

Covid-19 and Self-Help Groups in India

Ashwini Deshpande, Ashoka University, India

[Joint with Josh Merfeld (KDI, Seoul), Kritika Saxena & Lore Vandewalle
(Graduate Institute of International & Dev Studies, Geneva)]

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Lockdown 2020: how did households cope?

- India: one of the most stringent across the world.
- How did households cope with sudden and massive aggregate shock?
- Partnered with NGO PRADAN to track the effects of the lockdown & reopening for rural SHG members & their families.

Sample

- Sampled: 400 current SHG members, over 80 GPs, spread over 7 districts in rural Madhya Pradesh.
- One baseline (June-end) and 9 follow up interviews with SHG members (mid-July to mid-Nov, 2020)
- Also, GP members and frontline health workers (ASHA, ANM and Anganwadi)
- Districts: Balaghat, Betul, Dindori, Hoshangabad, Mandla, Shahdol and Sidhi

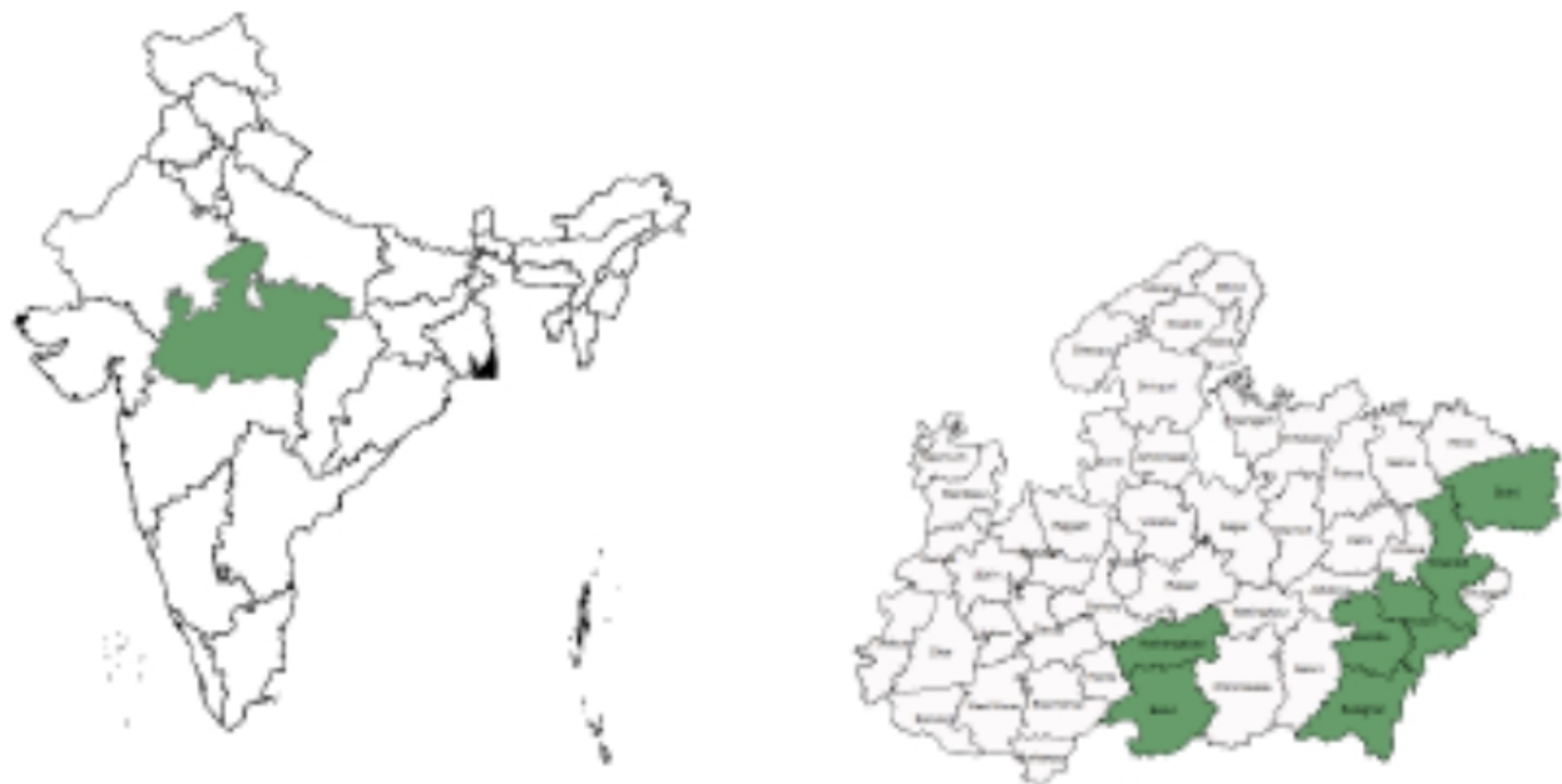


Figure 1: Map of the Study Area

Food Insecurity

- Whether the hh
 - had to eat cheaper meals;
 - limited the size of meals;
 - Ate fewer meals;
 - Borrow or receive food from others
- Coded as “no. of days in the previous week”: so higher numbers => more food insecurity

