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Contents

**Bibliometric Analysis of Studies on
Catastrophic Health Expenditures**

Buse METE, İsmail ŞİMŞİR255-268 *Article Type: Research Article*

**Exchange Rate Bubble Formation in Türkiye: Revealing the Dance Between
Reality and Speculation with Empirical Evidence from the Sequential ADF Tests**

Gökhan KARTAL269-290 *Article Type: Research Article*

**Investigating the Impact of Social Assistance and Borrowing Behavior
on Reducing Economic Worries**

Behice CANATAN, Egemen İPEK291-304 *Article Type: Research Article*

**Nash Equilibrium in Control-Unregistered Employment Decisions
Under Incentive and Punishment Strategies**

Kerem ÇOLAK305-XXX *Article Type: Research Article*

Investigating the Impact of Social Assistance and Borrowing Behavior on Reducing Economic Worries

Behice CANATAN¹, Egemen İPEK²

ABSTRACT

When individuals have insufficient financial resources to meet their basic needs, they are more likely to experience economic worries. For those experiencing hardship, social assistance is one of the most important public tools for supporting people's financial standing to better sustain their lives; social assistance is also expected to reduce economic worries for the same reason. When individuals experiencing economic worries cannot receive adequate social assistance, this may result in more borrowing behavior. With this in mind, the primary purpose of this study is to examine the possible effects of social assistance on economic worries so that we create an economic worries index using principal component analysis. To identify these potential effects, data from the 2016 KONDA Research and Consultancy Survey were analyzed with the help of a generalized ordered logit model. Empirical findings show that an increase in education level results in a decreasing effect on economic worries. In addition, the study shows that borrowing increases life-related worries; when the relationship between economic worries and social assistance is more closely examined, the findings indicate that social assistance is insufficient for reducing economic worries.

Keywords: Social Assistance, Economic Worries, Socioeconomic Worries, Life-related Worries, Debt Behaviors, Sociodemographic Factors, Türkiye.

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INTRODUCTION

Social assistance comprises social welfare programs designed to provide cash and/or in-kind support to impoverished or disadvantaged individuals (Niño-Zarazúa, 2019:1). In this respect, social assistance is considered a public service that helps individual households and communities manage risks, supporting the most vulnerable groups (Barrientos and Hulme, 2008:3). In other words, for the most vulnerable people, a critical service can minimize their economic and social fragility, improve their social prestige and human rights, and enable them to improve their living standards (Naseer et al., 2021: 67). These services are expected to act as a redistribution mechanism to benefit vulnerable groups, positively affecting overall well-being, including poverty and inequality, particularly in contexts where these services are implemented nationally (Niño-Zarazúa, 2019).

Among the reasons for household indebtedness, an insufficient income level, underemployment, a high tendency of non-household resources not meeting basic needs, stereotypes in credit use (Dearden et al., 2010: 5), and inadequate public services are the main factors

(Lavinias et al., 2022: 22). In this respect, borrowing behaviors are related to many economic, social, and individual quality of life-related factors (Alpar, 2022a). Because debt is an economic concept indicating a lack of resources (Xiao and Kim, 2022: 138) and considering that individuals are mentally affected by their economic conditions, these realities affect the relationship between individuals' economic behaviors and their psychological well-being (Lea, 2020: 6; Alpar, 2022a: 1335). Therefore, debt is closely related to economic worries (Xiao and Kim, 2022: 138). Economic worries result from difficulties in meeting life's basic needs. For example, people experiencing economic difficulties face problems such as the inability to pay their electricity bills and insecurities related to food and shelter. Therefore, economic worries often lead to borrowing that exceeds the household budget. Economic hardships are a significant source of distress and are associated with adverse mental and/or physical health outcomes. Given the negative impact of these situations, it is important to examine which factors might serve to mitigate them (Greenglass et al., 2013). Social assistance is thought to help reduce the harmful effects of economic worries (Roth et al., 2017: 133).

