**Areas of concern**

$ Economic impacts

The Covid-19 pandemic and the consequent lockdown and containment measures triggered widespread economic insecurity across India. More than 80% of the households in the Delhi National Capital Region [NCR] suffered some sort of economic hardship. Fifty-four percent reported extreme economic hardship between April to May 2020 following the March 2020 nationwide lockdown. Although economic activity picked up as the lockdown gradually lifted from June 2020, the economic stress continued to be felt across households over the next several months as evidenced from various rounds of the Delhi Coronavirus Telephone Survey (DCVTS) launched in 2020.

**Daily wage workers and petty business owners suffered the most:** Lockdown and containment measures led to severe loss in income for those engaged in informal work. The effect was acutely felt by casual daily wage workers working in non-agricultural sectors, who do not have access to social security benefits or a steady source of income. Many had no alternate recourse during the pandemic and struggled to meet essential needs. Those engaged in micro-businesses also complained that they had to temporarily suspend operations due to lockdown restrictions or faced a steep decline in sales due to lack of demand resulting from reduced purchasing power of customers.

“We had a good turnover in our vegetable business in the past, but income flow has reduced significantly during the pandemic due to lack of customers. This colony was earlier full of villagers from outside places [migrants] and my business was heavily dependent on them. With lockdown restrictions in place, many residents of this area went back to their native village. We are now struggling to meet our daily food expenses and are eating only rice and pulses. My children are finding it difficult to get jobs. We came to the city to earn money, but if the situation continues like this we would prefer to go back to our native village.”

Male respondent, 55, household of seven members, urban UP

“I’m involved in wage work in the morning, either working under MGNREGA [Mahatma Gandhi National Rural Employment Guarantee Act, a public works programme] or any other private employer-based on availability. Usually, I open my shop around 4pm. My kirana [small grocery shop] has suffered substantially during the pandemic. The average daily turnover is Rs 1,000 ($13.41), but I can hardly make a profit of Rs 3,000 ($40.23) at the end of the month after expenses. Before the pandemic, my profit was an additional Rs 1,000 ($13.41) [per month].”

Male respondent, 46, rural Haryana
**Agriculture provided relief to rural households:** While urban workers struggled to find work, in rural areas, access to agricultural work provided relief for some. Famers with their own land were relatively better off and did not suffer as much from loss in income.

“We faced problems going to market and for treatment due to mobility restrictions. But other than that, there was no difficulty as we cultivate our own land and faced no interruption in agricultural work.” Female respondent, 28, household of three members, rural UP

“My business [stitching work] has been suspended for the last year and a half, as people prefer to buy readymade clothes these days. I hardly earned Rs 1,500 ($20.11) in some months during the pandemic. We have our own one bigha agricultural land which yielded four to five quintals of wheat and one quintal of paddy during the last season. This helps us sustain ourselves for seven to eight months.” Adult male, 40, household of five members, rural UP

In the focus group discussion conducted in rural UP, people felt that those who were engaged in non-agricultural daily wage employment in the private sector outside the village, those employed in nearby towns and cities were affected most by the pandemic both in the first and second wave. The same sentiment was reflected in response to the question of how life in the village has changed since the pandemic:

“Life is going on as before. Village conditions have also remained the same. But ‘market’ work has stopped for those who were working outside in towns/cities as labourers. Work in the village did not reduce [because of the pandemic], it continued.” Respondent, rural UP

**Salaried workers also suffered income loss:** In contrast to daily wage workers, salaried workers were better off on the margin. But, while some salaried workers received a full salary even when they were asked not to report to work, others were less fortunate, either their salary was reduced, or they were laid off. Some reported that they had to accept another job with much lower pay, while others noted that they are looking for job opportunities and hope to find something once Covid-19 cases decline, and firms start hiring again.

