

Journal of Behavioral Economics for Policy

Vol. 4, COVID-19
Special Issue 3

The *Journal of Behavioral Economics for Policy* (JBEP) is an official journal
of the *Society for the Advancement of Behavioral Economics* (SABE).

© 2020. Society for the Advancement of Behavioral Economics

www.sabeconomics.org

S·ÄBE
SOCIETY FOR THE ADVANCEMENT OF
BEHAVIORAL ECONOMICS

Editorial Board

Editor-in-Chief

Michelle Baddeley, *University of Technology Sydney*

Special Issues Editor

Roger Frantz, *San Diego State University, USA*

Deputy Editor

Giuseppe Attanasi, *Université Côte d'Azur, Nice, France*

Book Review Editor

Alexis Belianin, *Higher School of Economics Moscow, Russia*

Associate Editors

Shu-Heng Chen, *National Chengchi University, Taiwan*

Antonio M. Espin, *Middlesex University London, UK*

Gigi Foster, *University of New South Wales, Australia*

Tere Garcia, *University Granada, Spain*

Robert Hoffmann, *RMIT University, Australia*

Shabnam M. Mousavi, *Johns Hopkins University, USA*

Angela de Oliveira, *University Massachusetts Amherst, USA*

Salvatore Rizzello, *University of Piemonte Orientale, Italy*

Joe Sabia, *University New Hampshire, USA*

Shosh Shahrabani, *The Yezreel Valley College, Israel*

John Smith, *Rutgers University-Camden, USA*

Marie Briguglio, *University of Malta, Malta*

Board of Directors

Morris Altman, *University of Newcastle, Australia*

Gary Charness, *University of California, Santa Barbara, USA*

Richard T. Curtin, *University of Michigan, USA*

Catherine C. Eckel, *Texas A&M University, USA*

Bruno S. Frey, *University of Basel, Switzerland*

Simon Gaechter, *University of Nottingham, UK*

Carol Graham, *Brookings Institution, USA*

Benedikt Herrmann, *European Commission*

Stephen Lea, *University of Exeter, UK*

Louis Levy-Garboua, *Paris School of Economics, France*

Rosemarie Nagel, *ICREA, Universitat Pompeu Fabra, Spain*

Susan W. Parker, *CIDE, Mexico*

Esther M. Sent, *Radboud University Nijmegen, Netherlands*

Dear Readers,

Many behavioural economists will have read Jay Van Bavel and colleagues' call to arms "Using social and behavioural science to support COVID-19 pandemic response", published in *Nature Human Behaviour* in the early days of this COVID-19 pandemic, encouraging us all to contribute insights and analysis to help humanity deal with the ructions wrought by COVID-19. As it turned out, COVID-19's impacts were more mammoth and devastating than even the pessimists amongst us might have imagined when the outbreak first began in November 2019. In responding to the challenge, a wide and international range of JBEP contributors have made important contributions to these debates via this JBEP COVID-19 Special Issue series. My gratitude, and the gratitude of the JBEP readership, to them all. This is our third and final COVID-19 Special Issue and, in summing up the year to the extent that this is humanly possible, this final COVID-19 Special Issue starts with "COVID-19 2020: a year of living dangerously" in which I digest the range of insights collected in JBEP over this year and pull them together into an analysis of implications for individuals, institutions and policy-makers.

For the rest of this issue, the next article is Gigi Foster's "The behavioural economics of government responses to COVID-19" – a timely international comparison of government policies in Australia, Thailand, Sweden and the UK analysed in the context of behavioural inputs including salience, present bias, reference dependence and emotional fear responses. In terms of specific government policies, impacts for the unemployed are a critical long-term concern given the complex repercussions for the long-term unemployed, not just in terms of loss of livelihoods but also in terms of labour scarring and social isolation for those losing their place in the workforce, and Hakan Yilmazkuday explores how monetary policy interacts with these negative labour market impacts in "Unequal Unemployment Effects of COVID-19 and Monetary Policy across U.S. States".

Managing businesses through the pandemic – especially the micro, small and medium-sized enterprises (MSMEs) which play such a crucial role in employment and production – has received too little attention and this gap is rectified by Jennifer Helgeson, Juan Fung and Alfredo Roa-Henriquez in "Rationally bounded in a storm of complex events: natural hazard resilience during a pandemic" which analyses the importance of learning, agency, and flexibility in building MSMEs' hazard resilience in the face of COVID-19 and other crises.

Other negative impacts are emerging around social and cultural divides and in “The two-way Othering during the Covid-19 pandemic: the role of political statement and media” Yixi Liao explores evidence from news and social media sentiment, including Google and Weibo search trends in UK and China, showing worrying trends towards “othering” precipitated by the COVID-19 pandemic. Finally, in “What do we know, what we don’t and what we cannot know so far about COVID-19: the case of Russia” Alexis Belianin and Alexander Shivarov provide another international data perspective from the Russian experience of the health crisis, setting out the twin challenges in terms of reliable data and appropriate healthcare responses – which together make the crisis so much harder to address, not just in Russia but also around the world.

Whilst this third COVID-19 Special Issue concludes JBEP’s current COVID-19 series, we will of course continue to publish papers around pandemic themes, not least because there will be future pandemics and we can only hope that humanity will be better prepared next time, based on all the experiences and knowledge that we have accumulated this year. The lessons learned from the COVID-19 pandemic must not be forgotten.

In the meantime, my thanks to all our authors and readers and especial thanks to Cecilia from El Alambre Estudio Creativo for her hard work and efficiency in the production of the JBEP Special Issue articles, even when faced with challengingly rapid deadlines.

Wishing all our JBEP readers and the Society for Behavioural Economics community a much healthier and happier 2021 and hoping that the roll-out of vaccines will bring some much-needed relief to the world.

MICHELLE BADDELEY
Editor in Chief
Sydney, Australia
December 2020

COVID-19 2020: A year of living dangerously	5-9
<i>Michelle Baddeley</i>	
The behavioural economics of government responses to COVID-19	11-43
<i>Gigi Foster</i>	
Unequal unemployment effects of COVID-19 and monetary policy across U.S. States	45-53
<i>Hakan Yilmazkuday</i>	
Rationally bounded in a storm of complex events: Small businesses facing natural hazard resilience during a pandemic	55-65
<i>Jennifer F. Helgeson, Juan F. Fung and Alfredo R. Roa-Henriquez</i>	
The two-way Othering during the COVID-19 pandemic: The role of political statement and media	67-76
<i>Lois Liao</i>	
What do we know, what we don't and what we cannot know so far about COVID-19: The case of Russia	77-86
<i>Alexis Belianin and Alexander Shivarov</i>	