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Economic worries negatively affect household welfare and social life. To reduce them, social benefits are generally designed to help individuals cope with the economic difficulties they may face (Howell, 2001). Social benefits can reasonably reduce economic burdens and debt. In addition, these forms of aid can protect against economic worries such as lack of food and shelter (Kim, 2021: 2). Low-income individuals may be more worried about their economic situation than high-income individuals are (De Bruijn and Antonides, 2020: 1). Conversely, having a high income allows individuals to worry less about survival and financial issues (Rojas-Méndez, 2021: 10). For example, it has been emphasized that low-income households have strikingly greater levels of worry than middle- to high-income households (De Bruijn and Antonides, 2020: 1). According to other studies, the decline in social assistance for the poorest households over the past three decades has been associated with increased economic worries felt by families with children (Shaefer et al., 2020; Belarmino et al., 2021: 2). Therefore, providing social assistance as financial aid to low-income households is considered a fundamental tool for tackling economic difficulties (Parolin, 2021: 1119). All of the above circumstances reinforce the expectation that social assistance, prepared and applied in accordance with its purpose, should reduce economic worries. However, social assistance programs may increase worries in cases where individuals do not reach the right target group or can be insufficient. Situations in which social assistance is lacking and/or when social assistance benefits are insufficient increase an individual's tendency to borrow to finance his/her basic needs (Alpar, 2022b). These occurrences can potentially increase economic worries by placing vulnerable groups in more precarious situations. In this respect, it is important to focus on the quality and quantity of social assistance benefits to determine the causes of economic worries and direct policies accordingly.

Since economic worries are generally channeled through *financial burdens* (Miller, 2018: 8), this phenomenon has also been evaluated within the framework of financial worries. Along with financial support, social support is often associated with the formation of four different support systems: emotional, informative, and supportive services (Wellman and Gulia, 2018: 83). While social support can be obtained from many sources, such as family, friends, colleagues, and organizations, social assistance programs are generally public aid initiatives and include cash-in-kind transfers. Generally, the current literature separately focuses on social assistance, economic worries (Brunila et al., 2020;

Bou-Hamad et al., 2022), and borrowing behaviors, and this results in a lack of a truly integrative perspective. Accordingly, although the impact of social assistance on economic worries has not been adequately studied before, an increasing number of correlational studies suggest that social support reduces worry factors (Bedaso et al., 2021). In addition, the main determinants of social assistance are factors such as unemployment (Brum and De Rosa, 2021), income inequality, and poverty (Westmore, 2018; Wang et al., 2021). These factors often cause people to borrow to finance even basic needs. Worry factors that negatively affect an individual's quality of life may arise due to increasing socioeconomic vulnerabilities and borrowing behaviors (Alpar, 2022b).

Research has shown that social assistance is more important during political elections (Pellissery and Barrientos, 2013). Considering that social assistance was a preferred key political tool in 2016 between Türkiye's general elections in 2015 and a referendum in 2017 (Özel and Yıldırım, 2019: 485), an analysis of this period can reveal the effect of social assistance on economic worries. For Türkiye, due to increasingly severe poverty issues (Yıldırım et al., 2018) and a chronic unemployment rate, social assistance is widely considered the leading solution to these problems, requiring more intensive studies of the country's situation (Aslan, 2022: 171). The fact that social assistance is primarily based on the poor (Yu and Li, 2021: 1060) and the unemployed (Pritadrajati, 2023), along with the increase in economic worries these situations entail, demonstrates the importance of studies in this area. This important issue necessitates disseminating datasets suitable for these and similar contexts, especially in terms of analyzing the effectiveness of social assistance in different dimensions in more detail. However, empirical studies examining the relationship between social assistance and economic worries are relatively limited because of a lack of available data.

The scope and content of social assistance are determined by many factors, such as social state understanding and the economic and cultural structures of countries (Daigneault, 2014; Aravacık, 2018). Therefore, the findings obtained mainly from developed countries cannot be evaluated in the context of developing countries (Farwa, and Henman, 2023: 1). This study makes several contributions to the existing literature. Unlike in previous studies, instead of examining the variables of worry separately, an index has been proposed to account for the multidimensional nature of worry (Roth et al., 2017; Rojas-Méndez, 2021; Xiao and Kim, 2022). This approach allows for the consolidation of related variables into a

single index, enhancing the accuracy of measuring worry factors. Given the susceptibility of single-question scales to measurement errors, employing a multifactor index proves more advantageous (Zhou and Guo, 2021: 4). In our study, we generated two indices from five distinct worry levels, all serving as dependent variables. To the best of our knowledge, this is the first study conducted in Türkiye that empirically analyses the effects of public outreach on different worry factors. In addition, the study focuses on specific borrowing behaviors that may cause different types of worry and examines the role of demographic factors that may impact economic worries. The study results are significant because they provide clues to relevant institutions that will enable them to focus on the causes of economic worries while preparing social assistance programs or revising their programs in this direction as needed. Furthermore, it could be a source of essential information for policymakers regarding the regulation of social assistance programs in Türkiye and other developing countries, as these states could benefit from the study data to reduce economic worries in their specific environments.

