



## The impact of the COVID-19 crisis on rural youth from Bihar and Jharkhand

Bhaskar Chakravorty, Apurav Yash Bhatiya, Clement Imbert, Maximilian Lohnert, Poonam Panda and Roland Rathelot

- The first wave of COVID-19 in India severely impacted workers' livelihoods, prompting widespread return migration. Understanding the first wave's long-term effects is critical as the country faces the second wave's aftermath.
- This study tracks the employment and migration changes of 2,260 rural youth from Bihar and Jharkhand—trainees of the DDU-GKY vocational programme—over one year since the March 2020 lockdown.
- Most youths with formal pre-lockdown jobs lost them in the pandemic and remained out of formal employment a year later. Many returned home and had not remigrated. While many men entered informal work and continued job searches, most women exited the labour force for domestic duties. Many young men were still willing to migrate out of state a year after the pandemic started, but most women planned to stay home.
- An experimental evaluation of the Yuva Sampark job-matching app showed low usage and no significant impact on job applications or employment outcomes.
- The findings suggest that connecting rural youth to formal urban jobs requires more active government support, such as scaling up DDU-GKY, which successfully placed many youths, including women, before the pandemic.

POLICY BRIEF IND-20096

JUNE 2021

This project was funded  
by the IGC

[theigc.org](https://theigc.org)

DIRECTED BY



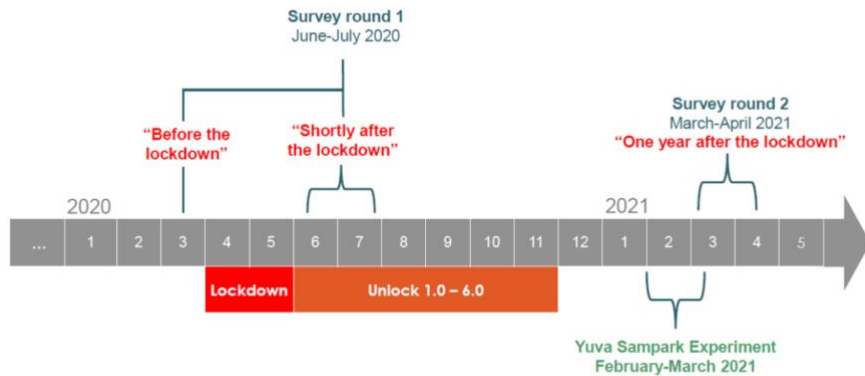
FUNDED BY



## Overview of the research<sup>1</sup>

The COVID-19 pandemic in India has had major effects on the lives and livelihoods of millions of people, and researchers have been trying to assess the scale of its impact. This study adds insights into the post-lockdown labour market situation for rural youths.

FIGURE 1: Timeline for the study



This research draws on two rounds of telephonic surveys with the youth from Bihar and Jharkhand and a policy experiment using a randomised controlled trial. The first survey round was conducted with 2,260 respondents in June and July 2020, and the respondents were asked about their current situation (shortly after the lockdown) and their situation in March 2020 (before the lockdown). A second round follow-up survey was conducted in March-April 2021 (one year after the lockdown). With an attrition of 15% in the second round, our results are based on a sample of 1,924 rural youth.

Between the two surveys, half of the survey participants were randomly selected (1,122) and were informed about an app named "Yuvasampark." This mobile app is promoted by many state governments in India to help young job seekers, particularly the trainees of government-run training and placement programs like Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY). The intervention was implemented by the Jharkhand State Livelihood Promotion Society (JSLPS), which called the treatment sample in February and March 2021 to inform them about Yuvasampark and support them in their job applications.

This study provides information on how the youth employment situation and future work preferences have changed since the first nationwide lockdown was

<sup>1</sup> This project would not have been possible without the great collaboration of BRLPS, JSLPS and the Ministry of Rural Development. We thank Mr Sanjay Kumar (BRLPS) and Mr Abhinav Bakshi (JSLPS) for their extensive cooperation during the project implementation.

