

# Impact of Covid-19 on rural livelihoods in Bihar

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# The study districts

## 7 Districts:

Gaya  
Gopalganj  
Madhubani  
Nalanda  
Araria  
Purnia  
Rohtas



## The sample (number of households)

District	Village name	SC-ST	OBC-1	OBC-2	Upper Caste	Muslim	Total
Gaya	Alalpur Bishanpur	13	17	12	28	0	70
	Rupaspur Salempur	30	12	17	16	1	76
Gopalganj	Paharpur Dayal	0	0	34	9	0	43
	Dewan Parsa	28	24	3	31	19	105
Madhubani	Mahisam	78	62	32	79	102	353
	Khangaon	40	60	9	60	5	174
Nalanda	Chandkura	67	13	34	4	0	118
	Mohiuddinpur	22	6	0	5	0	33
Araria	Jitwarpur	24	173	26	105	16	344
Purnia	Belabadan	38	21	22	0	28	109
Rohtas	Samauti Buzurg	45	21	17	21	7	111
	Amarhi	17	7	39	14	0	77
<b>Total</b>		<b>402</b>	<b>416</b>	<b>245</b>	<b>372</b>	<b>178</b>	<b>1,613</b>

# Data collection

- Phone-based survey
- Key dates:
  - ▶ Pilot: 4-7 October 2020
  - ▶ Training: 16-17 October 2020
  - ▶ Start of fieldwork: 23 October 2020
  - ▶ End of fieldwork: 10 January 2021
- Reference period for questions:
  - ▶ For many questions: April – September 2020
  - ▶ For some questions: “Since Corona” – since the Janata Curfew of March 22, up to the time of interview

# Primary focus – impact of the pandemic on livelihoods

- Broadly following the NSS – 5 main categories of livelihood
  - (i) self-employment in agriculture,
  - (ii) self-employment outside of agriculture,
  - (iii) regular wage/ salaried work,
  - (iv) casual labour in agriculture and non-agriculture (other than migrant labour),
  - (v) migrant labour.

particularly important source of livelihood  
for rural households in Bihar

# Pervasive impact of Corona

Source of livelihood	% of households		% of affected among those participating
	participating in	affected by Corona	
Self-employed in agriculture	38.9	29.5	75.7
Self-employed in animal husbandry	54.0	9.0	16.6
Self-employed in non-agriculture	11.0	9.4	85.3
Regular wage/ salaried employment	7.5	1.1	14.5
Casual labour	35.7	35.7	100.0
Migrant labour	55.4	52.3	94.4
Any source	99.1	<b>93.6</b>	<b>94.4</b>

Note: All calculations use sample weights.

Sum ≈ 203

## Agriculture: Impact on harvested (rabi) crop

Disruption of operations for harvested *rabi* crop during April-September 2020

Unusual difficulty in carrying out:	% of harvesting households impacted
Ploughing/ hoeing/ land preparation	2.9
Sowing or transplanting	3.7
Weeding	2.0
Harvesting	<b>69.7</b>
Threshing/ winnowing	<b>71.1</b>
Marketing/ selling	<b>52.6</b>
Any operation	<b>84.6</b>

Harvest and sale loss

	% of all households	% of harvesting households	Median %age harvest/ sale loss
Harvest affected	22.0	<b>66.9</b>	20
Sales affected	14.5	<b>44.1</b>	15

## Agriculture: Impact on cultivated but not harvested (kharif) crop

Disruption of operations for the planted *kharif* crop during April-September 2020

Unusual difficulty in carrying out:	% of cultivating households impacted
Ploughing/ hoeing/ land preparation	43.2
Sowing or transplanting	53.2
Weeding	37.2
Any operation	<b>58.8</b>

Cultivated area and production loss

	% of cultivating households	Median %age cultivated area loss	Median %age expected production loss
Cultivated area affected	<b>10.9</b>	20	20



# Self-employed, non-agriculture: impact

## Business closure since Corona

	<u>% of business households</u>
Business closed for some time	79.6
Business closed permanently	2.7
The rest	17.8
	<u>No. of weeks</u>
Number of weeks of closure <i>if closed for some time</i>	
Mean	7.9
Median	6
Min	1
Max	28

# Self-employed, non-agriculture: impact

Unusual difficulties in business operations since Corona

Difficulty	% of business households	
	Experienced since Corona	Still experiencing
Lack of finance/ credit	42.3	29.7
Supply chain problems/ shortage of inputs	53.2	22.6
Lack of demand	41.9	26.5
Unable to maintain normal opening hours	60.2	23.1
Higher cost of labour	14.4	14.3
Higher cost of other inputs	24.8	25.0
Other	0.9	0.8
Any of the above	<b>70.6</b>	<b>52.1</b>

