

Timeline

2020-2022

**Study Type** 

Quasi-experimental Analysis

Research Implemented by IPA

No

# Economic Impacts of COVID-19 Lockdowns on Vulnerable Populations: Evidence from Jordan

#### Researchers

Luisa Cefala, Michael Gechter, Nick Tsivanidis, Nathaniel Young

#### **Abstract**

This project examines the economic impact of COVID-19 lockdown policies in Jordan. It focuses on the distributional impacts across vulnerable segments of society, including refugees and informal workers. The methodology is unique in that it merges a bimonthly panel survey among 4,000 respondents with high-frequency cellphone metadata for the universe of users on one of Jordan's largest telecommunications companies. Combined with additional administrative data, these will be used to understand the impact of the lockdown and subsequent adjustment on travel behavior, employment patterns, and business activity.

## **Project Outcomes of Interest**

Travel behavior (how the types of trips like work, shopping, and social interactions change across segments of society before, during and after lockdown); worker employment (the impacts on income and employment and how they differ across different types of workers and industries); business activity (the impacts on profits and revenues and how they differ across different types of establishments and industries); and commuting patterns and hotspots where many people usually congregate

#### **Partners**

International Growth Centre (IGC)



### **Key Findings**

Preliminary Results (November 2020):

- The unemployed share of the adult population in Jordan increased from 7% to 16% during the lockdown that lasted from 18 March to 15 April 2020. The unemployment share improved to 11% by September 2020, falling short of the pre-lockdown level.
- Wage earnings decreased by 42% of pre-pandemic baseline levels on average during lockdown. These partially recovered after the easing of lockdown restrictions but remained 19% below their baseline.
- About half of workers faced some difficulty buying food during lockdown. Even afterwards, about 10% of working respondents skipped meals or reduced portions. Borrowing and spending savings were the two most popular financial coping methods.
- Low wage workers and refugees earned only a small fraction of their pre-lockdown earnings during restrictions. Less educated workers also faced steep declines in earnings and hours during lockdown. Highly educated and high wage service workers saw relatively larger reductions in hours worked after lockdown compared with other workers, but smaller reductions in earnings.
- Lockdown restrictions implemented on 17 March reduced mobility, and more so for the
  rich. When measuring the number of trips taken per day using mobile phone meta-data,
  we find the number of trips taken within a day fell on average by 57% to between 1-2
  per day, and more so for wealthy individuals living in high-rent neighbourhoods. The
  impacts emerged with the first case of COVID-19 in Jordan and persisted, with curfews
  having large impacts on mobility.

#### **Link to Results**

November 2020 Policy Brief

#### **Impact Goals**

- Build resilient and adaptable businesses and employment opportunities
- Improve social-safety net responses
- Improve women's health, safety, and economic empowerment
- Reduce COVID-19 transmission rates

## **Project Data Collection Mode**

CATI (Computer-assisted telephone interviewing)



# **Results Status**

Results