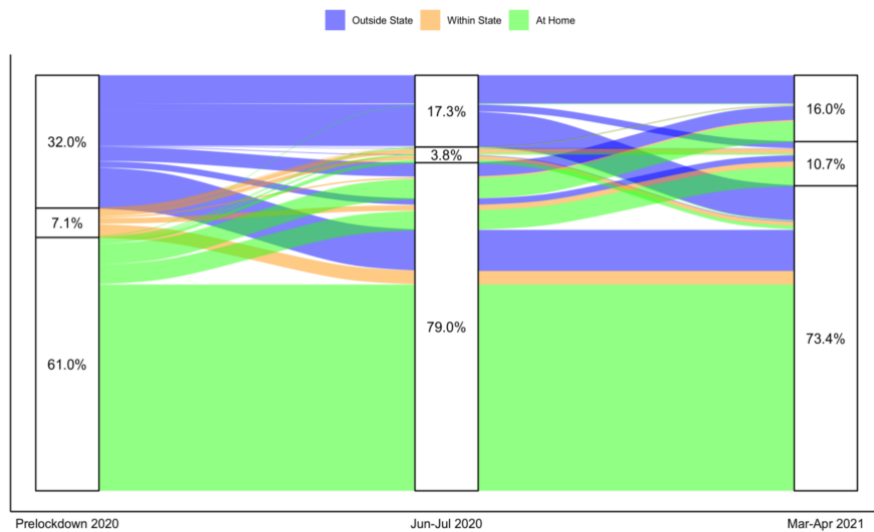
imposed at the end of March 2020. The experiment sheds some light on how digital tools could be used in the policy framework to support rural youth seeking jobs.

## Descriptive findings

### Many migrant workers moved back home and are still there

The proportion of young people in this sample who worked outside of the state decreased by half, from 32% before the lockdown to 16% one year later. Nearly half (45%) of the interstate migrants (those outside of state before the lockdown) returned home shortly after the lockdown, and half of the remaining migrants who were still outside their home state shortly after the lockdown (in June-July 2020) were found to have returned home one year after the lockdown (in March-April 2021).

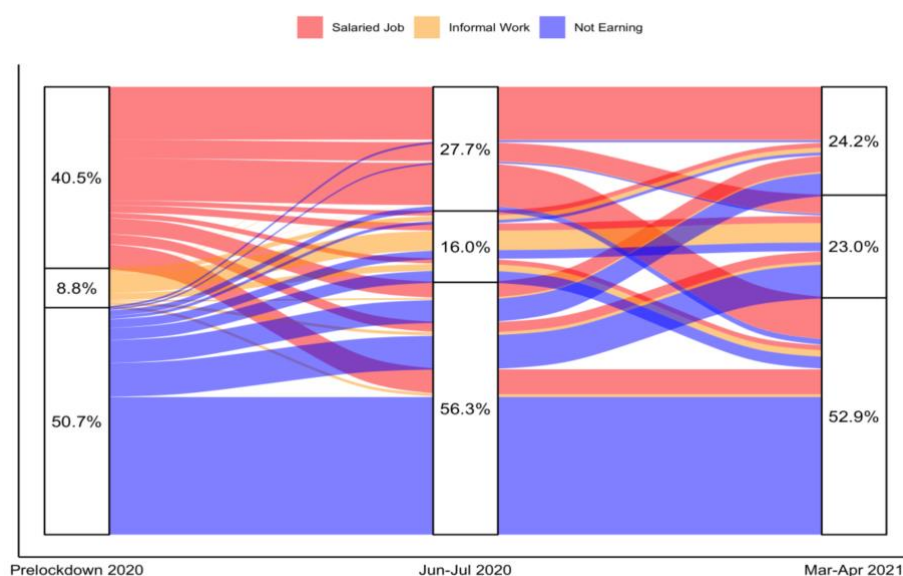
**FIGURE 2: Location change pre-lockdown, shortly after lockdown, and one year after lockdown**



### Many youths who had a salaried job lost their job and did not get it back

Figure 3 shows the percentage of survey participants in salaried employment declined from 41% before the lockdown to 24% one year after the lockdown, and simultaneously, the proportion of respondents in informal work increased from 9% to 23% after one year of lockdown.

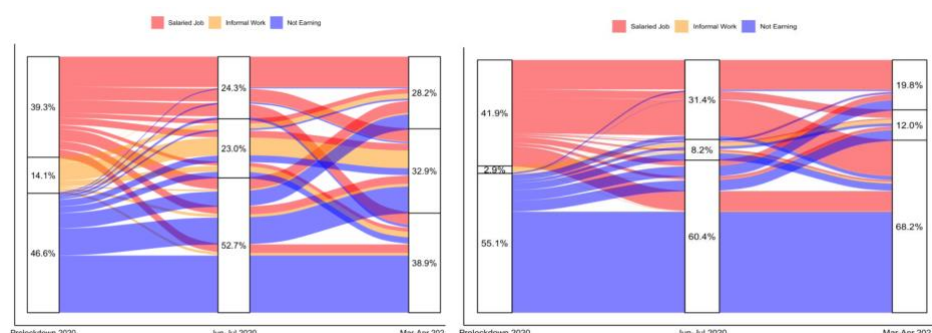
**FIGURE 3: Employment change pre-lockdown, shortly after lockdown, and one year after lockdown**