LITERATURE REVIEW

Many studies examining the various aspects of social assistance have focused on its ability to reduce poverty and income inequality (Tekgüç, 2018; Westmore, 2018; Yu and Li, 2021). In addition, social assistance is closely related to the income inequality that may arise when these benefits are insufficient; it is also linked to an increase in economic worries (Roth et al., 2017), economic difficulties, welfare, and other socioeconomic indicators, leading researchers to focus on the fact that economic worries may increase along with other inequalities experienced by marginalized groups. In other words, poverty, income inequality, unemployment, and economic worry that these factors may occur together and often directly affect disadvantaged populations. Borrowing is another factor that can cause economic worries (Walega and Walega, 2021). In this respect, when the literature on borrowing behaviors is examined, the focus is generally on the positive relationship between debt and financial stress (Xiao and Kim, 2022). While this and related research is proliferating, the lack of an integrative and critical review is considered a significant shortcoming. Therefore, this study provides a comprehensive perspective and aims to contribute to the literature by filling this research gap with data specific to Türkiye.

Burke and Frongillo (2017) concluded that those participating in the Supplementary Nutrition Assistance Program in the USA had fewer financial worries. Tran

et al. (2018) indicated that women are more financially stressed when there is little or no social support. In their study, Yu and Li (2021) concluded that social spending helps reduce income inequality and rural poverty in China. Bedaso et al. (2021) considered anxiety and low socioeconomic status to be the most important determinants of social support for women. Kim (2021) noted that anxiety and food inadequacy continue even when individuals experiencing economic difficulties during a pandemic receive social assistance. Overall, existing studies generally focus on social support and anxiety.

Roth et al. (2017) argued that when income inequality is greater, people experience economic worry. Conversely, Lima-Nunes et al. (2021) showed that economic worries increase when income and life satisfaction are lower. Rojas-Méndez (2021) identified four different worry dimensions (economic, health, security, and overall); in their study, one of the obtained results was that the adverse effects of the COVID-19 epidemic on the workforce and income levels had increased economic worries. While the determinants of borrowing (Ntsalaze and Ikhede, 2016) have a more significant place in the literature, their relationship with economic worries has remained relatively limited. Hojman et al. (2016) noted that overindebtedness leads to greater depressive symptoms. In another study, Amassoma (2021) concluded that sociopsychological factors increase the household debt burden. Gao et al. (2022) concluded that elderly people, who have higher expectations of household debt and social support in the future, are less depressed. Xiao and Kim (2022) found that financial capacity can increase financial stress in individuals who cannot pay off their debt. In addition to the factors affecting borrowing in Türkiye (Nas and Özkoç, 2016), Özbilge (2022) examined the impact of borrowing on digital banking, while Canatan et al. (2024) analyzed the effects of borrowing on digital financial inclusion.

Most of the studies conducted in Türkiye have emphasized that the effect of social assistance on poverty and the increase in this type of aid positively affect poverty reduction (Bayar et al., 2023). Studies conducted in Türkiye (Dayar and Akıncı, 2020; Gemicioğlu and Bildir, 2023; Yılmaz and Rakıcı, 2024) have emphasized that social transfer expenditures reduce income inequality. Earlier studies have pointed out that social transfer expenditures have been insufficient in preventing income inequality and emphasized the need for more careful design of social policies (Gürsel et al., 2000; Çetin, 2011). These studies have generally focused on

poverty, income inequality, and employment; however, they concluded that social support affects stress/anxiety factors in a decreasing way. One of the common findings in studies examining populations benefitting from social assistance in Türkiye is that individuals receive more social assistance as their age increases (Tekgüç, 2018; Canatan and İpek, 2021). Studies addressing worry in Türkiye are generally concentrated in the field of psychology. Bozkurt (2020) demonstrates that digitalization leads to a decrease in economic worries. The impact of economic worries on water-saving behavior (Avci, 2023) has been studied, and there are studies from various disciplines comparing different types of worry (Kasapoğlu et al., 2009). Studies examining life satisfaction, anxiety and (Dökme Yağar and Yağar, 2023), social support and perceived stress (Özer et al., 2021), perceived social support and state anxiety, and trait anxiety (Özmete and Pak, 2020) during the COVID-19 period can also be found. Özbilge et al. (2024) have examined the factors affecting (such as socioeconomic, financial behaviors) different types of worry.