“My husband did not receive any salary during four to five months of last year’s lockdown and April–May this year (2021). In May he managed to get wage work for around 15 days, with a daily wage of Rs 200-250 ($2.68-3.35).” Female respondent, household of six members, urban Haryana

“I work as a supervisor at a cloth printing factory. I joined this job in December 2020 and used to earn a monthly salary of Rs 10,000 ($134.10). But since 24 April 2021, I have been called on a weekly rotation basis (about 10 days of work in the month) and the salary has been proportionately deducted. During last year’s lockdown, I was working as a data entry operator. It was not full time and payment was made on a per-entry basis. Hence income was not fixed, and it was below Rs 10,000 ($134.10) per month. I was laid off during lockdown.” Male respondent, 23, household of five members, urban UP

**With hiring at a low, new job seekers had trouble finding work:** New labour market entrants had a tough time finding jobs in an especially tight labour market.

“My husband is a daily wage earner. Before the pandemic, he used to earn Rs 400 ($5.36) per day. Now he earns much less and gets work for fewer days. My daughters and I are willing to work to supplement the family income but have not succeeded in finding any work.” Female respondent, 37, household of seven members, urban Haryana

**Increased cost of staple goods:** Respondents in rural UP and Rajasthan complained of an increase in prices because of the lockdowns imposed to tackle the pandemic. The price of mustard oil was reported to have increased from Rs 70-80 ($0.93-1.07) pre-pandemic, to Rs 180 ($2.41). The price of vegetables coming to the village from other areas also increased during the lockdown and afterwards. Landless casual wage workers who participated in the focus group discussion in rural UP noted the price of bidis (small cigarettes) increased from Rs 10 ($0.13) to Rs 50 ($0.67), and the price of alcohol increased from Rs 100 ($1.34) to Rs 500 ($6.70).
Food security impacts

Landless households with casual wage work or micro businesses as the main source of income experienced food scarcity, particularly, in urban areas. Although no respondent reported skipping an entire meal, insufficient or inferior food intake and absence or lack of variety of vegetables and fruits, pulses, eggs, meat in their diet were reported by most households. Increased price of the grocery items and reduced household income during the lockdown and afterwards played a major role in insufficient food consumption. It was difficult for some households to manage daily food expenses. Significant decreases in consumption expenditure were reported by many households. Most rural poor households were supported by free rations from government social safety net programmes, so they were relatively better off. Urban households faced greater food insecurity as most did not receive rations.

“We faced extreme difficulties during lockdown with no food at home. My children were hungry, but we had no rice, no pulses to cook to feed them! We had to beg people for money. My brothers were trying to send money, but my bank account was blocked. Finally, they sent money through someone.” Female respondent, 32, household of four members, urban Haryana

A man with disabilities from rural UP who used to stitch clothes on a piece-rate basis had his work completely stop due to the lockdown and he struggled to meet household needs during the pandemic. He was surviving by harvesting crops in other cultivators’ land and doing his own cultivation from a small piece of land. He estimated his monthly expenditure as Rs 7,000-8,000 ($93.89-107.28) during normal times including food, conveyance, children’s school fee, electricity, etc. During the pandemic, his household reduced expenses on food and other items significantly leading to monthly expenditure as low as Rs 2,000-2,500 ($26.82-33.52).

“Sometimes we made rotis with more salt and didn’t cook vegetables or eat rotis with chutni or tea. Sometimes we faced a shortage of vegetables, oil, sugar, chilli, turmeric and soap. We did not do anything and stayed at home. Since lockdown, we did not go anywhere. I feel weaker physically without proper diet and nutritious food.” Male respondent, 40, household of five members, rural UP

Another man from urban UP used to run a vegetable shop. Before the pandemic, both of his sons were working as salaried workers (sweepers) in a gym. During the pandemic, the gym was closed. After the first wave, one of them was able to take another job as a sweeper in a housing society but in the second wave number of workdays decreased to half and so was the salary. His younger son is still looking for a job.

