Impact of COVID-19 on the Welfare of Households with Children: An Overview Based on High Frequency Phone Surveys

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Motivation

Prior to COVID-19, 1 in 6 children, or 356 million children in total, lived in extreme poverty, struggling to survive on less than PPP \$1.90 per day and nearly 1 billion children in multidimensional poverty in developing countries, suffering from at least one severe deprivation in education, health, education, housing, nutrition sanitation and water. At the same time the vast majority of children have no effective social protection coverage, three out of four children globally are not covered by any type of social protection.

The effects of the Covid-19 pandemic have been widespread and disproportionately affected vulnerable segments of the population, including children and their families. The modest progress made in reducing child poverty has been reversed in all parts of the world by COVID-19. The pandemic is projected to have pushed an additional 150 million children into multidimensional poverty by end of 2020, a 15 percent increase.

The primary objective of the proposed analysis is identifying the impact of the crisis on households without and with (few or many) children, both focusing on the initial impact in 2020 but also the subsequent evolution of this impact. There have been various studies in 2020 and 2021 highlighting this impact of the crisis on children and child poverty, both monetary and multidimensional, but they usually rely on household surveys conducted prior to the crisis and

using these surveys for various projections and simulations, based on multiple assumptions of the duration and severity of the crisis.

In this paper we analyze the initial impact of the crisis (with survey data collected during the period April to September 2020) as well as the subsequent evolution of the impact of the crisis with survey data collected during the period October 2020 to May 2021. We focus on the following harmonized key indicators of children's welfare covering both their individual conditions as well as those of the household they live: (i) Income loss and job loss; (ii) Food insecurity; (iii) Social protection programs; and (iv) Education. These measures are compared between households without children and households with children (which we further categorize as households with one or two children as households with few children, and three or more children, as households with many children). Moreover, the analysis of the evolution of the impact of the crisis explores the difference in the pace of the recovery between households with and without children.

Data

To analyze the impact of the crisis on children's welfare, in particular children in poverty, we used data from the High Frequency Phone Survey implemented or supported by the World Bank since the beginning of the Covid-19 pandemic. The field work of these data typically took 1-2 months starting from April to September 2020. The collected data are harmonized by the World Bank and included in the Covid-19 Household Monitoring Dashboard, which included 143 harmonized indicators on 16 topics for 72 countries as of December 2021. Out of the 72 countries in the dashboard, 35 countries have the necessary information on the number of children in a household – 20 countries from Sub-Saharan Africa, 6 countries from Europe and Central Asia, 6 countries from East Asia and Pacific, 2 countries from Middle East and North Africa, and one country from Latin America. These countries account for a combined population of approximately 1.21 billion people.

Methods

We analyze the initial impact of Covid-19 by conducting summary statistics on key indicators of interests using the first round of data collected in our sample of 35 countries. To check the robustness of the results, we also introduce a logit regression model to separate the impact of the crisis on households with children from the impact of the crisis on poor households, since they are usually highly correlated. Controlling for predetermined welfare proxies including the level of education of the respondent, urban/rural location, and state/province, we check the robustness of findings by looking at the margin value by number of children in the household.

To analyze the evolution of the impact of Covid-19, we account for the different time frame in terms of data collection and the evolution of pandemic in each country. Thus, we used the Oxford Covid-19 Government Response Stringency Index to determine the peak month of Covid-19 pandemic in 2020 and organize waves of available surveys according to quarters after the peak month. The goal of the analysis is to investigate trends in income loss, employment, food insecurity, and social protection as the pandemic evolves. We examine the margins of the coefficients for households with different number of children, across quarters after the peak month.

Results

At the onset of the pandemic households with many children (3 or more) were more likely than households with no children to (i) suffer from income loss, as 55% of households with no children reported experiencing total income loss, versus 76% of households with many children; (ii) suffer from food insecurities: 14% of households with no children reported an adult member who went without eating for the whole day due to lack of money or other resources, versus 24% for households with many children; (iii) receive social assistance: 12% of households with no children reported receiving government assistance, versus 26% of households with many children; (iv) use technology for education: 11% of households with few children (one or two) reported that accessed mobile learning applications, while only 4% of households with many children did.

Exploring the evolution of impact shows that households with many children are: (i) recovering from income loss at a slower rate than households without children; (ii) experiencing higher rates of food insecurity than households with no children, although severe food security indicator shows decreasing trends for all households starting from quarter 2; (iii) are more likely to receive government assistance, as the share of households receiving government assistance increased for all households between quarter 2 and quarter 3.