

PEOPLE'S PULSE



Socio-economic Impact of the events since 1st February 2021 on households in Myanmar

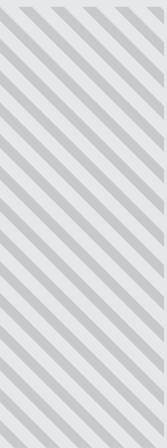
September 2021



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ACRONYMS

CATI	Computer Assisted Telephone Interviewing
COVID-19	Corona Virus Disease 2019
HVS 2020	Household Vulnerability Survey 2020
HFS	High Frequency Surveys, World Bank
ILO	International Labour Organisation
MLCS 2017	Myanmar Living Conditions Survey 2017
SDG	Sustainable Development Goal
UNDP	United Nations Development Programme

People's Pulse survey is one of the early pieces of work falling under the umbrella of the **Myanmar Development Observatory**. The Observatory will inform the international community, development partners and Myanmar civil society with up-to-date insights on Myanmar's socio-economic trajectory as the current situation develops. The data-driven in-house think tank is constructed around three pillars:

1. **Economy**, to track the economic impact of the coup and pandemic, including relating to poverty;
2. **SDGs**, to assess regressions on key development indicators especially for vulnerable and marginalised populations;
3. **Conflict**, to monitor evolving dynamics with a particular focus on the nexus between conflict, poverty and the SDGs.

People's Pulse looks at the way that macro developments are impacting households. It is important to understand the lived social and economic impacts of COVID-19 and the military takeover not just for measures of income poverty but also vulnerability more generally and how the double crisis is impacting Myanmar's people at the family and even individual level.

Throughout this report you can "hear" the voices of the respondents and the UNDP team would like to convey a sincere thanks to them for anonymously providing the information in challenging conditions.

Data collection for the People's Pulse was undertaken by Myanmar Survey Research.

SUMMARY



This report outlines the findings of the People's Pulse survey - the first household survey with national coverage in Myanmar since the military takeover on 1 February 2021. It is evident that the events set in motion by the takeover have destabilised a fragile country and compounded existing vulnerabilities and recent research by UNDP suggests that poverty is likely to increase substantially¹. To help meet the need for information and to understand how households are being impacted, UNDP undertook this People's Pulse survey of 1,200 respondents in May and June 2021.

The report builds on other existing surveys, such as the World Bank High Frequency Surveys and the Central Statistical Organisation/UNDP Household Vulnerability Survey 2020 - both meant to assess the impact COVID-19 restrictions were having on households in Myanmar.

The key findings of People's Pulse are summarised below and grouped into impacts on household income, common coping strategies, attitudes to access to health services, job loss and migration.



How the coup has impacted household income

- ◆ Nearly three quarters of households in Myanmar have reported a drop in income since 1 February 2021. Relatively more urban households and households who run a (non-farm) business reported a reduction in income.
- ◆ Between January to December 2020 and February to May/June 2021, households who reported a drop in income have, on average, faced a 23.3 percent drop in their monthly household income. Urban households, households in regions and those living within proximity to conflict (within 60 kilometres of 25 or more conflict related deaths) have experienced the largest reduction.
- ◆ The non-farm business sector has been massively disrupted by both COVID-19 and the events since 1 February 2021, with 42.2 percent of respondents reporting loss of income from this source.
- ◆ 71.5 percent of rural households reported a drop in income between 2020 and 2021, which is a result of both the COVID-19 restrictions and the events since 1 February 2021.
- ◆ Almost one in ten respondents reported that their household currently did not have any

¹ https://www.asia-pacific.undp.org/content/rbap/en/home/library/democratic_governance/covid-19-coup-d-etat-and-poverty-impact-on-myanmar.html

money coming in from any sources.

- ◆ There is anecdotal evidence that since the military takeover a number of informal credit businesses had arisen. *People's Pulse* shows that 3.4 percent of households reported currently earning interest from loans.
- ◆ Nearly two percent of households (approximately 220,000 households) reported receiving cash or in-kind support from humanitarian organisations since 1 February 2021.
- ◆ In 2017, 19.5 percent of households received international remittances and it has now fallen dramatically to 2.4 percent.
- ◆ *People's Pulse* households are having to manage on fewer sources of income. When comparing the number of income sources between 2017 and 2021, the latter households have fewer income sources. It is particularly noticeable that households living in proximity to conflict and households with children have less diversity in the ways they make money.



Three-quarters of respondents said that the events since 1 February 2021 have had a bigger impact on their household income than COVID-19. This view was uniform throughout state/region, urban/rural and whether living close to conflict or not.



Eating less due to reduction in household income

- ◆ The last ten months show, unfortunately, a clear rising trend of households eating less food.



Eating less food is more prevalent in urban areas, and among those households where someone has lost a job/ceased self-employed activities since the COVID-19 restrictions began.

- ◆ Over a tenth of rural households have eaten food that they had stored to consume later.



How people are coping with reduced incomes

- ◆ The main action taken to cope with falling income has been to reduce the consumption of non-food items (68.1 percent).
- ◆ Data from the World Bank High Frequency surveys shows that the reduction of non-food consumption was 52.0 percent in May 2020 and dropped to 30.0 percent as COVID-19 restrictions eased in August 2020. *People's Pulse* shows that this has now risen to 68.1 percent since 1 February 2021.
- ◆ Reducing non-food consumption is a coping strategy for 76.2 percent of families living within proximity to conflict.
- ◆ 28.8 percent of households reported using savings to supplement their income, increasing to 32.5 percent in urban areas.
- ◆ Two-fifths (38.7 percent) of respondents who had relied on savings since 1 February said that they have no more savings left. This was significantly higher in urban areas (46.9 percent) than rural areas (34.3 percent).
- ◆ The use of taking a formal loan from a bank to cover living expenses has decreased over time. In August 2020, 39.0 percent of households had taken out a formal loan, by May/June 2021 this has fallen to 29.5 percent.
- ◆ People are increasingly selling assets to cover living expenses. In May 2020, 10.5 percent of households were selling assets, 12 months later this had risen to 26.5 percent.
- ◆ To cover living expenses since 1 February 2021, 68.1 percent have sold gold or jewellery, a third of rural households have sold livestock and 27.0 percent of urban households have sold a motorbike.