### Female workers have dropped out of the labour force as men have gone into informal work

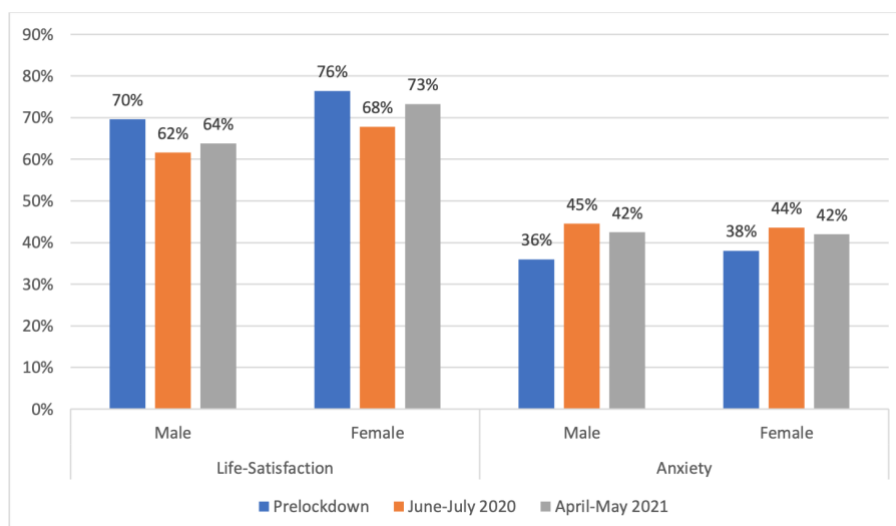
There was a stark difference in employment trajectories between male and female workers. 53% of women with a salaried job lost their job and were still not earning one year after the lockdown (against 25% of men). At the same time, 20% of men (against 11% of women) transitioned from salaried jobs pre-lockdown to informal employment one year after the lockdown.

**FIGURE 4: Employment change by gender: male (left) and female (right)**



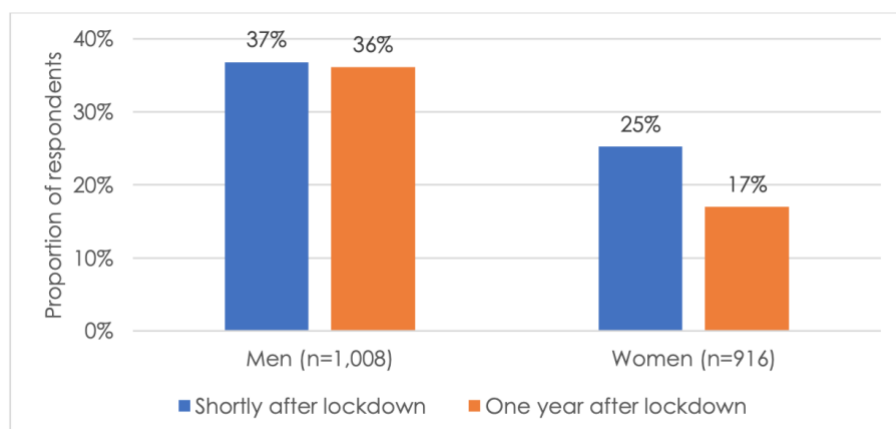
### Youth wellbeing has suffered during the pandemic

As compared to a survey carried out pre-lockdown, youths reported lower life satisfaction and higher anxiety both immediately and one year after the lockdown (Figure 5), indicating a lasting negative impact of the COVID-19 crisis on the wellbeing of the respondents.

**FIGURE 5: Wellbeing indicators: life satisfaction (left) and anxiety (right)**

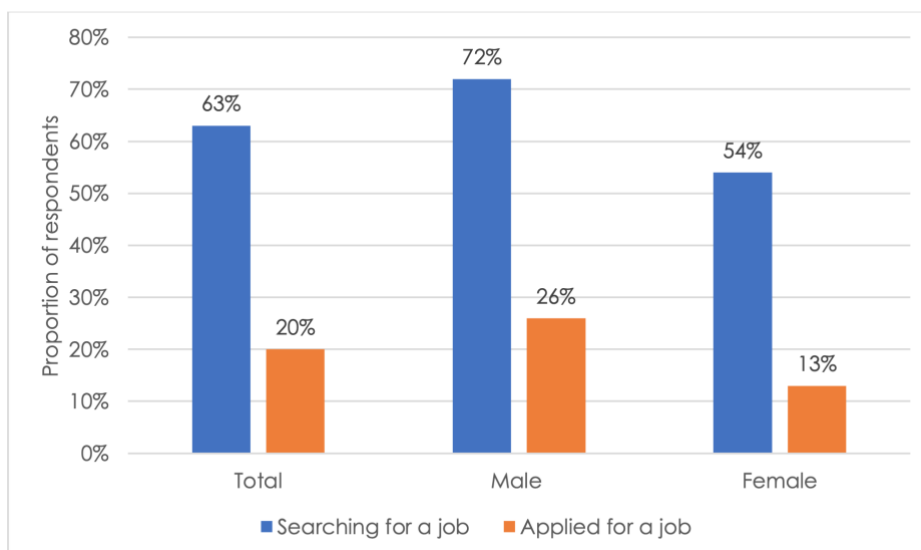
### While a third of men keep hoping to migrate again, women are giving up

