Development Data Lab

Economic Impacts of COVID-19: Rapid Survey of Rural Households

Executive Summary

This report summarizes findings from a survey with **4,576 households** completed between **May 5th and 10th 2020** on COVID-19 and its impacts across 6 Indian states- Andhra Pradesh, Bihar, Jharkhand, Madhya Pradesh, Rajasthan, Uttar Pradesh.

KEY HIGHLIGHTS

- Perishable produce markets are more vulnerable to supply chain shocks associated with lockdown-related measures, compared to markets for cereals and pulses
- Large drops in access to work and income are reported, especially for non-farming households
- Access to relief is high. Government monetary transfers cover only a small portion of lost income, but remote villages report receiving larger transfers
- Planning for Kharif seems unaffected, farmers do not expect significant changes in access to inputs and agricultural credit

SAMPLE DESCRIPTION[1]

- **58% of households cultivate their own land** as their primary occupation, with most of the other households working as daily wage labourers in agriculture
- **60% of respondents** had not graduated from high school.
- ≈ **35% of respondents** belonged to the Scheduled Caste and Scheduled Tribe category.
- Only **≈12% of respondents** were women.
- Approximately **33% of the sample** reported self-help group membership, with high membership in Bihar (≈47%) and Andhra Pradesh (≈74%).
- **14% of respondents** report that at least one member of their household was a migrant worker[2] before the lockdown.

AGRICULTURE

- Prices of perishable produce reportedly **declined by nearly 48%** compared to last year, while both pulses and cereal prices were reported to rise over the same time period (by 1% and 7% respectively).
- Farmers reported an **≈4% increase** in planned cultivation area, an **≈22% increase** in expected input expenditure and an **≈17% increase** in expected agricultural borrowings for the upcoming kharif season, compared to lastyear.

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MIGRATION

- Approximately **50% of migrant workers** attempting to return to their primary household had been unable to do so.
- Since March, the wages of the highest earning migrant have **fallen by 62.5%**, on average

INCOME AND EXPENDITURE

- Amongst non-agricultural households, **daily wages have fallen by nearly78%** since March.
- **52% of all households** report reducing consumption expenditure

RELIEF

- **More than 61% of all households** reported receiving monetary relief from the government.
- On average, households reported receiving **Rs. 1848** in relief
- **85% of households** reported receiving either free or reduced prices for their rations- with a maximum of 94% and Andhra Pradesh, and a minimum of 57% in Jharkhand.

HEALTH

- Approximately **11% of all households** in Rajasthan and Jharkhand reported foregoing healthcare services due to COVID-19-related fears and restrictions

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BROAD FOCUS AREAS IN NEXT ROUND

- ***Access to relief***: How does access to relief (particularly MNREGA) change with the evolving COVID-19 situation?
- ***Labour and income***: How has the availability of labour and wages changed after the end of lockdown? Do high rates of return migration impact rural labour markets? What are the effects on household food security and overall consumption?
- ***Agriculture***: What is the status of the local availability and costs of inputs in kharif? Are farmers actually investing (or have already invested) as much or more in cultivation than last kharif?
- ***Migration***: Have patterns of migration changed since May? What is the experience of returning migrants?

Foreign, Commonwealth & Development Office

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1. The sampling frame used in this survey was assembled from four prior IDinsight projects where in-person surveys were conducted between 2018-2019. Each of these prior surveys sought to represent distinct populations in different states and employed sample designs and weighting schemes. In this survey we have applied post-stratification and non-response weights to ensure we retain representativeness while stitching together these frames. More detail on our sampling methodology can be provided on request.

2. Migrants are defined as individuals who are a part of the surveyed household, but for employment reasons, have been residing in a different town or village for at least six months.