May 2017. Woman counts the money she has received from a jewellery business for her gold nugget. © M.O



February 2021: People pass by the construction site, where work is suspended, of what was to become one of the largest hotel and shopping mall complexes in Yangon. ©M.O



Job loss or cessation of self-employed business activities

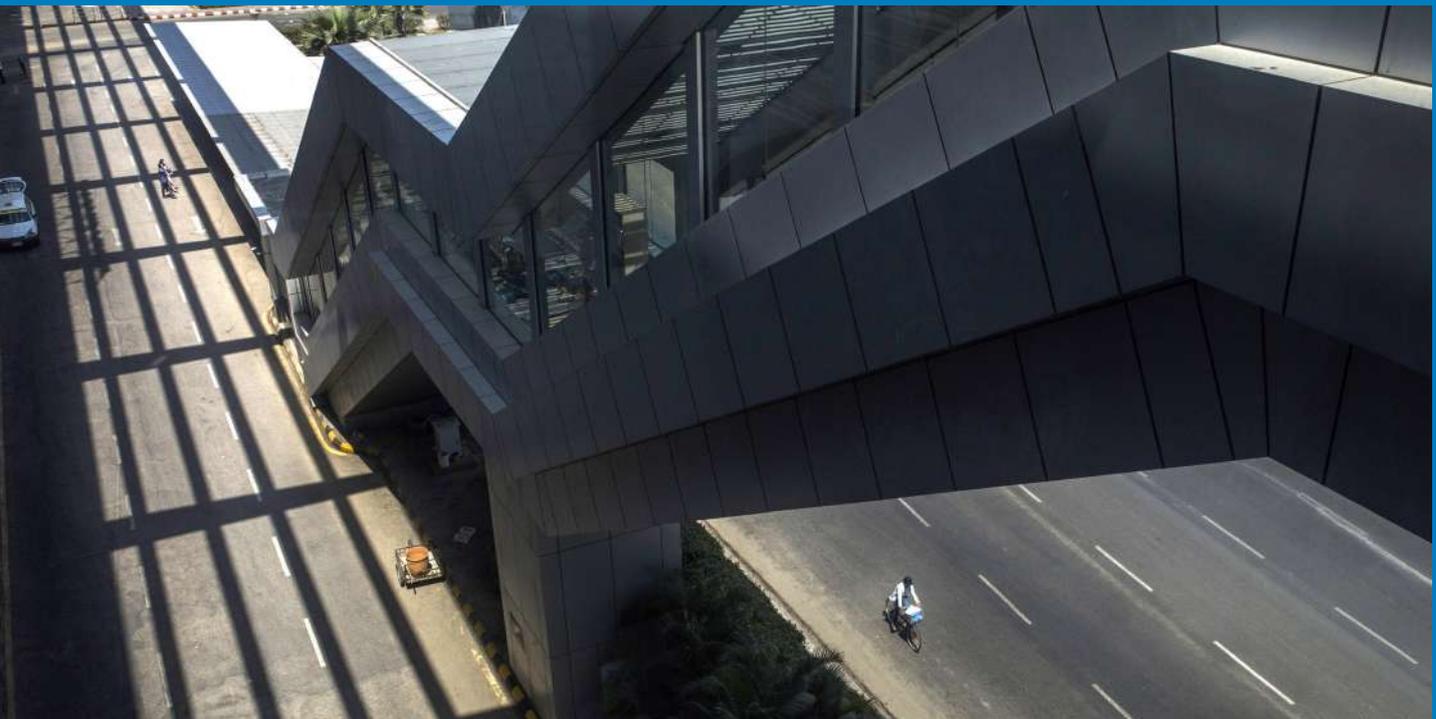
- ◆ 24.0 percent of respondents reported losing a job or ceasing a business activity since the COVID-19 restrictions began.
- ◆ Within the household almost three-fifths (57.3 percent) of permanent or temporary job loss had been experienced by men, 29.4 percent by women. In 13.3 percent of households the same number of men and women had lost a job.
- ◆ In terms of cessation of activities since 1 February 2021, most of these jobs (35.8 percent) were for self-employed people.
- ◆ 28.8 percent of *People's Pulse* respondents reported that someone in their household had permanently lost their job as an employee.
- ◆ Since the construction sector is one that has been particularly damaged by COVID-19 restrictions, this category was analysed separately and it was found that 16.3 percent of households contained a person who had permanently lost a skilled job in the construction sector.

Attitudes about access to health services

- ◆ In October 2020, 26.9 percent of respondents reported access to health services being more difficult than before. By May/June 2021 it had more than doubled to 60.6 percent. Qualitative data within *People's Pulse* suggests that some of the restricted access is due to the fear that people have to travel to health centres, for both COVID-19 and coup related reasons.
- ◆ Relatively more urban households stated that access to health services is now more difficult than before 1 February 2021 (19.4 percent compared to 58.4 percent), but rural households are more likely overall (61.6 percent) to say that access to health services has become more challenging.