Although findings obtained from developed countries in the literature (Burke and Frongillo, 2017; Kim, 2021) are informative in terms of social assistance and worry factors, the understanding of the social state of these countries is markedly different from that of Türkiye, making it difficult to compare these findings and make generalizations in the context of developing countries such as Türkiye. Considering the suggestions of Roth et al. (2017) and Rojas-Méndez (2021), observing economic and cultural interactions at the national level and obtaining broader inferences about the effects on different types of worry—instead of determining economic worry factors over a single variable—may be more efficient. In this study, an analysis was performed on three different levels of worry: economic, life-related, and socioeconomic. However, the study differs from others in the literature, as it focuses not only on the relationship between social assistance and economic worries but also on the socioeconomic determinants of economic worries and the effects of borrowing behaviors on economic worries. In this respect, the study is expected to contribute to the related research by providing clues on how to increase the effectiveness of social assistance in Türkiye and other countries similar to Türkiye.

DATA SET AND METHODOLOGY

In this study, data on the factors causing economic worries in Türkiye and the effects of social assistance on economic worries were collected from 2,666 observations in 2016. This information was obtained

through questionnaires prepared by KONDA, a Turkish research and consultancy company that has conducted representative surveys, conducted different field studies, and published reports on information gathered in Türkiye since 1986. The relevant dataset has been prepared specifically for a single year (2016). While it is not up-to-date data, it is the only available data. The need for the datasets in this context remains current. Although it is known that it may not fully reflect the realities of today, it is important for providing significant insights and for comparison with the current perceived situation. The aforementioned data used in this study include a representative sample at the national level, allowing us to examine the impact of social assistance on economic worries.

Instead of using or studying worry variables separately, an index is usually created so that a multidimensional structure can be taken into account (Roth et al., 2017; Rojas-Méndez, 2021; Xiao and Kim, 2022). By doing so, an index from related variables can be created rather than using the variables independently; this method strengthens the ability to measure worry factors better. Because a single-question scale can be subject to more measurement errors, using a multifactor index may be more beneficial (Zhou and Guo, 2021: 4). In this study, two indices were created from five different worry levels and were included as dependent variables. First, a single index of economic worry was created from 4 different worry levels.

The second dependent variable—worries related to being unable to maintain an adequate living standard—was included as an ordered categorical variable in the dataset. Creating an index for this worry factor was unnecessary because it was the only factor representing worries about life. The third and final dependent variable, socioeconomic worries, was created as a composite worry index from 5 different worry levels and included all worry factors.

In this study, socioeconomic and demographic factors thought to impact economic worries were included in the model. Overindebted households are usually in the lowest income category and are unemployed (Ntsalaze and Ikhida, 2016: 79). In Türkiye, institutions exist from which low-income households can borrow money. Additionally, the fact that the main target groups of social assistance are low-income households and unemployed individuals—along with the fact that loans obtained from financial institutions are a source of income for members of these groups to meet their basic needs (Alpar, 2022b)—requires an examination of all these factors together.

Table 1: Information about the Variables

Variables	Definition	Min	Max	Frequency (%)		
				1	2	3
<i>Economic Worries Index</i>	Do you have economic worries about not being able to meet health expenses, not being able to pay for the house, car installment or rent, not being able to meet the daily expenses, not being able to make the credit card minimum payment? (1: low, 2: medium, 3: high)	1	3	41.5	25.2	33.2
<i>Worries About Life</i>	Are you worried about not being able to protect your living standards? (1: low, 2: medium, 3: high)	1	3	17.2	10.4	34.9
<i>Socioeconomic Worries Index</i>	Do you have socioeconomic worries? (1: low, 2: medium, 3: high)	1	3	36.7	31.4	31.7
<i>Social Assistance</i>	Social assistance recipients (1: Yes, 2: No)	1	2	17.8	82.1	
<i>Gender</i>	1-Female 2-Male	1	2	48.5	51.5	
<i>Age</i>	Age is numerically measured.	18	44+			
<i>Household Size</i>	How many people live with you in your household?	1	9+			
<i>Marital Status</i>	1-Married 2-Single (including separated/widowed/divorced)	1	2	70.1	29.9	
<i>Educational Status</i>	Uneducated, Literate without a degree, Elementary school graduate, Middle school graduate, High school graduate, College graduate, Master's / PhD	1	7			
<i>Credit Card Debt</i>	Do you have credit card debt? (1: Yes, 2: No)	1	2	22.9	77.1	
<i>Bank Loan</i>	Do you currently have a personal bank loan that you continue to pay? (1: Yes, 2: No)	1	2	30.6	69.4	
<i>Non-Financial Debt</i>	Do you currently have debts that you are paying from family/friends/workplace other than the bank? (1: Yes, 2: No)	1	2	24.5	75.5	

