

Evolving socioeconomic impacts of COVID-19 in five African countries

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UNDESA Virtual Expert Group Meeting

29 July 2021

Introduction and Motivation

The spread of COVID-19 has had major health and economic impacts:

- ▶ According to the WHO, as of 6:10pm CEST, 28 July 2021, there have been 195,266,156 confirmed cases of COVID-19, including 4,180,161 deaths.
- ▶ Global extreme poverty estimated to have risen for the first time in over 20 years (World Bank, 2020).

Low- and middle-income countries continue to face challenges, exacerbated by weaker health systems and slow vaccine roll-out.

Introduction and Motivation

Research on the health impacts in low- and middle-income countries of COVID-19 is rapidly emerging, but evidence on the economic impacts of the pandemic is limited, though rapidly emerging.

Tracking how people's lives are affected by COVID-19 can enable governments and policymakers to better understand the circumstances faced by their countries.

Objective

Our goal: Provide high-frequency quantitative evidence on the household-level responses to and socio-economic impacts of COVID-19 in Sub-Saharan Africa.

- ▶ Leverage longitudinal survey data from COVID-19 phone surveys and pre-COVID-19 face-to-face surveys in Burkina Faso, Ethiopia, Malawi, Nigeria, and Uganda.

Data

Monthly phone surveys in Burkina Faso, Ethiopia, Malawi, Nigeria, and Uganda:

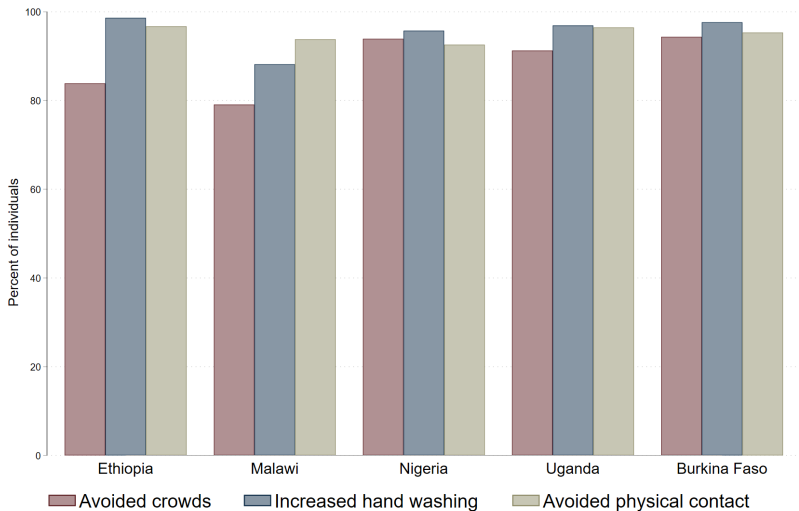
- ▶ Monthly phone interviews with a national sample of households that were interviewed during the latest round of the World Bank LSMS-ISA-supported longitudinal survey.
- ▶ 12-month data collection cycle, starting in April/May 2020 depending on the country.
- ▶ Pre-COVID-19 LSMS-ISA data used not only in the analysis of the phone survey data but also in the calculating recalibrated sampling weights that counteract potential selection biases at the household-level [Ambel et al. (2021) and Brubaker et al. (2021)].

Data

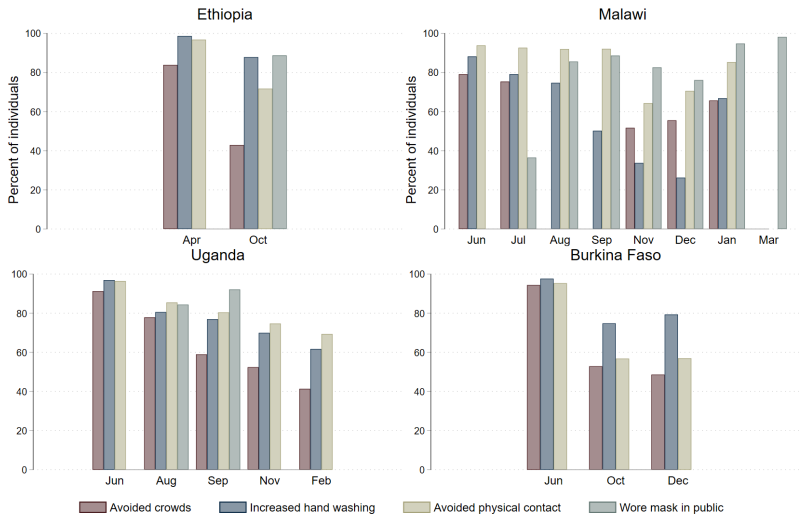
Today's analysis leverages 40 survey rounds and 81,000+ interviews across 5 countries: 1,600 to 3,200 households interviewed in a given round, depending on the country.