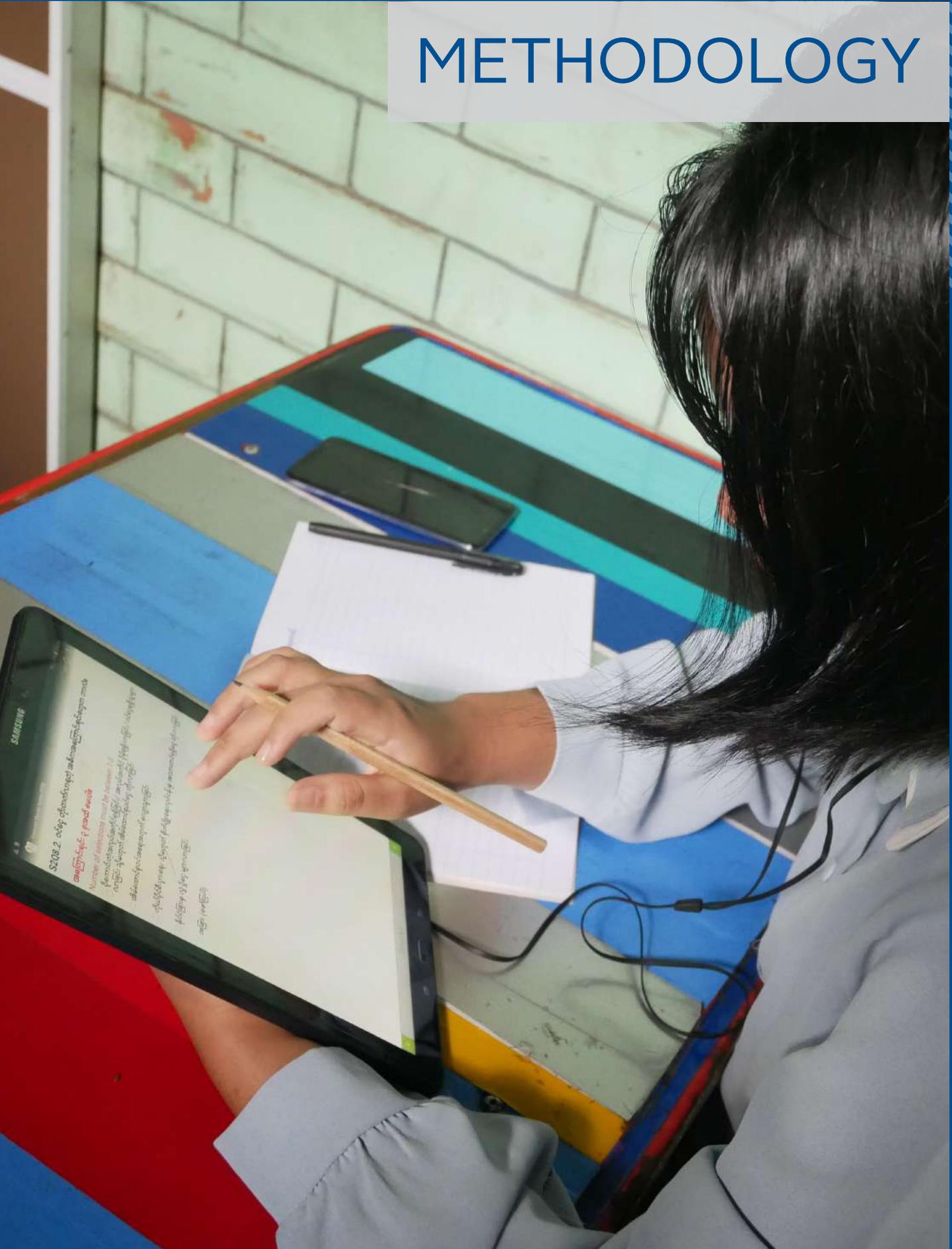
Moving within and outside Myanmar

- ◆ About 3 percent of *People's Pulse* households have moved since February 2021. As there are approximately 11 million households in Myanmar, this translates to around 300,000 households having moved since 1 February 2021.
- ◆ A small percentage (3.3 percent) of respondents said that someone in the household had plans to move abroad over the next 12 months.
- ◆ In relation to the small percentage of potential movers cited above, over half of the ones who have plans to move (54.9 percent) had started making preparations.
- ◆ The top three destinations for potential movers would be Japan, Thailand and Singapore.



March 2021. The deserted taxi and car drop-off area at Yangon International Airport. ©M.O

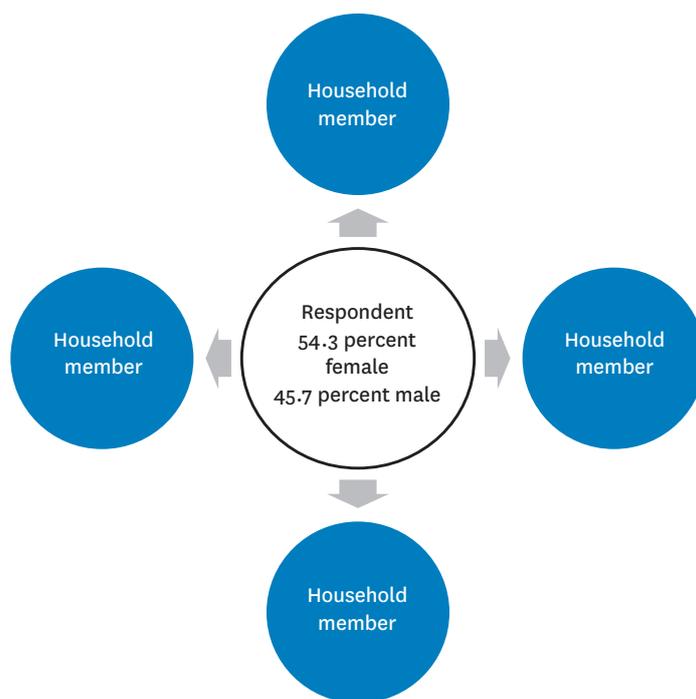
METHODOLOGY



The **People's Pulse 2021** is a survey of **1,200 respondents** interviewed during May and June 2021, by telephone. The survey is representative of the Union, all States combined, all Regions combined and urban and rural areas. The response rate was **47.1 percent**. Over half of the interviews were conducted with women (54.3 percent compared to 45.7 percent of men). Interviewers asked to talk to the person in the household who was most knowledgeable about the household finances². In all questions the respondent was asked about the situation of the household and the respondent acted as a proxy for the whole household.

Table 1: Number of interviewed respondents

Characteristic of household	Number of interviews
Union	1,200
State	311
Region	889
Urban	380
Rural	820
Living in proximity to conflict	450
Not living in proximity to conflict	750
Household without children	370
Household with children (0-17)	830
Male is the main earner	935
Female is the main earner	265



² Myanmar DHS 2015 indicates that 92 percent of women participate in decisions on control over their own earnings and 83 percent in decisions on major household purchases.

Map 1: States and Regions of Myanmar



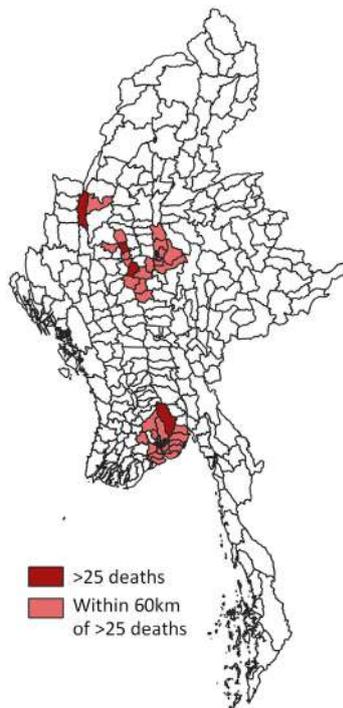
The main difference between Regions and States is that regions are ethnically predominantly Bamar, while the states are mainly populated by ethnic minorities.

