

W203 Spring 2021 | Lab 2 Research Question Proposal
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Background:

The COVID-19 pandemic disproportionately affected the individuals employed in the service industry. In response, national and state lawmakers expanded weekly maximums on unemployment insurance. We are interested in exploring the relationship between increase in unemployment benefits and non-essential spending during the 2020 stretch of the COVID-19 pandemic.

Research Question:

Is there a relationship between increases in weekly unemployment benefits and changes in non-essential mobility (as a proxy for non-essential spending) patterns during the COVID-19 pandemic?

Variables Operationalization:

- Response Variable: Mobility patterns as a proxy for non-essential spending.
 - non-essential mobility will be operationalized as the percent change of trip amount to retail and recreation,
``retail_and_recreation_percent_change_from_baseline``.
- Independent Variable: Percent change between ``Weekly unemployment insurance maximum amount (dollars)`` and ``Weekly UI maximum amount with extra stimulus (through July 31, 2020) (dollars)``.
- Possible Controls Variables: housing moratoriums, state-wide stay-at-home orders, and food security measures
 - This will aid in isolating the relationship between increased benefits and “spending”.

Dataset:

Our primary sources of data are the [CUSP](#) dataset, and the [Google Mobility](#) dataset. All data and analysis will be aggregated to the state level.

Potential Issues:

First, without metrics on spending, we are choosing to use changes in retail and recreation mobility to represent possible trends in spending. This is an estimate, and therefore is not as robust as using actual measures of spending. Second, since we are primarily interested in the effect among unemployed individuals, the state-wide aggregates may hide our question of interest. Finally, physical mobility may not be a perfect measure of spending, given heightened levels of online shopping.