Explanatory information about the variables used in the study is presented in Table 1. In addition to its limited reliability, using single-indicator measurements for economic worries may result in partial and incomplete information about the relationships examined (Roth et al., 2017). As a result, we used Rojas-Méndez's (2021: 4) three dimensions to better reveal the unique structures of worry based on *face validity*: (i) economic worries, (ii) worries about life, and (iii) socioeconomic worries. Therefore, three models with different dimensions of economic worry were created. In the first model, the dependent variable was created as an index of economic worry using principal component analysis (PCA) on four economic worry indicators: i) not being able to meet health expenses, ii) not being able to pay rent and car payment installments, iii) not being able to meet normal daily expenses such as food expenditures, and iv) not being able to make minimum credit card payments.

In the second model, the dependent variable, being unable to ensure one's living standards, is considered a manifestation of a cultural dimension unique to Türkiye. In the context of worry, uncertainty is characterized as the tendency to prevent and/or reduce the possibility of negative situations by taking into account the uncertainty of the future; in this case, individuals from different cultures may react differently to stimuli (Rojas-Méndez, 2021).

Finally, a multidimensional worry index—a combination of Model 1 and Model 2—was created to observe the impact of the economic and cultural dimensions together. Demographic factors (household size, education, age, sex, marital status), borrowing behaviors (borrowing from financial institutions and nonfinancial institutions), and social assistance payments (child benefits, education benefits, conditional health benefits, pregnancy/pregnancy benefits, retirement benefits, aid in kind and other) were used. Control variables (pensions provided to widows, disability benefits, and in-kind benefits such as fuel and food) were added to the empirical model.

This study's research strategy combines a set of descriptive statistics that reveal the main features of the data. With this strategy, PCA helps to transform a large number of variables into only a few selected main dimensions (Wu, 2021: 3). Thus, an index consisting of each worry factor is obtained. Before creating the economic worries and socioeconomic worries indices, the PCA's suitability and the compatibility of the variables are tested with the Kaiser–Meyer–Olkin (KMO) test and Bartlett's test of sphericity. If the KMO index is above 0.50 and the Bartlett test is small ($p < 0.001$), the variables and PCA are deemed appropriate. The KMO and Bartlett test results are presented in Table 2. According to the results, it was determined that the variables were suitable for PCA.

Table 2: KMO and Bartlett's Test Results

Socioeconomic Worries		KMO	Economic Worries		KMO		
Overall		0.693	Overall		0.621		
Health expenses		0.765	Health expenses		0.811		
House expenses		0.767	House expenses		0.724		
Kitchen expenses		0.652	Kitchen expenses		0.609		
Credit expenses		0.700	Credit expenses		0.585		
Life expenses		0.702					
	χ^2	df	p	χ^2	df	p	
Bartlett's	693.610	10	0.000	Bartlett's	1592.821	6	0.000

Methodology

For this study, the ordered logit (ologit) model was preferred due to the ordered nature of the dependent variables. Ologit is frequently preferred when the dependent variable takes ordered values rather than continuous values. The generalized ordered logit model (gologit) is employed when the parallelism assumption,

which is the most important assumption of the ologit model, is violated. Gologit was developed by Fu (1998) and Williams (2006) and provides ease of use for researchers by expanding the assumption of parallelism that the logit model should provide and allowing easy production of estimations with econometric software programs.

Table 3: Tests of the Parallel Regression Assumption

Economic Worries Test	χ^2	df	P> χ^2
Wolfe Gould	248.6	9	0.000
Brant	354.3	9	0.000
Score	171.8	9	0.000
Likelihood Ratio	128.9	9	0.000
Wald	321.4	9	0.000
Information Criteria	ologit	gologit	difference
AIC	4489.99	4379.07	110.92
BIC	4554.76	4496.84	57.92
Life-related Worries Test	χ^2	df	P> χ^2
Wolfe Gould	41.09	9	0.000
Brant	49.94	9	0.000
Score	47.19	9	0.000
Likelihood Ratio	44.46	9	0.000
Wald	49.23	9	0.000
Information Criteria	ologit	gologit	difference
AIC	4933.50	4907.04	26.46
BIC	4998.27	5024.81	-26.54
Socioeconomic Worries Test	χ^2	df	P> χ^2
Wolfe Gould	249.3	9	0.000
Brant	388.7	9	0.000
Score	201.4	9	0.000
Likelihood Ratio	140.6	9	0.000
Wald	306.9	9	0.000
Information Criteria	ologit	gologit	difference
AIC	4341.03	4218.43	122.61
BIC	4405.81	4336.19	69.61

