

# The Effect Of COVID-19 on Economic Participation and Human Capital Development of Youth Living in Urban Slums in Bangladesh



Young people living in urban slums face several challenges due to the COVID-19 pandemic and its accompanying lockouts. As part of the Gender and Adolescence: Global Evidence (GAGE) study, researchers conducted three rounds of surveys among 780 adolescent boys and girls in three urban slums in Bangladesh. The results showed an increased involvement of out-of-school adolescents in paid work during the COVID-19 pandemic, especially those from poor households. However, young people looking for jobs reported a lack of adequate employment, possibly due to business closures and stagnant economic activities.

## Policy Issue

Young people living in urban slums face several challenges due to the COVID-19 pandemic and its accompanying lockouts. School closures are threatening youth skill-building and education, which is likely to exacerbate the disadvantages faced by urban youth living in slums in accessing the labor market. At the same time, lockdowns and the economic impact of the pandemic are disproportionately affecting youth income, who in many cases already face high unemployment rates, and who are mostly employed in the informal economy, one of the most affected by the pandemic.<sup>[1]</sup>

In Bangladesh, where youth between 15 and 29 years of age represent a third of the urban slum population, per capita income remains 14 percent below the level before COVID-19.<sup>[2]</sup> To better understand the impact of COVID-19 on job search, skill building, paid and unpaid work, continued learning, and aspirations for the future of youth living in slums, researchers conducted two rounds of surveys in Dhaka, Bangladesh.

## Evaluation Context

As of October 2021, Bangladesh has experienced 1,558,758 COVID-19 cases and 27,591 deaths.<sup>[3]</sup> Urban slum households have been hit particularly hard by the economic crisis instigated by the lockdown, facing a fall in income (per capita income 14 percent below pre-pandemic level in March 2021) and rise in unemployment (8 percent of pre-pandemic employed still unemployed in March 2021), with many still unable to regain their pre-pandemic status.<sup>[4]</sup> In addition, data suggests that a

### RESEARCHERS

Sarah Baird, Jennifer Seager, Salauddin Tauseef, Nicola Jones

### COUNTRY

Bangladesh

### PARTNER

Gender and Adolescence: Global Evidence (GAGE)

### PROGRAM AREAS

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### TOPIC

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### TIMELINE

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higher proportion of urban youth (compared to rural youth) who worked before the pandemic remain unemployed.[\[5\]](#)

The Gender and Adolescence: Global Evidence (GAGE) study follows 20,000 youth in low- and middle-income countries to understand what works to enhance adolescent capabilities and empowerment. It consists of surveys and other mixed methods approaches conducted over a period of nine years (2015-2024) among youth in Africa (Ethiopia and Rwanda), Asia (Bangladesh and Nepal), and the Middle East (Jordan and Lebanon). As part of the GAGE study, the Innovations for Poverty Action Women's Work, Entrepreneurship, and Skilling Initiative (WWES) supports ongoing surveys in Bangladesh to understand the impact of the pandemic.

## Details of the Intervention

*Note: This study is not a randomized controlled trial*

In Bangladesh, researchers conducted three rounds of surveys among 780 male and female youth in three low-income study sites in Dhaka (names concealed for privacy). The three areas of study have varying levels of access to services and healthcare, schools and connectivity to surrounding areas. The surveys included questions on education and learning, aspirations, school-to-work transitions, job search and involvement in paid work.

The first round of data was collected in-person in December 2017 and January 2018 across the three survey locations. The second and third rounds of data collection (henceforth COVID-R1 and COVID-R2, respectively) took place virtually, via phone interviews, from May to June 2020 and March to April 2021.

## Results and Policy Lessons

**Male youth are more likely to be engaged in paid work than female youth, particularly those out of school and from poorer households.** Seventeen percent of adolescents worked for pay before the start of the pandemic. This percentage fell to 8.9 percent at the start of the pandemic (COVID-R1), but rose again to 14.8 percent in COVID-R2. At all periods, a higher proportion of males (compared to females) engaged in paid work (23.9 percent vs 10.2 percent of females immediately prior to the pandemic, 13.5 percent vs 4.4 percent in COVID-R1, and 21.4 percent vs 8.0 percent in COVID-R2).