Saving, Income and Food Security

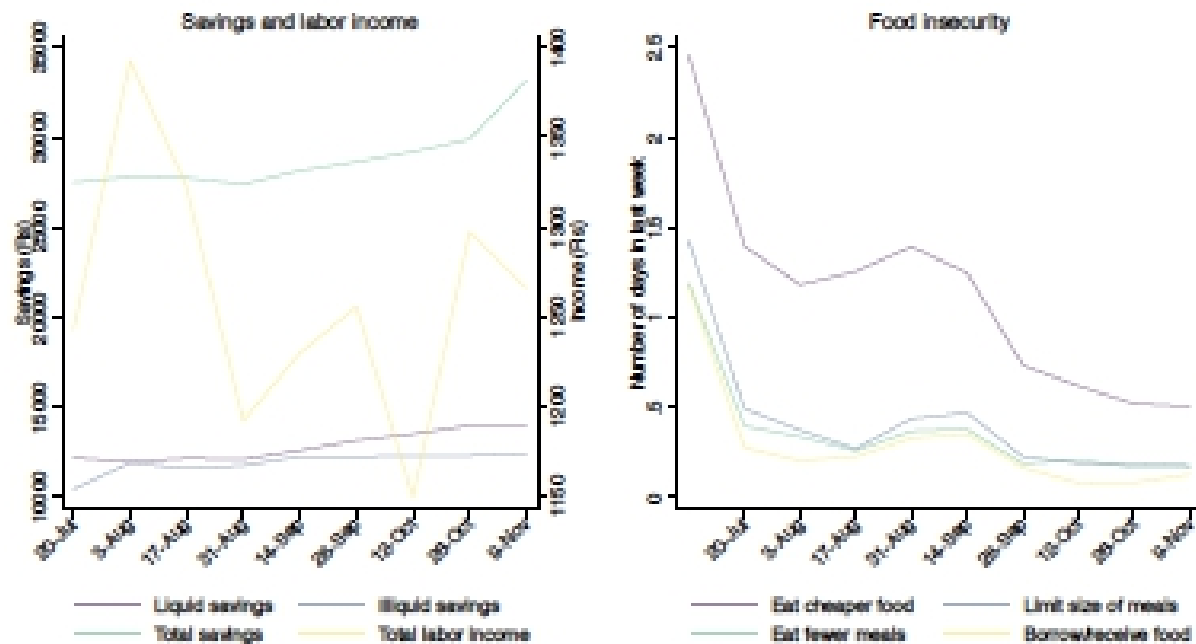
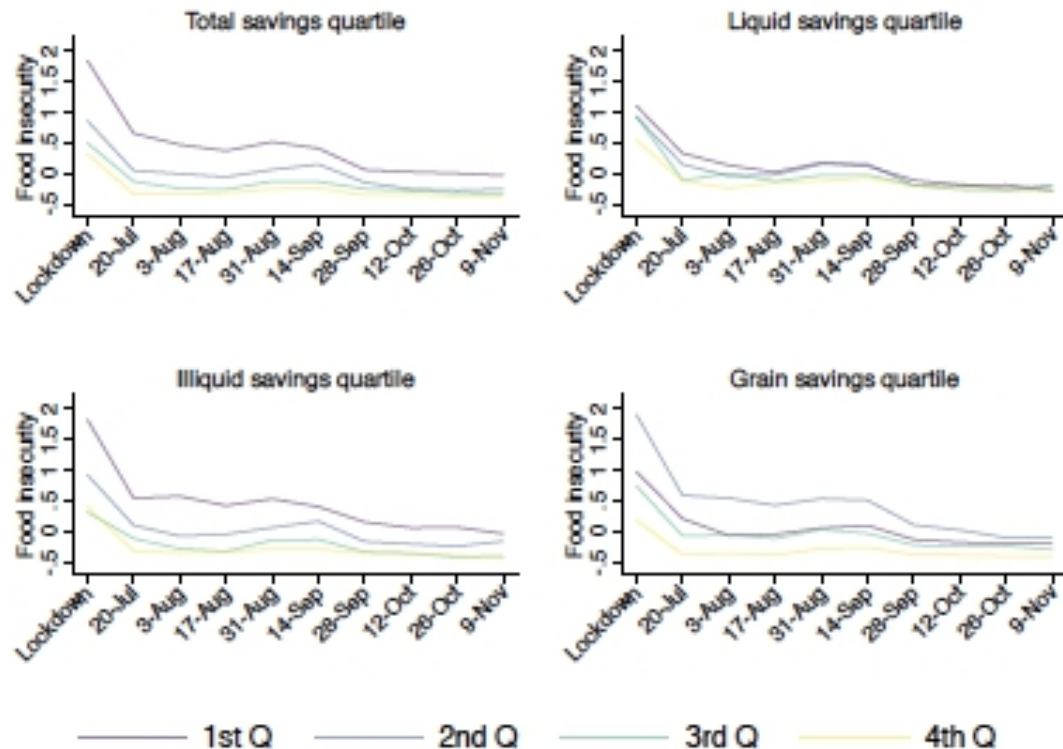