Business income before and after Corona

Ratio of business income *after* Corona to business income *before* Corona:

Median

**0.75**

# Regular wage/salaried employment: impact

Having a regular (government) job was a key insurance mechanism, but few households had regular workers (7.5%)

Job type before Corona	First regular wage worker		Second regular wage worker	
	Does the worker still have the same job since Corona?		Does the worker still have the same job since Corona?	
	% Yes	% No	% Yes	% No
Government	100	0	100	0
Private	75.8	24.2	82.8	17.2
Total	86.0	14.0	94.0	6.0

# Casual employment: hit hard

MGNREGA  
was a  
saving  
grace, but  
even  
MGNREGA  
was  
affected

Type of casual work affected	% of casual labour households reporting Corona impact on...	% of first casual workers reporting impact on...	% of second casual workers reporting impact on...
MGNREGA work	17.9	16.6	15.3
Casual work in agriculture	88.5	85.5	93.3
Casual work in non-agriculture	70.1	67.0	32.5
Any type of casual work	100	100	99.8

  

Probability of Corona impact on type of casual work conditional on engagement in that type of work			
	Casual labour household	First casual worker	Second casual worker
MGNREGA work	0.56	0.54	0.55
Casual work in agriculture	0.98	0.98	0.99
Casual work in non-agriculture	0.93	0.92	0.74

# Casual employment: impact

Loss of days  
of work per  
month

	Change in days of work per month since Corona	
	Mean change for first casual workers	Mean change for second casual workers
% reporting a <b>decrease</b> in total days of casual work per month	<b>85.9</b>	<b>86.0</b>
MGNREGA work	-0.8	-0.8
Casual work in agriculture	-4.6	-6.1
Casual work in non-agriculture	-4.0	-2.0
Total casual work	<b>-9.4</b>	<b>-8.9</b>

# Migrant workers: impact

Overlapping factors contributing to impact on migrant workers' employment

Factors impacting on migrant workers' employment	% of first migrant workers	% of second migrant workers
Work site closed or employment terminated by employer	45.5	41.6
Work site closed or employment suspended by employer	27.7	37.3
Unable to work due to travel restrictions	73.3	73.1
Stopped working due to fear of infection	94.7	94.3
Stopped working because wanted to get back home to native village	19.6	27.0
Other	0.7	1.8
Returned to the native village or stayed in the destination area		
Returned	56.0	51.3
Stayed	44.0	48.7

Massive return migration



## Migrant workers: impact on “stayers”

	% of stayers	First migrant workers	Second migrant workers
Loss of work and major decline in remittances	Who lost any days of work due to Corona	87.7	85.4
	Who reported change in remittances:		
	Decrease	94.3	94.4
	No change	5.7	5.6
	Change in remittances: average %age change among stayers reporting a decline		-53.5

## Migrant workers: impact on “returnees”

When they  
returned

Month of return	First migrant workers		Second migrant workers	
	%age of returnees	Cumulative %age of returnees	%age of returnees	Cumulative %age of returnees
Jan-20	1.7	1.7	1.6	1.6
Feb-20	10.4	12.2	8.1	9.7
Mar-20	14.4	26.5	3.1	12.8
Apr-20	25.4	51.9	20.6	33.3
May-20	22.6	74.5	23.8	57.1
<b>Jun-20</b>	<b>12.1</b>	<b>86.6</b>	<b>15.8</b>	<b>72.9</b>
<b>Jul-20</b>	<b>7.5</b>	<b>94.1</b>	<b>16.4</b>	<b>89.3</b>
Aug-20	3.2	97.3	4.9	94.2
Sep-20	1.8	99.2	2.2	96.5
Oct-20	0.8	100.0	1.9	98.4
Nov-20			1.6	100.0



# Migrant workers: impact on “returnees”

Loss of work days up to arrival in native village for returning migrant workers

Loss of days of work up to the return to native village	Number of days	
	First migrant workers	Second migrant workers
Min	0	0
P25	5	30
<b>Median</b>	<b>44</b>	<b>50</b>
P75	70	65
Max	200	180

# Migrant workers: impact on “returnees”

## How they returned

	First migrant workers	Second migrant workers
Means of travel for returnees	% of returnees using this mode of travel	
Shramik train	22.2	21.5
Other train	31.3	30.2
Bus, truck or other road transport	81.4	78.5
On bicycle	1.3	3.0
On foot (walking)	27.8	32.6
Average number of days to complete the journey from the destination area to the native village	3.1	3.1
<b>Cost of return journey</b>	Rupees	
<b>Median</b>	<b>3,000</b>	<b>2,600</b>
Unpaid wage arrears at the time of returning to village	% of returnees	
Returnees with wage arrears	9.5	2.4
Amount of arrears among those with wage arrears	Rupees	
Median	7,000	4,500
Any other payment received from employer at the time of returning to village	% of returnees	
<b>No payment received</b>	<b>94.2</b>	<b>95.5</b>

