

RSAEM

RESEARCH SEMINAR IN APPLIED ECONOMICS AND MANAGEMENT

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FEAR, TRUST AND DEMAND FOR REGULATION: EVIDENCE FROM THE COVID-19 PANDEMIC IN RUSSIA

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Understanding demand for state regulation is a foundational issue for social science with roots in debates between Hobbes and Locke. To account for this demand, existing literature has focused on various forms of trust, but has paid little attention to the role of fear. We test how fear and trust shape demand for government regulation by drawing on especially precise measures of Covid-related regulations gathered in a survey of more than 23,000 respondents in 61 Russian regions. We show that higher interpersonal trust is related to lower demand for Covid-19 regulation, while higher institutional trust is associated with greater demand. However, the impact of both forms of trust is conditional on the level of fear. Provided fear is sufficiently great, demand for regulation will be high regardless of levels of interpersonal and institutional trust. These results open a fruitful line of research by examining how fear shapes demand for regulation.