- ▶ Data and documentation for LSMS-supported phone surveys are available through: www.worldbank.org/lsms-covid19.
- ▶ Working on extending the analysis to Mali and Tanzania.

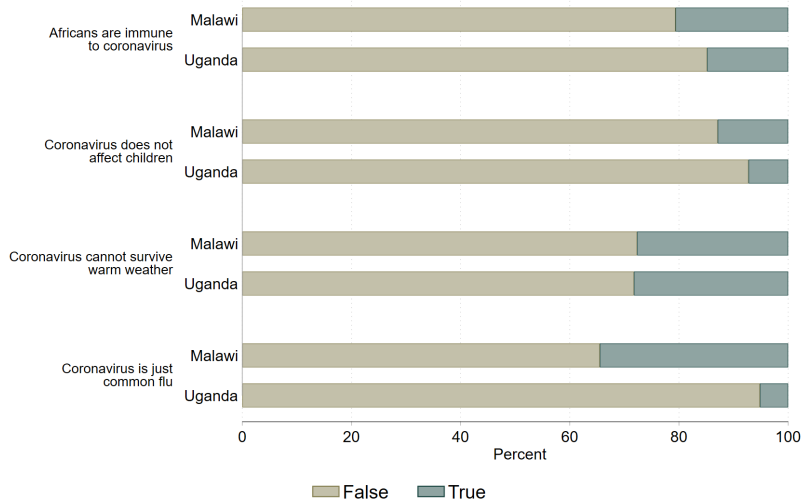
Adoption of hand washing and avoiding physical contact was near universal in the early months of the pandemic, based on the first phone survey round.



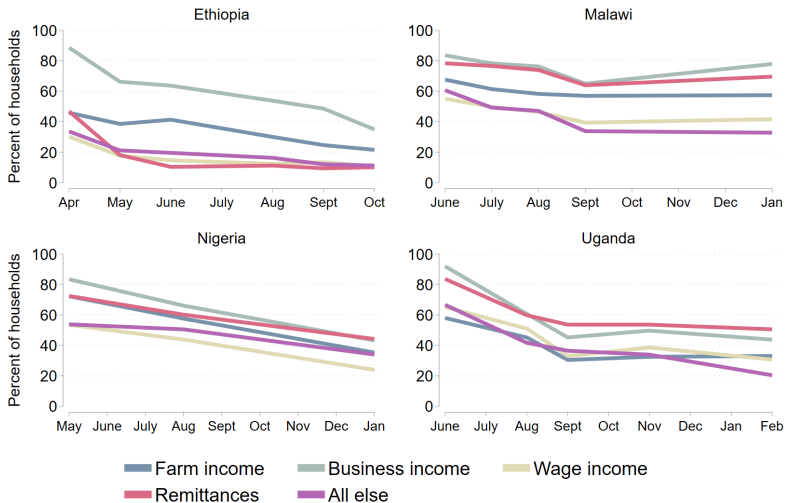
Over time, reliance on COVID-safe practices, including hand washing and avoiding crowds, has fluctuated.