Gologit can be written based on Williams (2006), as shown in Equation (1):

$$P(Y_i > j) = \frac{\exp(a_j + X_i \beta_j)}{1 + \exp(a_j + X_i \beta_j)}, j = 1, 2, \dots, m - 1 \quad (1)$$

When m is the category number of the ordered dependent variable, the model is as follows:

$$P(Y_i > j) = \frac{\exp(a_j + X_{1i} \beta_j + X_{2i} \beta_j)}{1 + \exp(a_j + X_{1i} \beta_j + X_{2i} \beta_j)}, j = 1, 2, \dots, m - 1 \quad (2)$$

In logit, α values may vary for each category, while β slope values are assumed to be the same for each j category; that is, they are parallel. However, this assumption is often violated. To overcome this limiting assumption, too many parameters need to be estimated. However, the gologit model overcomes these limitations, allowing some β slope coefficients to be the same and others to be different (ipek, 2019: 62). This study first estimated the empirical model using the ologit method, and the parallelism assumption was tested. The values of the parallelism tests of the ologit model and the goodness of fit of the model are given in Table 3. The parallelism assumption of the ologit model is not met

since the probability values of the Wolfe Gould and Brant tests are less than 0.05. Therefore, the gologit was used to investigate the causes of economic worries and the effect of social assistance on economic worries.

EMPIRICAL RESULTS

The findings related to the gologit model results used in the study to investigate the causes of economic, life-related, and socioeconomic worries and the effect of social assistance on these worry factors are presented in this section. Table 4, which includes the gologit model estimation results, includes the odds ratios (ORs) estimated according to the reference group; the tables show the proportional effects of the variables on economic worries. In logit models, the odds ratio is used to interpret the obtained coefficient (ipek, 2020: 234).

When the findings in Table 4, which include economic worries according to Model 1, are analyzed, it is found that an increase in age results in a greater probability of having a low or medium level of economic worries. In addition, being single, a rise in the number of household

Table 4: Results of the Gologit Model Estimation

Variables	Model 1		Model 2		Model 3	
	Low & Medium OR	Medium & High OR	Low & Medium OR	Medium & High OR	Low & Medium OR	Medium & High OR
Social Assistance	1.077 (0.183)	1.665* (0.310)	1.024* (0.168)	1.036 (0.168)	1.013 (0.017)	1.528* (0.287)
Gender	1.069 (0.096)	1.023 (0.103)	1.116 (0.101)	0.803* (0.073)	1.140 (0.108)	1.004 (0.105)
Age	1.384* (0.085)	1.883* (0.132)	0.444* (0.000)	0.547* (0.034)	1.758* (0.112)	2.344* (0.173)
Household Size	0.788*** (0.075)	1.222* (0.086)	1.024 (0.064)	1.015* (0.085)	1.045 (0.097)	1.273** (0.090)
Marital Status	0.206* (0.021)	0.126* (0.126)	4.139* (0.527)	4.039* (0.400)	0.159* (0.016)	0.122* (0.020)
Educational Status	0.688* (0.064)	0.428* (0.071)	1.036 (0.129)	0.965 (0.080)	0.723* (0.067)	0.325* (0.063)
Credit Card Debt	0.102* (0.015)	0.039* (0.005)	5.152* (0.568)	3.462* (0.454)	0.138* (0.021)	0.028* (0.028)
Bank Loan	0.960 (0.192)	1.223 (0.026)	0.612** (0.120)	0.981 (0.209)	0.670*** (0.154)	1.073 (0.232)
Non-Financial Debt	1.012 (0.241)	0.555*** (0.138)	1.600** (0.359)	0.806 (0.196)	1.335 (0.276)	0.709 (0.179)
Pseudo R ²	0.2455		0.1620		0.2850	
Wald Chi2	1031.09		708.21		1039.86	
Loglikelihood	-2169.5		-2433.5		-2089.2	
Prob	0.000		0.000		0.000	
McFadden R ²	0.245		0.162		0.285	
Cox-Snell R ²	0.411		0.297		0.465	
Cragg-Uhler	0.465		0.335		0.523	
Count R ²	0.570		0.580		0.649	