Reduced purchasing power: Lockdowns have disproportionately affected businesses. Grocery shops (Kirana stores) were least affected during the first lockdown in April–May 2020 as they were mostly open due to being essential. During the first lockdown, most of the grocery stores experienced more than usual turnover due to the hoarding of items by households. Wholesalers charged higher prices during that time. During the second wave and subsequent lockdown (April–May 2021), the income for some businesses such as grocery shops was lower in comparison to the first lockdown. The situation has not improved even after the easing of lockdown because people didn’t have enough money to purchase. Some of the worst affected businesses are marriage halls and catering services which hardly had any business because of avoidance or postponement of social functions.

“Even now [August 2021], the business scenario is down. People don’t have money at hand as the household savings was exhausted during the first lockdown. After the first wave, people started working and saving but before they could save enough, the second wave and another lockdown started. Increased cost of goods adds burden to the household purchasing power.” Key informant, Urban Haryana

Government containment measures

The Government of India imposed a nationwide lockdown starting 25 March 2020, for 21 days which was further extended till 31 May (70 days) through multiple announcements. In the early stages, all trains, buses and aeroplanes were stopped from transporting passengers, schools and colleges were closed, most offices and businesses were closed, and residents were asked to stay at home and work from home wherever possible.

“Earlier we used to have meat, mutton thrice a week, often paneer was cooked but now we can’t afford such items not even once a month. Earlier we used to have sufficient income, but now earning enough is very difficult. Now we had to reduce food expenses significantly by eating simple food such as dal or roti. We came to the city to earn more money, eat better food, and live a better life. If we end up in a situation where we barely survive, we will go back to our village home.” Male respondent, 55, household of six members, urban UP
Non-enrolment of young children: Closure of schools on account of the pandemic meant that many children aged five to six years could not enrol in school when the national lockdown was announced. A telephone survey conducted in Delhi-NCR between December 2020 and January 2021 found that about 10% of children in the age group six to eight years had not yet enrolled.

“The biggest impact of Covid-19 has been on education. Those who are older are smart and can study online; can study on their own. But young children cannot study on their own. Because of school, they would study something, even attend private tuitions. When schools are closed, why would they [young children] attend private tuitions” Key informant, Rural UP

Limited learning activities because of school closure and online education: Schools were closed to contain the pandemic when the national lockdown was announced in March 2020. The subsequent opening of schools for in-person instruction varied across states depending on Covid-19 infections and age group of children; in-person instruction resuming for older children earlier than younger children. Primary, upper-primary, and middle schools in India have been closed for 17-18 months to curb the spread of coronavirus. Children in classes nine to 12 started returning from September 2021 onwards. During the period when schools were closed, not all children had access to online education to continue with their learning. As per the Delhi Metropolitan Area Study (2021), about 66% of children in urban areas had access to in-person online education compared to 36% of rural children.

“If adults cannot understand [online classes], how can children?...... Tasks assigned as part of online classes; I get it completed by the child. But the child will benefit only when there is face-to-face teaching.” Female respondent, 40 years, household of six members, Urban UP

Financial constraints for education: Another way in which children's education has been affected is being withdrawn from school or if they stopped going to school because parents cannot afford to support their education.

“My child has not gone to school for two years. He studied in a private school, it's a small school, not a big one - fees are okay. They are conducting online classes, but I do not have a 'big' smartphone, I have a small phone. That is why, for the time being, I have stopped his education.” Male respondent, 48, household of three members, urban Haryana

Covid-19 cases and death burden: Compared to the first wave of Covid-19 (August–October 2020), the second wave has had more severe consequences. There was a massive surge of cases in both rural and urban areas, a supply shortage of essential treatments, and increased deaths, particularly among younger populations. Moreover, during the second wave in India, many cases of mucormycosis, also known as the black fungus, have been reported in patients with diabetes and patients with Covid-19, as well as patients who were recovering from infection (Asrani, Eapen et al. 2021). The excessive use of steroids in the treatment of Covid-19 and immunosuppression by the virus perhaps led to the emergence of this fungal infection (Dyer 2021).