Nearly three quarters (74 percent) of Myanmar’s households live in the Regions and 26 percent in the States ³.

People’s Pulse data was examined for differences between **households living in proximity to conflict** and those not. The definition used⁴ is that used in a recent 2020 World Bank report⁵ of **living within 60 kilometres of 25 or more conflict related deaths**. The data for the number of conflict related death from 1 February to 26 June 2021 (when *People’s Pulse* data collection ended) was taken from the Assistance Association for Political Prisoners⁶.

In total 72 (37.5 percent) of the 192 townships included in the sample are located in proximity to conflict (Map 2).

Map 2: Townships included in the *People’s Pulse* sample that are located in proximity to conflict



Based on Examined Assistance Association for Political Prisoners number of deaths between 1 February-26 June.

3 Based on Census 2014

4 Future analysts can determine their own definition as the data contains the township GIS Place Code for all households.

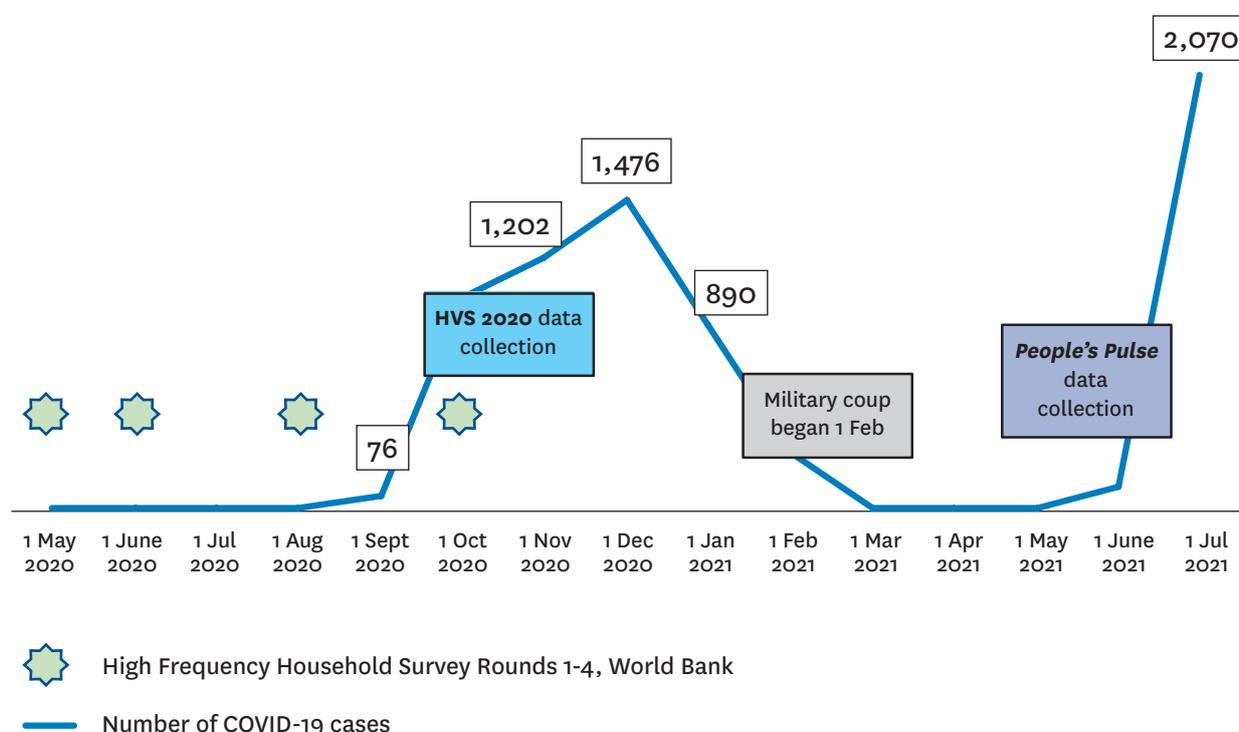
5 <https://www.worldbank.org/en/topic/poverty/publication/fragility-conflict-on-the-front-lines-fight-against-poverty>

6 <https://aappb.org/>

Results in this report compare *People's Pulse* data to three previous surveys.

Household survey covering all of Myanmar	Data collection period	Sample size	Conducted by
1. Myanmar Living Conditions Survey	December 2016 to December 2017 continuously	13,730	Central Statistical Organisation/UNDP & World Bank
2. High Frequency Household Surveys	May, June, August & October 2020 (4 rounds)	Approximately 1,000 for each round	World Bank/Central Statistical Organisation
3. Household Vulnerability Survey	October 2020	2,016	Central Statistical Organisation/UNDP

Figure 1: Timeline of household surveys conducted during COVID-19 and the events since 1 February 2021



Up until this reports release there have been **three waves** of COVID-19 in Myanmar.

1. March to July 2020 – very few cases and deaths
2. August 2020 to March 2021
3. Late June 2021 to the current day

The impact of COVID-19 has been felt by *People's Pulse* respondents throughout Myanmar.

Shan male, age 45 “I do not dare to go to the market because of the political situation and COVID”.

Ayeyarwady male, age 37 “At the moment we are in a difficult situation. We have lost our jobs due to COVID-19 and politics and there are worries”.

Mandalay female, age 32 “Due to COVID-19 and politics I have had more days off work than ever before”.