*p < 0.05, ** p < 0.01, *** p < 0.001. The numbers in parentheses indicate standard errors.

members, having credit card debt, and a higher education level all reduce the probability of having a low or medium level of economic worry. Considering the estimation results that include medium and high economic worry levels versus a high level of economic worry, an increase in age, an increase in the number of household members, and social assistance increase the probability of having a high level of economic worry. A higher education level, having credit card debt, borrowing from family/friends/workplace, and being single were factors reducing the probability of having high levels of economic worry. According to the findings related to Model 2, which includes worries about life, factors such as being single, being female, receiving social assistance, an increase in household size, and borrowing from nonfinancial institutions are relatively more likely to cause worries about life. Finally, when the findings related to Model 3 and socioeconomic worries are examined, the findings show that increasing age, being married, receiving social assistance, increasing household size are relatively more likely to result in socioeconomic worries.

In summary, receiving social assistance increases the probability of three worry levels: economic, life-related, and socioeconomic. The higher the education level is, the lower the possibility of experiencing economic and socioeconomic worry. An advance in age increases the likelihood of having economic and socioeconomic worries while decreasing the likelihood of general life worries. Married people are more likely to have economic and socioeconomic worries, while single individuals are more likely to have life worries. While women are more likely to worry about life, gender does not exhibit a statistically significant impact on other types of worry. Individuals with credit card debt are more likely to have life-related worries and less likely to have economic and socioeconomic worries. Individuals with bank

loans (individuals who currently have bank loan debt) are less likely to have low to moderate levels of life and socioeconomic worry. Although it may not be statistically significant, it can be intuitively inferred that individuals who take out bank loans are likely to have high levels of economic and socioeconomic worries. Finally, individuals who borrowed money from family/friends/workplace were less likely to have high levels of economic worry and more likely to have low or moderate levels of worry about life.

When examining the differences between various types of worries, age, marital status, and credit card debt emerge as significant factors. As individuals age, they may generally reduce their worry about maintaining their standard of living by considering retirement and savings. However, economic and socioeconomic worries may increase due to factors such as rising (Mann et al., 2020: 4) healthcare costs and caregiving needs that come with age. The worry of not being able to maintain one's standard of living may be related to a sense of uncertainty about the future. It is likely that married individuals feel more cautious (Schwartz, 2005: 45) and experience greater economic worries due to their responsibilities. Credit cards can provide temporary economic relief, especially for unexpected and urgent expenses. Additionally, the option to defer payments can reduce economic worries for a certain period. This information supports the notion that it already increases the level of worry about maintaining general and future living standards.

While the other variables are held constant, the marginal effects show the impact of the factor affecting the worry factor compared to the average. Table 5 shows that women, individuals with lower education levels, older individuals, individuals from larger households, social assistance recipients, individuals with credit card

Table 5: Marginal Effect

Variables	Economic Worry			Life-related Worry			Socioeconomic Worry		
	Low	Medium	High	Low	Medium	High	Low	Medium	High
Social Assistance	-0.01**	0.05**	0.06*	-0.00	0.00*	0.01*	-0.02	0.05*	0.05*
Gender	-0.01	0.01	0.00	-0.01	0.05*	-0.03	-0.02	0.02	0.01
Age	-0.06*	-0.03**	0.07*	0.14*	-0.03*	-0.10*	-0.09*	-0.01	0.10*
Household Size	0.04**	-0.07*	0.02*	-0.00	0.00	0.00	-0.01	-0.02*	0.02*
Marital Status	-0.31*	0.07	0.24*	0.24*	0.04	-0.28*	-0.36*	0.13*	0.22*
Educational Status	0.06*	-0.05**	-0.11*	0.06	-0.01	-0.01	-0.05*	-0.08*	-0.13*
Credit Card Debt	-0.01*	0.03	-0.02*	0.31*	-0.10*	0.20*	-0.28*	0.27*	0.56*
Bank Loan	-0.36**	-0.17**	-0.54**	-0.08*	0.08*	0.01	-0.06**	0.07**	-0.01
Non-Financial Debt	0.02***	-0.08**	0.08**	0.08*	-0.12*	0.03	0.04	-0.09*	0.04

*p < 0.05, ** p < 0.01, *** p < 0.001.

debt, and individuals borrowing from non-financial institutions are more likely to have one or more types of worry. Overall, in line with the causes underlying the increase in worry factors, it is essential to increase education levels through social policies and take steps, especially toward women, to develop human capital and reduce/eliminate worries that increase with age.