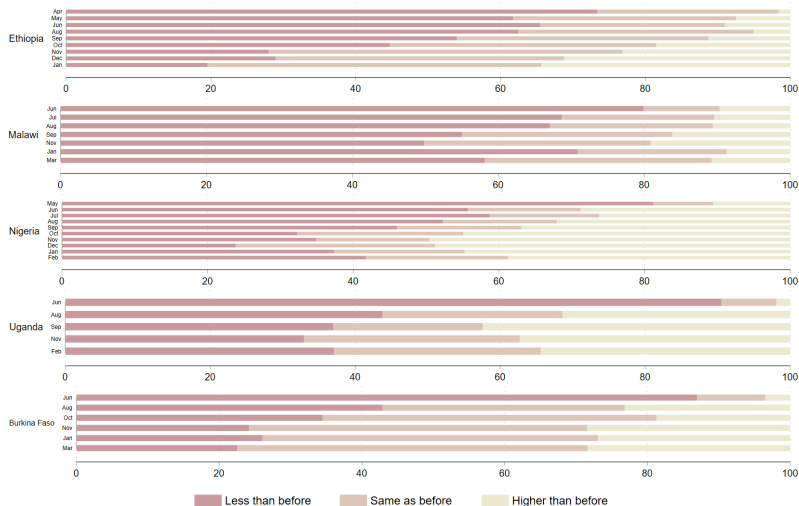
Misconceptions about transmission of COVID-19 were quite high in the early months of the pandemic, based on the first phone survey round.



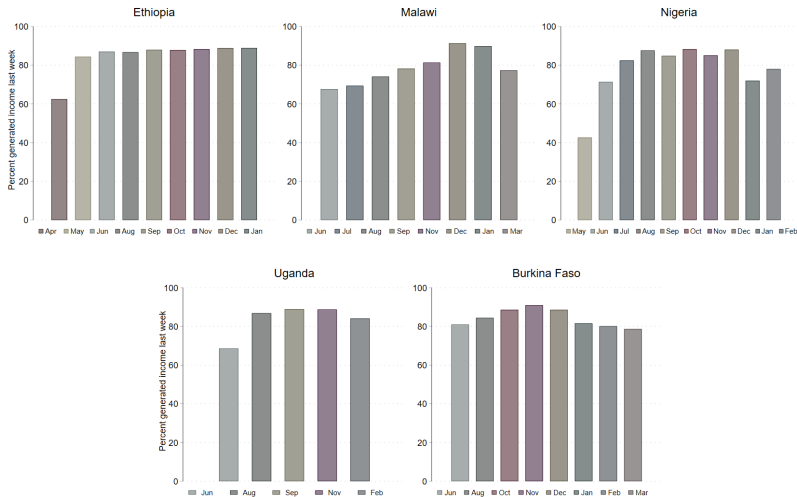
Share of households reporting income losses are declining, with the exception of Malawi.



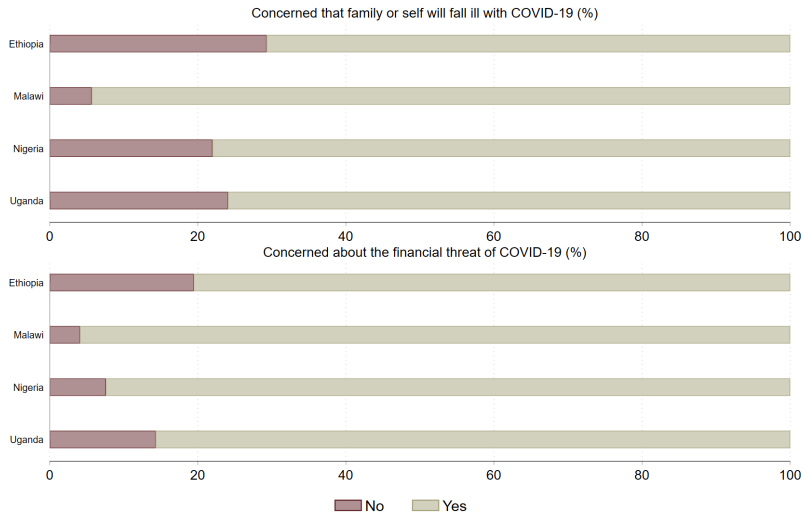
Income from non-farm enterprises is stabilizing, though many enterprise-operating households still report making less than the previous month.



