.



Background

- Help-seeking for debt management
 - Stigma is a barrier to help-seeking (Corrigan, 2004; Hing et al., 2016; Vogel et al., 2007)
 - Debt is seen as controllable (Hayes, 2000) and attributed to personal responsibility (Goode et al., 2021), potentially motivating help-seeking
- Political ideology
 - Conservatism is associated with upholding social hierarchy and status quo (Jost, 2006; Jost et al., 2009), and a tendency to be influenced by social cues (Jost et al., 2018)

Anticipated Stigmatization is positively associated with Willingness to Seek Help



Political Views interact with Anticipated Stigmatization

- Both liberals and conservatives are affected by high Anticipated Stigmatization, but conservatives are less likely to seek help at low levels of Anticipated Stigmatization