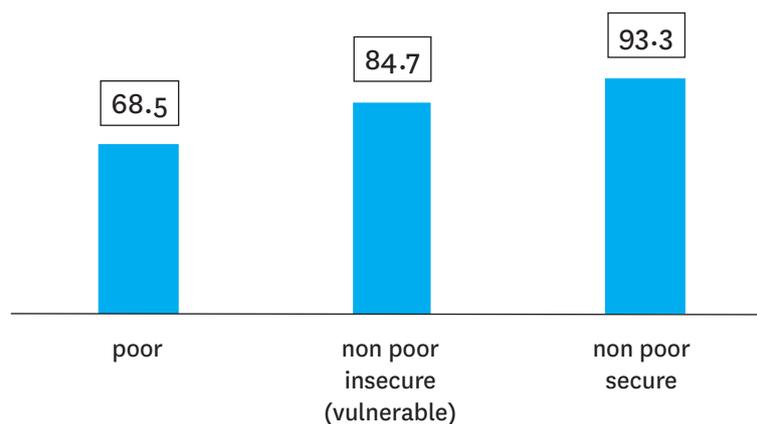
Rakhine female, age 24 “Our problems include a loss of jobs for staff, lack of doctors and medicines in COVID Centres, lack of training for young people and closure of the whole country”.

Mandalay female, age 36 “When I go to the countryside, I have to use two seats for one person due to COVID disease, so it is not convenient to go because the car fare is expensive”.

Mon female, age 52 “Due to the current political situation and because COVID is back it is difficult to make money because no one is around and it’s difficult to get around”.

Limitation of phone surveys in the current context. Telephone interviews are at risk of excluding the poorest parts of society and those living where mobile coverage is weak or non-existent. Data from 2017 (Figure 2) shows that poor households are less likely to own a mobile phone.

Figure 2: Households owning at least one mobile phone, by poverty status⁷ (percent)

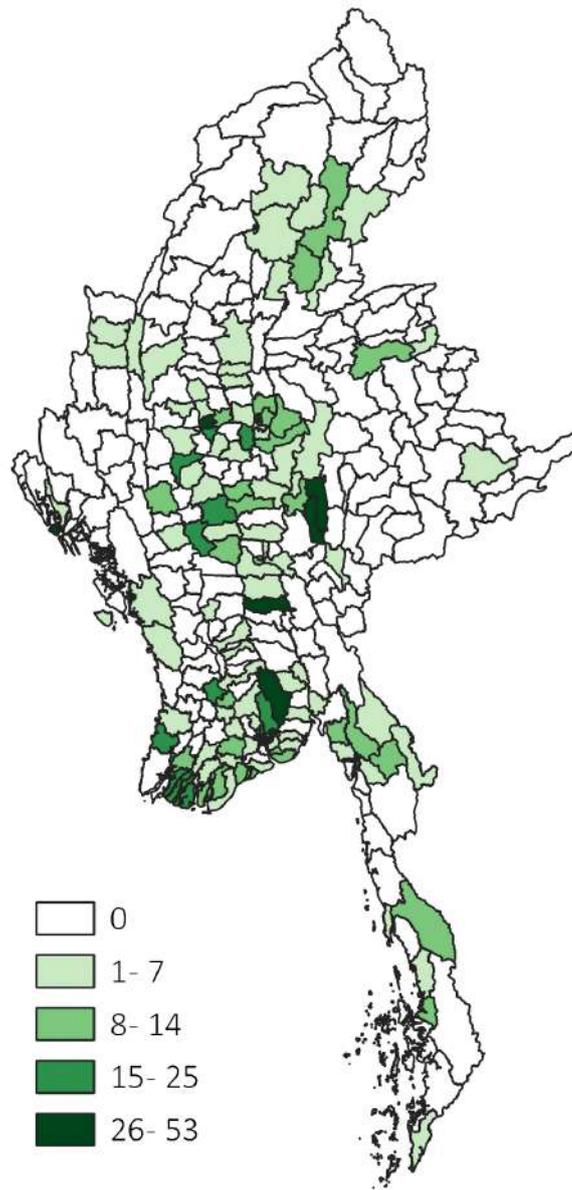


In the recent Household Vulnerability Survey 2020, the Central Statistical Organisation went to extraordinary efforts to be able to hear the voices of these poorest people by arranging that village leaders shared their mobile phone with respondents without a phone. This strategy is not possible in the current context and, therefore, it is likely that the results exclude the very poorest households in Myanmar.

7 MLCS 2017

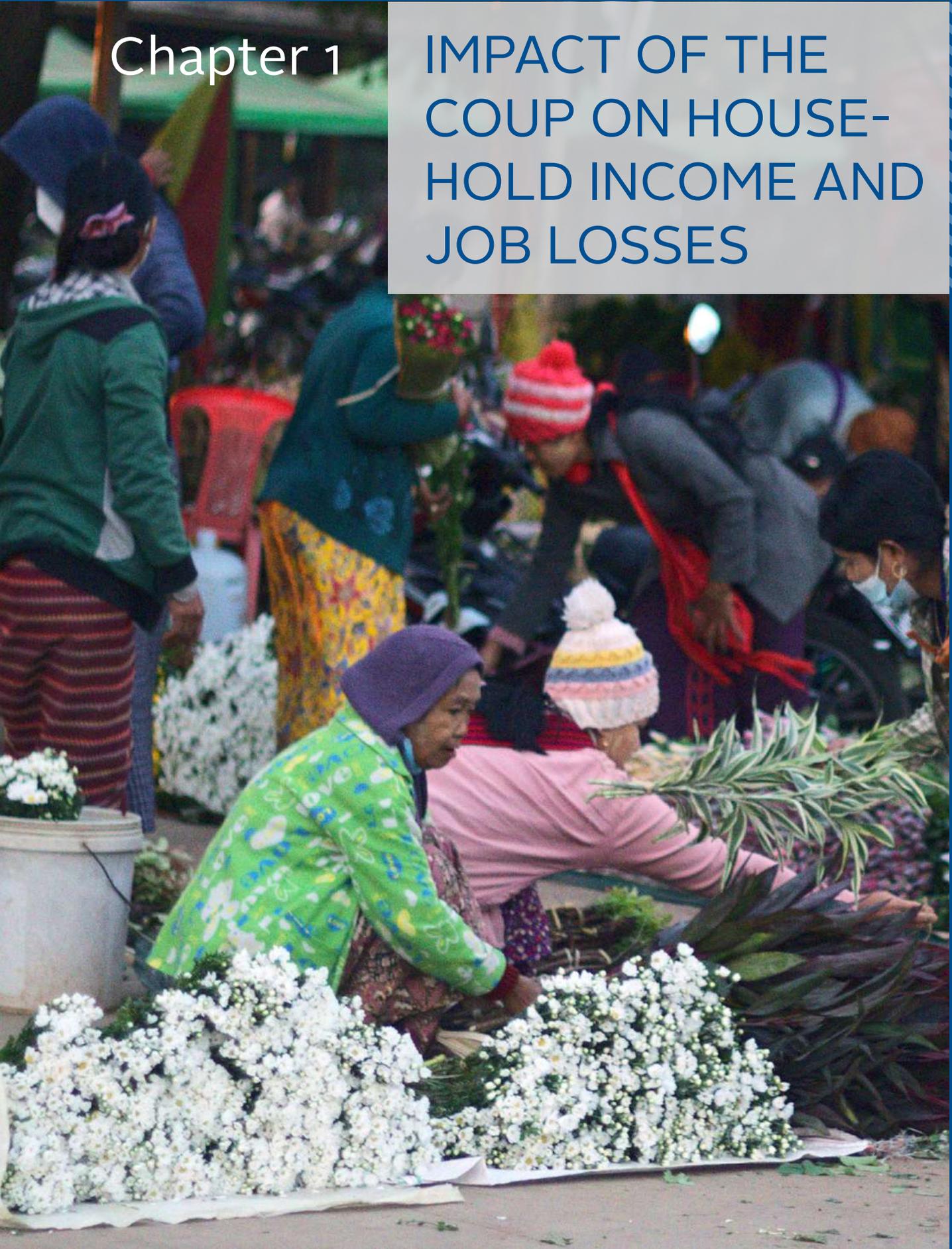
In terms of coverage of Myanmar, the *People's Pulse* survey undertook interviews in 192 of the 330 townships in Myanmar (Map 3).