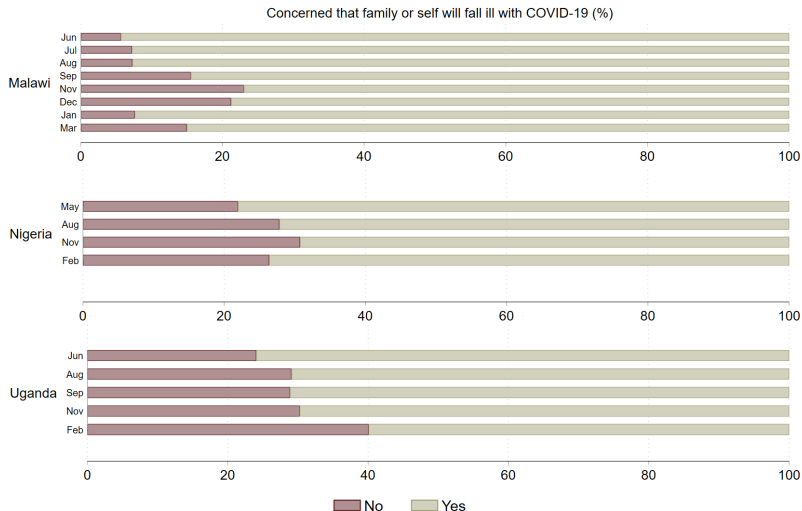
Share of respondents engaged in income-generating activities increased since outbreak, but declined again in early 2021.



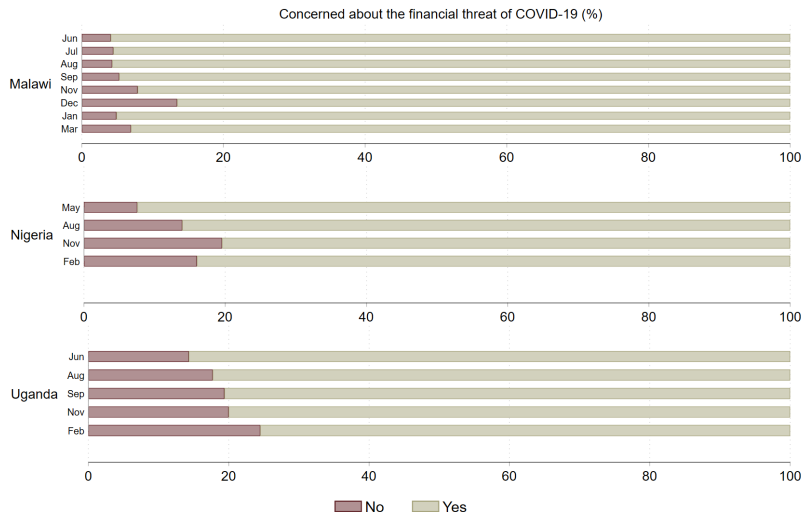
In early months of the pandemic, concerns about falling ill and suffering financial consequences due to COVID-19 were high.



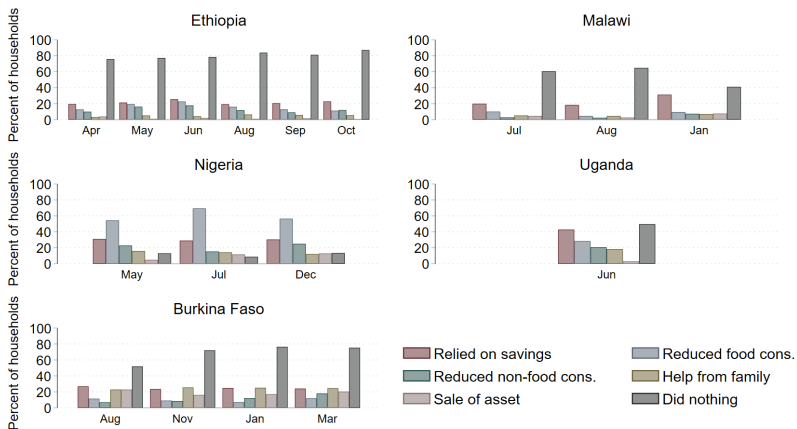
Concerns about falling ill with COVID-19 have fluctuated over time.