“The second wave had quite an impact in the village. About 5-10 persons in the village have ‘certainly died’ because of Covid-19. In contrast, last year [2020] only one to two males who came from outside the village had Covid-19. The fear in the second wave was such that even if someone dies for a reason other than Covid-19, people assumed that the death was due to Covid-19.” Key informant, rural UP

From the focus group discussion, it was apparent that UP panchayat (village local body) elections precipitated the spread of infections in the village. Even the village Pradhan got infected with Covid-19 during the panchayat elections in this village. Also, one Covid-infected person lost his eye due to a black fungus infection.

“Every household in the village suffered from fever [during April–May 2021]. Those who had diabetes, breathing issues could not survive. Those who went to the
government hospital, [most of them] passed away. They put the patients in one room, threw medicines from distance, didn’t provide meals and other services. This was the situation in this particular district. Out of 3,500 voters of the village, 58 people passed away. During April–May 2021, on average one to two people died every day. [When got to know about the situation] people avoided government hospitals for treatment.” Male respondent, 46, single, rural Haryana

One respondent’s wife died in May 2021 in the civil hospital from Covid-19 (RT-PCR tests showed negative, but CT scan revealed signs of Covid-19). Social and economic challenges were also reported due to infection with Covid-19 among respondents.

“We had trouble managing our family expenses, particularly non-food expenses. We did not have money and I fell sick, and there is no one else in the family to work. Business transactions have been less, and I could not open my shop for two months on account of my illness.” Male respondent, 45, household of two members, rural Haryana

Although one of the key objectives of the first lockdown was to build health infrastructure to prepare for Covid-19 surges, a key informant working as a civil servant in the district administration acknowledged that during the first lockdown and afterwards, little effort went into building infrastructure as there were not many cases in their district. However, the second wave opened their eyes, and they realised the need for building specific infrastructure. Now they have built a 70-bed hospital to accommodate only Covid-19 patients.

Vaccination outreach and uptake: India started its vaccination drive on 16 January 2021 with two vaccines (Covishield and Covaxin) approved for emergency use, both being manufactured in India. From the qualitative interviews, it was evident that many respondents and their family members did not go for vaccination because of fear of vaccine side effects. However, these concerns reduced as more and more people started getting the vaccination, and the rate of vaccination improved significantly in both rural and urban areas. Some respondents suggested that home-based vaccination or vaccination camps in the neighbourhood would be more effective towards a higher level of coverage as that would reduce hesitancy and avoid crowding at the vaccination centre.

“People were saying that those who have breathing troubles if they get vaccinated would die. Someone died here too. He had breathing problems, he got vaccinated and died. I too have had breathing ailments for a long time, but nothing happened to me. As of today, I’ve had only one dose. Everyone is getting vaccinated now.” Respondent, rural UP

One key informant from a district civil hospital cited supply constraints as a hindrance to the sub-optimal vaccination coverage. He acknowledged the effort of the NGOs for the success of the vaccination drive in the districts of Haryana.

“The vaccination programme is going very well in the district. However, due to supply constraints, we are getting only half of the required doses from the centre. In most districts of Haryana, the vaccination is going well, except for the Nuh district. There is a lot of hesitancy among the residents of this district. Things were worse at the early phases of the vaccination drive. Now with the help of religious leaders and NGOs, acceptance for vaccination is increasing. Also, now people can see that the side effects of vaccination are mild, hence, they are more forthcoming.” Key informant, Haryana

Disruptions in routine healthcare: In addition to the direct disease burden of the pandemic, Covid-19 related pressure on the health system and the disruption of routine health services emerged as a major area of concern (WHO 2020). Secondary data sources, such as Delhi NCR Coronavirus Telephone Survey (round four), reveal that the level of disruption is low for non-Covid-19 routine healthcare services that are commonly used and are generally available closer to home (e.g., access to medication, treatment of minor illnesses like fever, cough and cold, diarrhoea, pregnancy and delivery-related services, childhood immunisation).