Map 3: Number of interviews per township



Chapter 1

IMPACT OF THE COUP ON HOUSE- HOLD INCOME AND JOB LOSSES



The World Bank’s Myanmar Economic Monitor (July 2021)⁸ estimated that the economy will contract around 18 percent in Myanmar’s Fiscal Year from October 2020 to September 2021. A June 2021 report estimated that total investment in Myanmar could fall over 40 percent this year.⁹ The author stating that “*The once-positive outlook for Myanmar in 2021 and the medium term has soured*”. This souring has certainly shown its impact on households in the *People’s Pulse* survey in which **nearly three quarters of households in Myanmar have reported a drop in income since 1 February 2021.**

Shan female, age 26 “*Due to the political instability it is difficult to travel and the economy is not very good. Falling crop prices have hurt the economy. Rising prices of inputs have hurt the economy*”.

The negative impact has been virtually universal for all the main groups (Table 1.1). However, **relatively more urban households and households who run a (non-farm) business report a reduction in income.** Non-farm business includes market stall holders, tailors, hairdressers, renting farming equipment etc.

Table 1.1 shows that In households where someone had lost a job since the COVID-19 restrictions began, 84.3 percent reported a drop in household income after Feb 2021. Households in all other categories report drops of 70 percent and above since the coup.

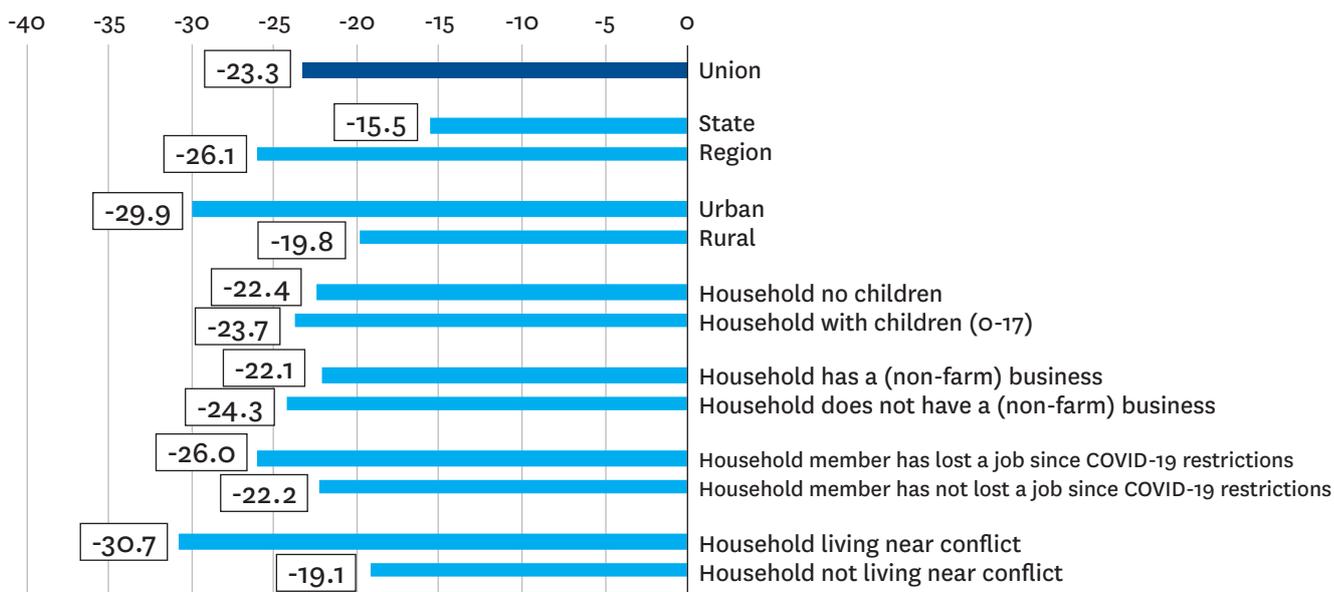
Table 1.1: Change in household income since 1 February 2021 (percent)

Characteristic of household	Gone up	Gone down	No change	Total
Union	8.3	73.6	18.1	100%
State	5.6	75.0	19.4	100%
Region	9.3	73.1	17.7	100%
Urban	4.4	78.1	17.4	100%
Rural	10.1	71.5	18.4	100%
Household living in proximity to conflict	7.8	72.4	19.8	100%
Household not living in proximity to conflict	8.6	74.3	17.1	100%
Male usually earns most money	8.3	74.4	17.3	100%
Female usually earns most money	8.3	70.6	21.0	100%
Household without children	4.6	72.4	23.0	100%
Household with children (0-17)	10.1	74.2	15.7	100%
Household has a (non-farm) business	9.0	76.5	14.5	100%
Household does not have a (non-farm) business	7.8	71.4	20.7	100%
A household member has lost a job since Covid-19 restrictions began	5.8	84.3	9.9	100%
Household member has not lost a job since Covid-19 restrictions began	9.1	70.2	20.7	100%