Figure 6 shows that the preference to look for a job outside their home state remained similar among men over the past year, but for women, it dropped from 25% shortly after the lockdown to 17% one year after the lockdown.

**FIGURE 6: Willingness to migrate out of their home state for work based on gender**

### Many youths say they are looking for jobs, but few, especially few women, are applying

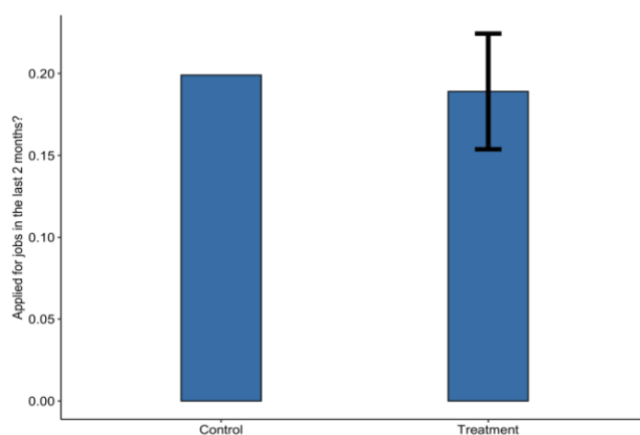
We also asked respondents directly whether they were looking for jobs and whether they had applied. Three-quarters of the men said they were looking, but only a quarter had applied in the last two months (see Figure 7). For women, the figures were even lower, with only 13% applying to jobs.

**FIGURE 7: Job search and application rate based on gender**

## Experimental evidence

### A government-supported job app did not have any short-term effect on job search

The Jharkhand State Livelihood Promotion Society (JSLPS) contacted a randomly selected half of our sample to introduce them to the job platform YuvaSampark, assist them in registering on the app, and support them in applying for jobs. Two or three weeks after the call, we do not see any impact on job applications, job search method, or intensity of job search between treatment and control (Figure 8). The app had a few issues that limited its effectiveness for rural youth. First, the app had relatively few job postings in a limited number of sectors. Second, all the modules in this app were in English. Third, a smartphone and good internet connectivity are required to use the app, which is not a universally available commodity in many parts of India.

**FIGURE 8: YuvaSampark did not help job applications**

## Policy implications

---

- The COVID-19 pandemic has had dramatic consequences for young migrant workers from Bihar and Jharkhand: Many lost their jobs and went home after the first lockdown, and a year later, few of them remigrated. Some of these youths have taken up informal employment, some are still looking for jobs and hoping to migrate again, but many are anxious and unsatisfied with life.
- The situation of female workers is particularly worrisome. Most women who lost their formal jobs have dropped out of the labour force entirely. Women are much less likely than men to be looking for jobs, and very few have the ambition to migrate again.
- As digitisation becomes more widespread, digital solutions have tremendous potential to help rural youths access information about job vacancies. However, not all tools will help them. Online job boards aim to solve the information asymmetry in the labour market. Employers would like to advertise their vacancies, and job seekers to be informed about job opportunities at the lowest possible cost. Online job boards are effective when they attract a large number of vacancies, and most online platforms typically gather hundreds of thousands of vacancies. In our study period, YuvaSampark had between 1500 to 2500 vacancies from 1-6 employers, depending on the job sector. This limited number of employers severely restricts the options available to job seekers. Few vacancies may produce two kinds of effects: (i) it will not help the job seekers that register on the portal, and (ii) it reduces the credibility and the incentive to use the tool. Also, the tool should be user-friendly. Contrary to most online job boards, YuvaSampark requires logging in to search for jobs. During our experiment, we identified the registration and log-in process as one of the potential barriers to using the tool. The results of our experimental trial suggest that these digital solutions must be carefully designed, easy for job seekers to use, and attractive for employers to offer a wide range of job openings.
- Rural youth from Bihar and Jharkhand, especially female youth, face additional barriers in accessing formal jobs, which require vocational training and are only available in cities in other states. The success of the DDU-GKY training and placement program in overcoming these barriers suggests that dedicated efforts are needed by the government in collaboration with NGOs and private partners.