Before the pandemic started (at baseline), adolescents were mostly involved in skilled work (31.4 percent), followed by professional (22.5 percent) and retail work (20.7 percent), with similar findings in COVID-R2. Reported work hours were, on average, 40 hours a week prior to and during the pandemic (COVID-R1 and -R2). There were no statistically significant gender differences in type of job or hours worked among those who were working.

The majority of adolescents engaging in paid work come from poorer households (those with less assets than average) (17.8 percent vs 11.5 percent in COVID-R2), and were 15 years or older at the time of the COVID-R1 survey (22.6 percent of older adolescents vs 6.8 percent of adolescents younger than 15 years in COVID-R2). Regression analysis reveals that adolescents who are young, female, enrolled in school before the pandemic, and from better off households are less likely to be engaged in paid work as of the COVID-R2 survey.

**Almost a quarter of adolescents sought a job in the past year, with unavailability of jobs reported to be a major constraint to job search.** Nearly a quarter of youths (23.9 percent in COVID-R2) reported that they searched for a job in the past year and 4.8 percent reported to have tried to set up a business in the past year (COVID-R2). Of the adolescents who looked for work, 43.3 percent reported unavailability of jobs being a major constraint to job search while 17.4 percent reported they were unqualified to secure a job. For those who did not search for a job, the primary reasons given were that they are young or currently studying (47.7 percent), do not want to work (13.4 percent), or are happy with their current job (17.8 percent). Jobs were mostly sought through family and friends (45.5 percent) or through advertisements and social media (32.6 percent).

**Most adolescents believe women can work or operate enterprises outside of the home, but male youth is more conservative than females in their belief that women can continue work during the pandemic with increased family responsibilities.** At COVID-R2, a high proportion of adolescents believe women can work (75.3 percent) or operate an enterprise (84 percent) outside of the home. However, gender disaggregated analysis reveals a lower level of belief among females compared to males that women can work (58.4 percent vs 94.1 percent) or operate enterprises (74.5 percent vs 94.6 percent). This contrasts with a higher proportion of females (72.7 percent vs 57.2 percent of males) aspiring to a professional career.

Although almost 95 percent of the male youth responded they believe women can work or operate enterprise outside home, only half believe women can *continue* to work (54.2 percent of boys) or operate an enterprise (50.2 percent of boys) outside the home during the pandemic in the face of increased government restrictions and family responsibilities. Female youth were nearly 20 percentage points more likely to spend more time on household chores and care of family members during the pandemic. As a result, career aspirations have fallen faster for girls than boys (5.7 pp vs. 2.4 percentage point reduction) over the course of the pandemic.

**During the pandemic, there has been little engagement in education and skills training and 87.7 percent of adolescents reported that the pandemic has negatively affected their education.**

Of the 62.4 percent of adolescents enrolled in formal school immediately prior to the pandemic, a third (35 percent in COVID-R2) reported receiving continued learning support from school during the pandemic. Lack of guidance (45.5 percent in COVID-R2) and resources (7.9 percent in COVID-R2) were reported as the primary hindrance to learning with older cohort of students (aged years 15 and more) particularly affected by these challenges. Additionally, only 4.6 percent of adolescents reported that they were continuing or started to attend a skills training, course, internship, or apprenticeship during the pandemic. Use of technology was limited, with only 7.4 percent of adolescents with access to tablet/mobile device in COVID-R2 reported having used it for skill development activities such as vocational training or apprenticeships

The results showed an increased involvement of out-of-school adolescents in paid work, especially those from poor households. However, young people looking for jobs reported a lack of adequate employment, possibly due to business closures and stagnant economic activities. At the same time, the shift in learning activities to digital platforms means a growing digital divide that further disadvantages

the poor and marginalized groups living in urban slums. This calls for special attention not only in the form of income support through urban social protection programs but also accessible learning and skills training programs.

## Sources

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### GLOBAL HEADQUARTERS

101 Whitney Avenue

New Haven, CT 06510 USA

+1 203.772.2216 | [contact@poverty-action.org](mailto:contact@poverty-action.org)

**poverty-action.org**