8 <https://www.worldbank.org/en/country/myanmar/publication/myanmar-economic-monitor-july-2021-progress-threatened-resilience-tested>
 9 <https://www.businesstimes.com.sg/asean-business/once-a-growth-star-myanmar-gdp-could-contract-13-due-to-political-crisis-oxford>

The data above shows that the economic impact of events since 1 February 2021 has been widespread. Figure 1.1 shows the extent of the reduction in income that households have faced. On average, households who reported a fall in their income, faced a **23.3 percent drop in household income**. That is, if in 2020 their monthly household income was 100,000 kyat in 2021 since 1 February it has been an average of 76,700 kyat a month.

Figure 1.1: Average percentage reduction in monthly household income between January 2020 and May/June 2021 (percent)



Urban households and households in the regions have seen the biggest relative drop. It is also evident that **households living in proximity to conflict have experienced a larger reduction in their monthly household income (30.7 percent)**.

Bago female, age 23 “We open the betel shop on the side of the road. We used to be able to open it until 9 or 10 PM at night. But now, there are no people on the road from 7 PM and so we have to close the shop earlier”.

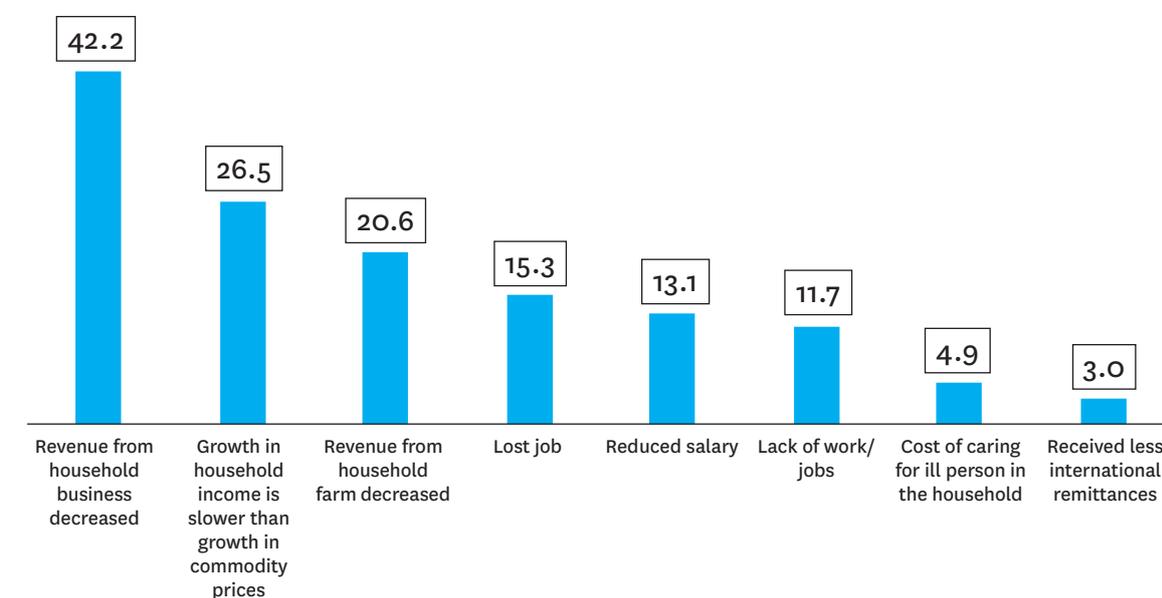


Over two-fifths (**42.2 percent**) of respondents state that their loss in income is due to a reduction in income from a household business (Figure 1.2). Results from the MLCS 2017 highlighted that ownership of a non-farm business was a key factor in keeping households above the poverty line.

The HVS 2020 survey, undertaken to show the impact of COVID-19 on households throughout Myanmar showed that previously financially secure households (many with non-farm businesses) experienced the biggest drop in their incomes.

The **non-farm business sector has been massively disrupted by both COVID-19 and the events since 1 February 2021**. The cities of Yangon and Mandalay, where many small businesses are located, have been hotspots in terms of the number of COVID-19 infections and in the middle of recent violence.

Figure 1.2: Reasons household disposable income has fallen since 1 February 2021 (percent)



Respondent can choose more than one option



Mandalay male, age 31 “In the hairdressing business, there is a shortage of raw materials due to roadblocks on the Indian side”.

Yangon female, age 46 “I can no longer ride a motorbike, so it is difficult to get around. It is very inconvenient to send bread by motorbike”.

Mandalay male, age 56 “Income is low due to the low number of rides because customers are afraid to come to the market”.

Mon female, age 24 “The Karen armed groups are fighting and are afraid to go to the farms. The farms are in the forest”.

Naypyitaw male, age 35 “When politics is bad, you have to worry about losing everything you invest in farming”.

Sagaing male, age 33 “Due to the political situation, farmers are suffering and are not able to do business”.



In 2017 the poverty headcount was 2.7 times higher in rural areas (30.2 percent) than in urban areas (11.3 percent).

Rural distress is evident in that **71.5 percent of rural households reported a drop in income since 1 February 2021.**

Farmers are facing increased costs for fertilizer and reduced sales. A recent survey of food vendors¹⁰ indicates that customers are buying less animal-sourced foods such as chicken and pork, likely an indication of the reduced income of consumers as well as higher prices for those products.