# Migrant workers: impact on “returnees”

Work situation for returning migrant workers still in the native village

	First migrant workers	Second migrant workers
	% of returnees	
Still in the village at the time of the survey	37.6	51.8
	% of returnees still in the village	
Found alternative work in or around the village	65.3	58.1
MGNREGA work	3.7	3.6
Other wage work	48.3	43.9
Self employed in agriculture or non-agriculture	13.3	10.6
	Days per week	
Days of alternative work per week		
Median (among those who found such work)	4	3
Mean (among those who found such work)	4.0	3.1

# Migrant workers: impact on “returnees”

Work situation for returning migrant workers who went back to destination areas

	First migrant workers	Second migrant workers
	% of returnees	
Who went back to destination area	62.4	48.2
Number of days spent in native village before returning to destination area	For those who went back to destination area	
Min	16	13
P25	112	100
Median	149	133
P75	189	163
Max	257	247
% of those who went back to destination area but still had not resumed work at the time of the survey	20.5	37.5

## Corona impact by social group/ income group

<b>Social group</b>	% share in total number of households	% of households affected by Corona (any impact)	<b>Income group</b>	% share in total number of households	% of households affected by Corona (any impact)
SC-ST	26	96.7	Lowest (< Rs 5,000)	13	89.4
OBC-1	19	94.7	Low (Rs 5,000 - Rs 10,000)	50	96.5
OBC-2	15	93.1	Middle (Rs 10,000 - Rs 20,000)	28	94.2
Upper Caste	23	91.1	Top (> Rs 20,000)	9	82.0
Muslim	17	91.7			
Total	100	93.6	Total	100	93.6

# Government assistance: free additional ration – many received nothing!

## Additional free ration

initially for 3 months of April, May and June 2020, later extended for another 5 months through to November

5 kg of wheat or rice per person

and

1 kg of pulses per household per month

to all ration cardholders

Free rice/ wheat received	% of all households	% of households with ration card	Amount received (kg per month per person listed on the ration card)	
			Median	Mean
No ration card	18.4			
With ration card				
Received nothing	1.5	1.8	0.00	0.00
Received less than 5 kg	63.6	78.0	3.75	3.55
Received 5 kg or more	16.5	20.2	6.25	6.36
Total	100.0	100.0	3.75	4.05
Free pulses received	% of all households	% of households with ration card	Amount received (kg per month per household with ration card)	
			Median	Mean
No ration card	18.4			
With ration card				
Received nothing	1.5	1.8	0.00	0.00
Received less than 1 kg	74.1	90.8	0.63	0.59
Received 1 kg or more	6.1	7.4	1.00	1.09
Total	100.0	100.0	0.75	0.62

# Government assistance: free additional ration – was it additional?

Displacement  
of normal  
PDS ration?

% of households  
receiving their FULL  
PDS ration

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Cardholding households who:

Did not receive their FULL free PMGKAY ration

**52.7**

Received their FULL free PMGKAY ration\*

**46.4**

All cardholding households

**51.4**

# Government assistance: free cooking gas

	% of all households
Free LPG cylinders for 3 months for all beneficiaries of the Pradhan Mantri Ujjawala Yojana (PMUY)	
Not eligible under the PM Ujjawala Yojana	52.4
Eligible, received ... free LPG cylinders since April 2020:	
None	19.2
1	13.0
2	2.8
3	10.6
4	2.0



## Government assistance: Cash transfer into women's Jan Dhan accounts

Cash transfer of Rs. 500 per month, for 3 months, to the Jan Dhan bank accounts held by women	% of all households	
	No women Jan Dhan account	30.9
	% of households with women Jan Dhan accounts	
Transfer received per Jan Dhan account		
0		1.3
500		22.2
750		0.5
1000		6.4
1250		0.5
1500		68.6
2250		0.2
3000		0.2
<b>Average transfer per Jan Dhan account over 3 months (Rs.)</b>		<b>1226</b>
<b>Average transfer per recipient household per day (Rs.)</b>		<b>13</b>

## By way of summing up

- Pervasive and deep impact of Corona
  - ▶ Nearly every rural household affected
  - ▶ Often in multiple ways
  - ▶ Large and prolonged impacts – especially in the case of casual labor and migrant workers
- Limited government assistance
  - ▶ A significant fraction of excluded households –
    - Many simply outside the “eligible” category
    - Some received nothing despite being eligible
  - ▶ Among the “lucky” ones who received something
    - A large fraction received less than the announced amounts
    - Evidence of displacement in case of free rations
    - The average amount of assistance disproportionately low relative to the economic impact