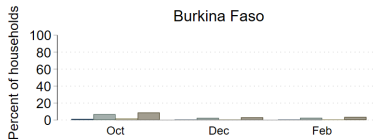
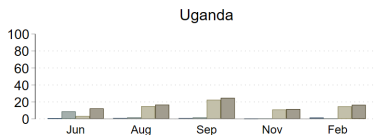
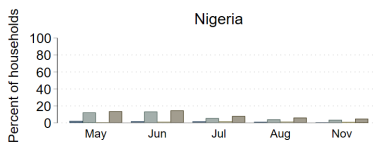
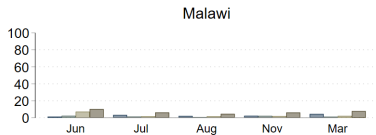
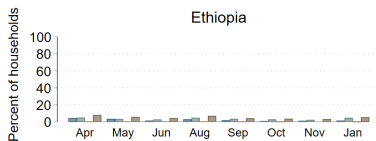
Concerns about the financial threat of the pandemic fluctuated in a similar manner.



Various strategies are used to cope with pandemic; the most common are relying on savings and reducing food consumption.



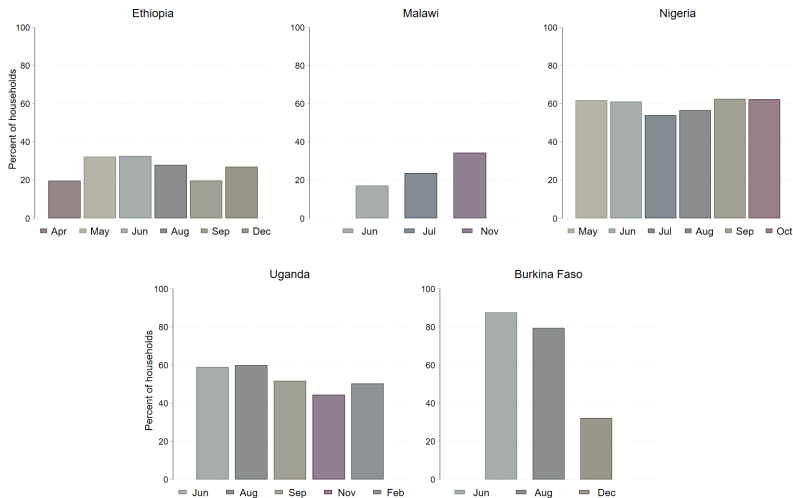
Receipt of any type of assistance is extremely low, across all countries and across time.



Cash
 Food

In-kind
 Any assistance

Household-level incidence of children's engagement in learning activities are relatively stable over time (except for Burkina Faso), and considerably lower in Ethiopia and Malawi.



Conclusions

- ▶ Behaviors to limit transmission of COVID-19 have fluctuated.
- ▶ Most households reported income losses in the early months of the pandemic, and while incidence of income losses vis-à-vis the last month is declining, the extent of decline varies substantially by country.
- ▶ Concerns about contracting COVID-19 and financial threats of the pandemic have fluctuated, but the levels of concern remained relatively high.
- ▶ Most common strategy to cope with the pandemic has emerged as reducing food consumption, while receipt of any type of assistance has remained extremely low.
- ▶ Few students continue to engage in learning activities.
- ▶ There is continued need for monitoring micro-level impacts and responses - given slow vaccination roll-out, adverse effects and negative coping strategies.

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https://doi.org/10.1038/s41562-021-03194-7

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Socioeconomic impacts of COVID-19 in low-income countries

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The emergence of SARS-CoV-2 and attempts to limit its spread have resulted in a contraction of the global economy. Here we document the socioeconomic impacts of the pandemic among households, adults and children in low-income countries. To do so, we rely on longitudinal household survey data from Ethiopia, Malawi, Nigeria and Uganda, originating from pre-COVID-19 face-to-face household surveys plus phone surveys implemented during the pandemic. We estimate that 256 million individuals—77% of the population—live in households that have lost income during the pandemic. Attempts to cope with this loss are exacerbated by food insecurity and an inability to access medicine and staple foods. Finally, we find that student-teacher contact has dropped from a pre-COVID-19 rate of 96% to just 17% among households with school-aged children. These findings can inform decisions by governments and international organizations on measures to mitigate the effects of the COVID-19 pandemic.