According to the estimation results, the most influential factor affecting economic worries is age, while marital status and credit card debt are the most influential factors for life-related worries. Considering that marriage requires more financial and emotional responsibility, it is logical that married individuals (marriage and even being a single-parent family) are more likely to worry compared to singles (including separated/widowed/divorced). While using credit cards increases borrowing capacity, it can negatively affect the welfare of individuals/households (Xiao and Kim, 2022) and positively affect their life-related worries. Türkiye's traditional social structure brings the family dynamic to the fore. This is also the case in many areas, including borrowing behaviors and social assistance. For this reason, the prevalence of borrowing from family and social networks confirms that more value is attributed to the family and that family and kinship ties are the basis of social assistance. Although many people can benefit from this type of aid, there is usually the phase of having no one, such as family or relatives. It is noteworthy that the name of the ministry dealing with social policy in Türkiye is called the Ministry of Family and Social Services.

This study allows us to determine the different effects of the same variables on different types of worry. Sources of financing reduce generally financial-related economic worries but increase future-oriented life-related worries. For some segments of the population, credit cards and bank loans have become a normal part of life. Apart from household income, bank loans and credit cards constitute important sources of financing (Alpar, 2022a:30). Individuals who have to meet their basic needs by using loans are often more prone to experience life related worry.

The study's results show that social assistance does not reduce worry at the expected level for all three types of worry. The findings show that social assistance does not help mitigate economic worries related to obligations such as mortgage payments, paying for a car in installments (an automobile and a home are considered basic needs), or paying for minimum credit card payments. Perhaps more importantly, the results show that important steps should be taken to prevent

worries about life in general and socioeconomic worries consisting of a combination of these. In this respect, especially during the year the study was conducted, when previous and current social assistance programs were examined, the limitations of this aid may be due to the lack of focus on quality—while quantity, in terms of assistance offered, is generally aimed at specific groups in need (disabled, elderly, etc.). The findings indicate that financial support alone is insufficient and that social assistance programs should be better prepared and revised in line with the causes of worry. Considering social and cultural integration processes, the fact that social assistance programs are insufficient and that there are worries about life beyond the material dimension means that social support should be provided psychologically. Therefore, by reviewing the target population of social assistance, the scope and reach of social assistance programs can be increased, especially on an individual basis. In summary, with this study, the effects of social assistance on various worry factors were estimated and can provide insight into the situation for policymakers.

CONCLUSION AND DISCUSSION

Social assistance aims to protect people from the adverse effects of economic inequalities by providing individuals and households with cash and in-kind aid. Economic inequalities place an excessive burden on vulnerable groups, and this situation exacerbates economic worry. Social assistance targets groups such as poor and unemployed individuals, enabling them to address economic worries arising from economic inequalities. Households with debt are generally part of low-income groups, and their borrowing behavior may increase worry. Although some studies have examined different aspects of social assistance and research on the economic worries linked to borrowing exits, the potential link between these relationships has not been investigated. For this reason, to address these gaps in the empirical literature, this study aimed to determine the underlying causes of economic, life, and socioeconomic worries in Türkiye and the effect of social assistance on these worries. The study findings are significant in that they focus on the causes of worry and provide important clues that will help individuals diminish or regulate them during the preparation of social assistance programs. Therefore, using a sample that represents the entire nation, this study adds to the existing literature by exploring the association between social assistance and worries related to economic worries in Türkiye.

Specifically, the main finding of this study contributes to the national social policy literature from the Türkiye

perspective, showing that the country is different from others studied in the literature (Burke and Frongillo, 2017) about reducing worry related to social assistance. In light of the study results, given that an increased level of education has a decreasing effect on worry, education—primarily aimed at vulnerable groups—should be given greater importance in reducing economic worries. The fact that individuals without social security are included within the scope of social assistance in Türkiye and because the economic worries of the unemployed are quite elevated (Godinić and Obrenovic, 2020) is evidence that long-term, permanent solutions are needed, such as increasing participation in the labor market.

Although this study can serve as an important guide for policymakers because it identifies economic worries and the effects of social assistance on these worries in Türkiye, it identified several limitations that could guide future research directions. When more current data containing variables on social policies and worry factors become available for Türkiye, a prospective study that reconsiders factors affecting economic worries can be suggested. In addition, longitudinal studies could be conducted on the causal dimension and effect mechanism between social assistance and economic worries.

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