Figure 2: Changes in savings, income, and food insecurity

- Savings gradually increase over time: hh might have drawn down savings during lockdown and slowly built it up
- Labour income volatile
- Households ate cheaper food 35% of the time during lockdown
- As the economy unlocked, food security improved.

Heterogeneity by Savings Quartiles

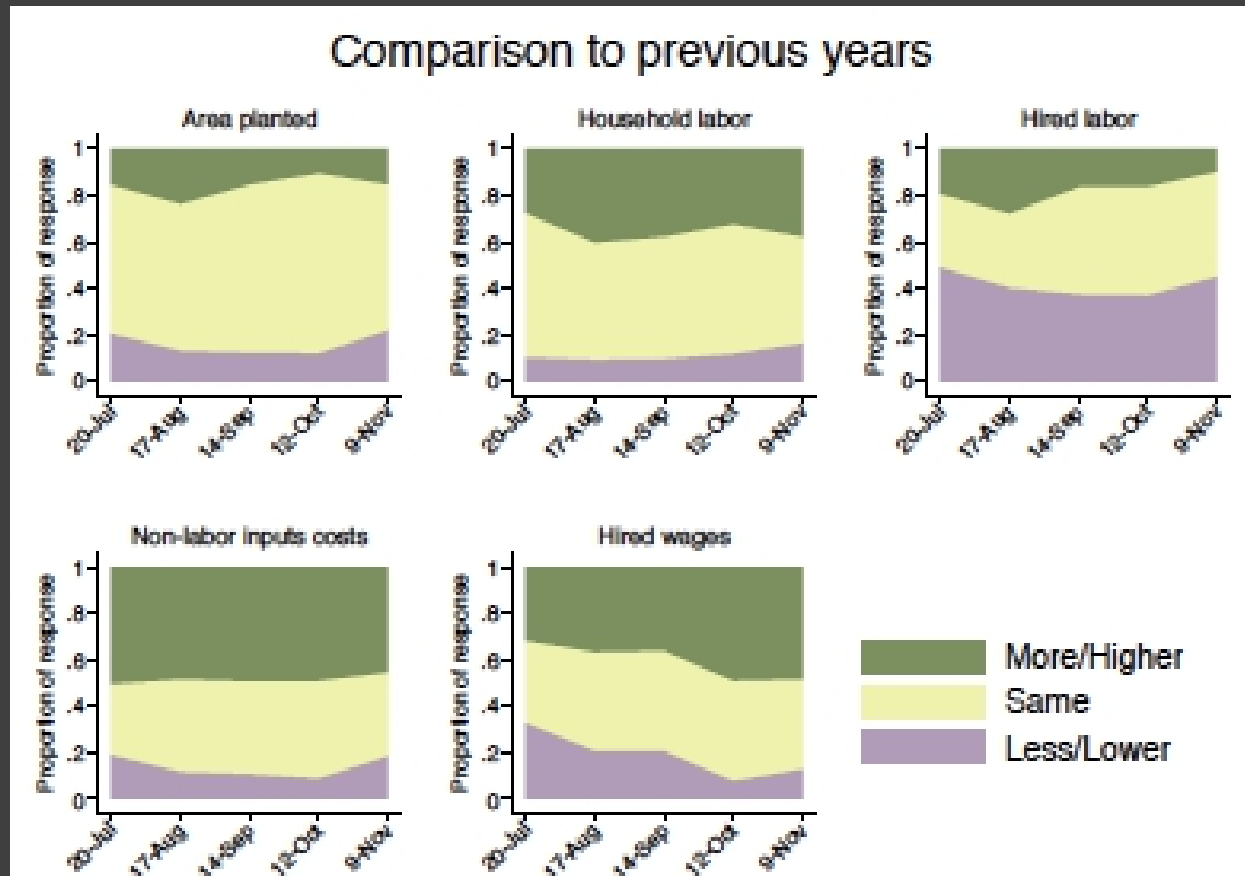


- For total and illiquid savings, lower quartiles have higher food insecurity

- For grain savings, second quartile has the highest food insecurity. Why? Need to explore

- Improvement in food security over time for all quartiles.

Agricultural Production Compared to Previous years



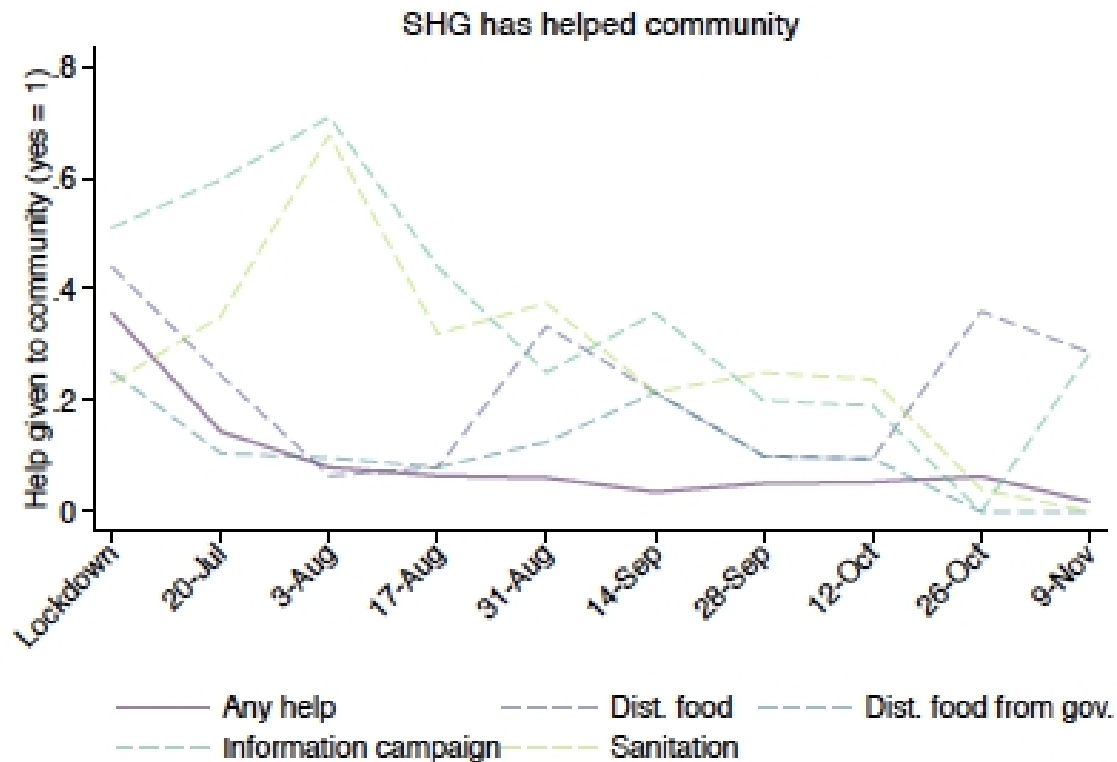
- Used more hh labour compared to previous years

- Used less hired labour

- Paid more for both labour and non-labour costs

- Reasons: could be lack of off-farm emp opportunities

SHGs helped



- Solid line: unconditional: did SHGs help? 40% said yes

- Dashed lines: Conditional on having reported giving any help

- Food distribution
- Information

Food Security Paramount

- Lockdown 2021
- Report of ONOR: One Nation One Ration Card: started in June 2020
 - enabling migrant workers to receive their entitled food grains from any fair price shop in the nation using their [Aadhaar card](#).
 - Total: only ~ 50,000 transactions reported over the last year
 - Marked by logistical glitches
- Remove Aadhar linkage, make PDS universal + cash transfers