A key informant from rural UP noted that services rendered by the local Accredited Social Health Activist worker (ASHA) such as immunisation, pre-natal and post-natal care were not affected by the pandemic. However, specialised services that often require travelling outside the village or the local neighbourhood (e.g., care for cardiovascular diseases, cancer, chronic respiratory illness, and kidney disease) were more difficult to access.

Views on health impacts from respondents

“Two of my relatives died of Covid-19 recently, my brother-in-law and wife of my nephew; both belonged to the same family. They were hospitalised but did not receive oxygen facility on time and succumbed to death. In their village, around 10-12 people were infected with Covid-19 and two to three people passed away.”

Male respondent, 45, single, rural Haryana (Jind)

“Many people had Covid-19. We did not keep a count, but there was [almost] no house that did not have it. Every household had a fever or cold. Now, whether they got tested for Covid-19 or not is a different matter. The situation was quite bad in May 2021; it is better now... About 40 persons in the village [with a voting population of around 5,000-6,000] died due to Covid-19. The poor took medicines for the fever and did not get tested. Some recovered, while others did not.”

Respondent, rural UP

“There were 16-18 people in my neighbourhood who died. Two of my relatives died of Covid-19 recently, my brother-in-law and wife of my nephew; both belonged to the same family. They were hospitalised but did not receive oxygen facility on time and succumbed to death. In their village, around 10-12 people were infected with Covid-19 and two to three people passed away.”

Male respondent, 45, single, rural Haryana (Jind)

“Three to four older local people over the age of 80 were healthy before vaccination. But after taking the vaccine, they had a fever for 10-15 days and then passed away. That’s why people are apprehensive of taking the vaccine and very few people from our area got the vaccine.”

Male respondent, 26, single, rural Haryana

“People spread rumours that after vaccination participants get a high fever, breathing troubles in ten days, other strange side effects in twenty days. God knows what else! Our neighbours were not taking the vaccine. When we got the shots, they enquired about the side effects. We said that we got mild fever only. Then two other people received the vaccine.”

Female respondent, 32, household of four members, urban Haryana
Social impacts

From the onset of the Covid-19 pandemic, social distancing was the major policy tool to prevent the spread of the virus. Governments at the national, state and local levels as well as local NGOs helped spread awareness of the virus and how to combat the spread. As a result, almost all respondents in the sample were aware and followed advice, especially during the first lockdown. In a few cases, there were reports of infighting among household members, children quarrelling due to inadequate housing space and members of the household having to stay together longer than usual. Respondents also raised issues of isolation and the lack of social bonds especially with near and distant relatives. Marriages and other social festivities which form a major part of social life in India were postponed or limited.

“Increased tension within the household members happened in ‘all’ households. If [people] do not go out of the house, then they are likely to get irritated”. There were ‘nok-jhok’ (arguments) between parents.” Female respondent, 37, UP

A male respondent reported that he did not visit any relative's house during this pandemic. His cousin got married in March 2021, but he did not attend due to the pandemic. No relative has visited him recently and he reported feeling disconnected. Another male respondent who tested positive for Covid-19 and received satisfactory treatment from a government health facility reported facing social stigma which has impacted his wellbeing. Once he started going out after one month of isolation people were avoiding him, not sitting close to him, and his relatives have stopped talking to him over the phone.

Coping strategies

Social protection

India's Covid-19 social assistance package (known as Pradhan Mantri Garib Kalyan Yojana or PM-GKY), announced on 27 March 2020, was designed to provide immediate relief to vulnerable populations. The PM-GKY provided cash transfers and in-kind supports (food rations, cooking gas) through existing schemes to lower-income households. In April 2021, in response to the second wave of infections, the central government announced that free food grains would be provided to 800 million people in May and June, similar to the additional food rations provided in 2020.