SARS-CoV-2 is a major global threat to human health, with 392 million cases and 2.2 million deaths worldwide as of 2 February 2021. Governments have sought to limit the spread of the virus and mitigate the negative health outcomes of the disease through various policy measures that have limited travel, imposed quarantine and lockdowns, and closed businesses and schools. In addition to the economic burden of COVID-19-related morbidity and mortality, there have been profound economic impacts, with the global economy projected to shrink by 8%. To date, the great health and economic burden has been borne by the Americas and Europe¹. However, recent evidence indicates that low-income countries, with their limited health system capacities, are likely to suffer infection and mortality rates similar to or greater than those currently suffered by high-income countries². While research on the health impacts of COVID-19 in low-income countries is rapidly emerging³, there is limited evidence on the socioeconomic impacts of the pandemic. The evidence that exists relies primarily on pre-COVID-19 macroeconomic data and simulation models to forecast potential future scenarios on the basis of assumptions about the disease spread⁴. By contrast, we rely on direct measurement of socioeconomic indicators to document the implications of the pandemic for households, adults and children living in low-income countries, as well as the actions that households are taking to mitigate these impacts.

An acute challenge emerging from the global pandemic is how individuals and communities are to strike the balance between the health benefits and the economic costs of limiting the spread of the virus⁵. Even in high-income countries, which tend to be data rich in terms of health and economic information, striking the balance frequently proves politically difficult. By contrast, low-income countries, which tend to be resource constrained, are data poor in terms of reliable and timely information on the spread of SARS-CoV-2 and on the health and economic impacts of anti-contagion policies. Our objective is to directly measure, at the household, adult and child levels, the socioeconomic impacts of the pandemic, and the policies implemented to slow the spread of the virus. While we make no claims of causal identification arising from

our statistical analysis, most of the outcomes we examine arise from survey questions that ask directly about how the pandemic and the accompanying restrictions have affected the respondent and/or his household. Our goal is to learn how low-income households cope with the socioeconomic effects of the virus. This can inform decisions by governments and international aid organizations regarding how best to mitigate the persisting effects of the COVID-19 pandemic.

Results

Our findings are based on longitudinal data from high-frequency phone surveys conducted in Ethiopia, Malawi, Nigeria and Uganda with support from the World Bank. Starting in May 2020, and continuing every month thereafter, the phone surveys aim to interview a nationally representative sample of households. They follow up households that had been previously interviewed face-to-face, prior to the COVID-19 pandemic. Both pre-COVID-19 face-to-face surveys and post-outbreak phone surveys have been supported under the World Bank Living Standards Measurement Study (LSMS)-Integrated Surveys on Agriculture (ISA) initiative.

The pre-COVID-19 LSMS-ISA-supported surveys that serve as sampling frames for the phone surveys were designed to be representative at the national, regional and urban-and-rural levels. These surveys include the Ethiopia Socio-economic Survey 2018–2019, Malawi Integrated Household Panel Survey (IHPS) 2019, Nigeria General Household Survey (GHS) Panel 2018/19, and Uganda National Panel Survey 2018/20. In Ethiopia, Malawi and Uganda, the phone survey attempted to call all LSMS-ISA households for whom at least one phone number was available either for a household member or for a reference individual. In Nigeria, a national subsample was drawn from the set of LSMS-ISA households with phone numbers. The anonymized survey data and documentation are accessible through the World Bank Microdata Library⁶ and are comparable across countries, based on the template questionnaire and the phone survey sampling guidelines (see Methods and Supplementary Information for more information on the sampling frame).

We directly measure the effects of the pandemic on 10,870 households across the four countries, as well as how these households

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March 2021

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NATURE HUMAN BEHAVIOUR | VOL 1 | MARCH 2021 | 9556-9565 | www.nature.com/naturehumanbehaviour