A direct benefit and public distribution system (PDS) was already in place in India. Casual wage workers, poor households and others needing support, particularly in the rural areas, were able to get some of these benefits rapidly, though benefits remained modest in size. Less stringent restrictions and expanded government mechanisms for direct benefits transfer in rural areas have meant that the targeting of marginalised groups was much better in rural areas. According to interviews, households used this support to maintain food security. Many urban poor households did not receive additional rations despite their need for it, as the qualitative data and DCVTS rounds two and three findings highlight.

“We were in dire need, but we did not receive any government support during this time, neither ration nor cash transfer. I requested multiple people to help us get the ration card or alternative ways of getting rations but did not get any guidance or support.”
Female respondent, 32 Urban Haryana

“We used to collect rations and other essential items from the Lions Club on our own to prepare packets containing wheat flour, pulses, rice, salt, spices and edible oil. I also used my vehicle free of cost for the distribution of rations. About 70-80 packets were distributed each day for a month.”
Key informant, urban Haryana

“Sattu packets were distributed when the lockdown was first announced in March 2020. This was done till September 2020. No ration came in for October 2020. In November, wheat, rice and chana dal were distributed. For the next three months (December, January and February), nothing was distributed. In March 2021, milk and ghee packets were distributed followed by refined oil and chana dal in April. Midday meal distributed to children during the lockdown [in lieu of cooked meal] was as follows: three kilograms of wheat, two kilograms of rice, one kilogram of chana dal every month.”
Key informant, rural UP

Methodology

CPAN Covid-19 Poverty Monitor bulletins are compiled using a combination of original qualitative data collection from a small number of affected people in each country, interviews with local leaders and community development actors, and secondary data from a range of available published sources. Interviews and focus group discussions for this bulletin were conducted by NCAER National Data Innovation Centre, New Delhi, between April and August 2021 in rural and urban areas in Haryana and Uttar Pradesh. More details on the sampling and methodology for this bulletin can be found here.
Livelihood transitions

Livelihood transitions have been observed among households during the pandemic period based on qualitative and quantitative data.

“Rickshaw pullers started selling vegetables in the lockdown. Vegetable selling was necessary for their survival but pulling rickshaws provides them better income. There were too many people selling vegetables, hence, the income was lower. This was during lockdown only and when the market started opening and they started getting work, they returned to their previous work.” Key informant, urban Haryana.

“In the pre-pandemic period, my husband used to work in a shop. However, it has been a year since when he was dismissed from the job. He was dismissed when the lockdown was announced in March 2020. He used to earn about Rs 7,000 ($93.88) a month. Since then, he has been working as a vegetable vendor. As a result, his earnings have dropped and become erratic. He earns about Rs 100-200 ($1.34-2.68) rupees a day. Whatever is earned, is spent immediately.” Female respondent, 30, household of five, Urban Haryana

Borrowing and reduced expenditure

During the first and second lockdown and afterwards, households that could not manage daily expenses coped by borrowing from friends, relatives and other informal sources or purchasing from local grocery shops on credit.

“Since my income has reduced significantly, I manage family expenses by taking small loans and buying on credit from the local shop. We also had to reduce expenses. We did not attend the marriage of a relative to reduce spending.” Male respondent, 26, single, urban Haryana.

Find out more at www.chronicpovertynetwork.org/covid-19

End notes

1. Read more on CPAN’s Poverty Eradication Policy Preparedness Index adapted for Covid-19.

Supported by the UK Foreign Commonwealth and Development Office (FCDO), the Covid Collective is based at the Institute of Development Studies (IDS). The Collective brings together the expertise of, UK and Southern based research partner organisations and offers a rapid social science research response to inform decision-making on some of the most pressing Covid-19 related development challenges.