In terms of **sources of income since 1 February 2021**, earning an income from a job is the main source (52.8 percent) followed by income from a non-farm family business (37.4 percent) and a household farm (23.7 percent). **Almost one in ten respondents reported that their household currently did not have any money coming in.**

The shortage of cash¹¹ in Myanmar has increased a previously small activity, that of credit businesses. The rise in a parallel market for cash, in which a person signs over a bank transfer or cheque in exchange for paper money provided at a discount, for example, 9,000 kyats cash for every 10,000 kyats deposited is visible in *People's Pulse* data. **3.4 percent of *People's Pulse* households reported earning interest from giving loans¹².**

Other households are receiving informal support from family, friends and religious institutions.¹³ **Nearly two percent of respondents (approximately 220,000 households) reported receiving cash or in-**

¹⁰ <https://www.ifpri.org/publication/monitoring-agri-food-system-myanmar-food-vendors-may-2021-survey-round>

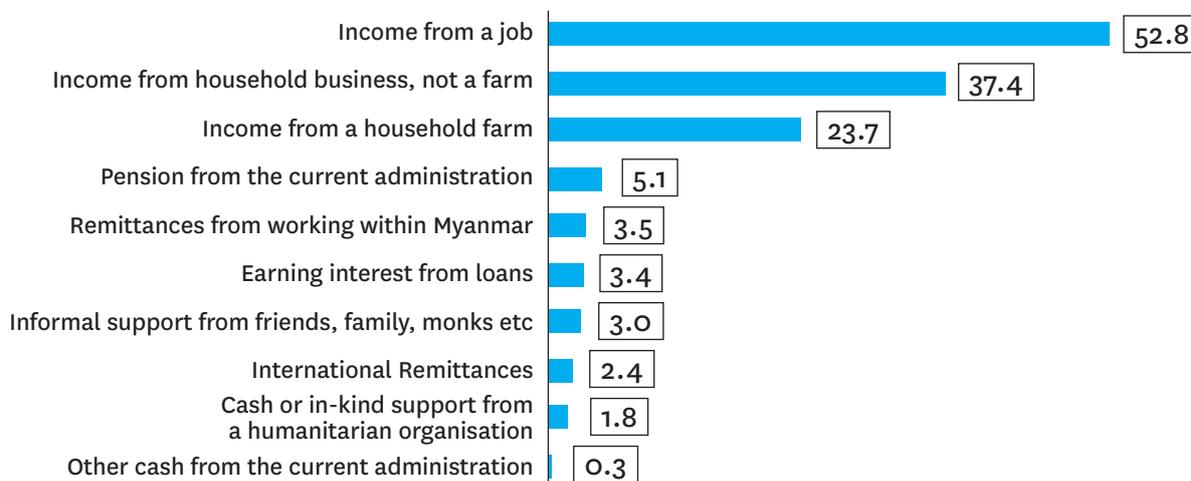
¹¹ <https://asia.nikkei.com/Spotlight/Myanmar-Coup/Myanmar-s-cash-shortage-casts-shadow-despite-rise-in-activity>

¹² <https://www.irrawaddy.com/news/burma/myanmars-informal-financial-service-providers-take-advantage-post-coup-banking-crisis.html>

¹³ <https://www.agensir.it/mondo/2021/04/30/nuns-and-buddhist-monks-are-helping-the-people-of-mandalay-the-country-is-facing-hunger-and-fear/>

kind support from humanitarian organisations. The number might be higher, but as mentioned in the methodology section, poor people are less likely to have a phone and so their circumstances might not have been fully captured in this CATI survey.

Figure 1.3: Sources of income since 1 February 2021 (percent)



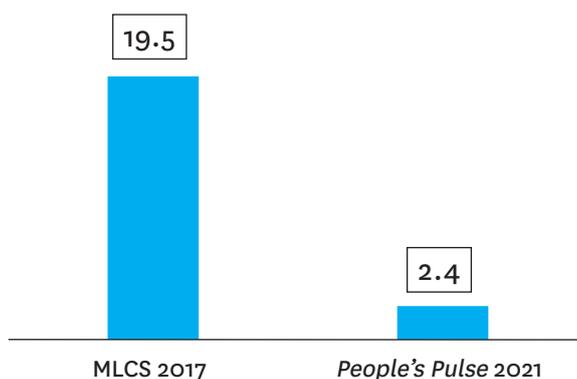
Respondent can choose more than one option

Remittances are a lifeline for millions of families, dependent on migrant workers who go abroad and send their earnings back home. However, remittances are particularly sensitive to political, health or economic crises, and there is evidence¹⁴ that there was a 15.8 percent drop in the value of remittances between 2019 (before the pandemic) and 2020 (during the pandemic). Since 1 February, bank and remittance services have been heavily disrupted making cash transfers difficult. Figure 1.4 shows that **in 2017 almost a fifth (19.5 percent) of households received remittances, and now it has fallen dramatically to 2.4 percent.**

Yangon female, age 25 “Recent events have made it difficult for me to go abroad to work”.

Tanintharyi female, age 33 “It is difficult to travel because of the political situation. I do not dare to go out”.

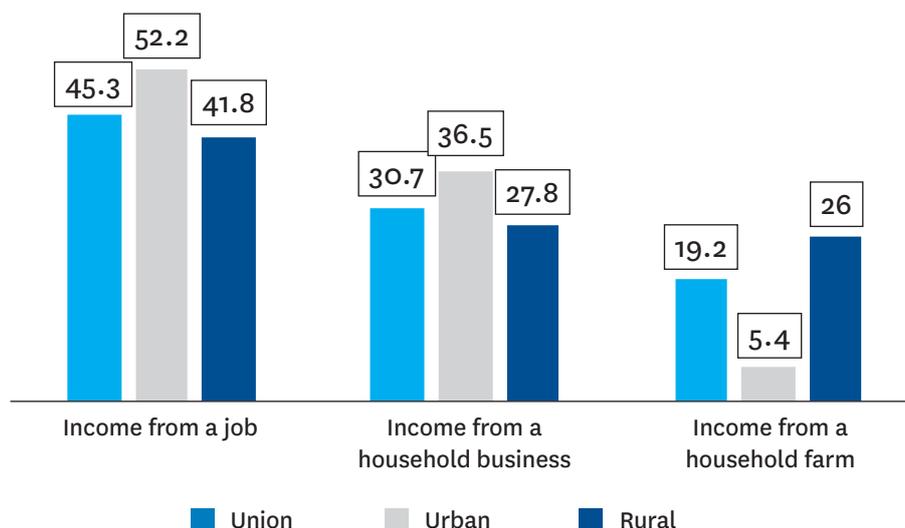
Figure 1.4: Share of households receiving international remittances, 2017 and 2021 (percent)



¹⁴ <https://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT?locations=MM>

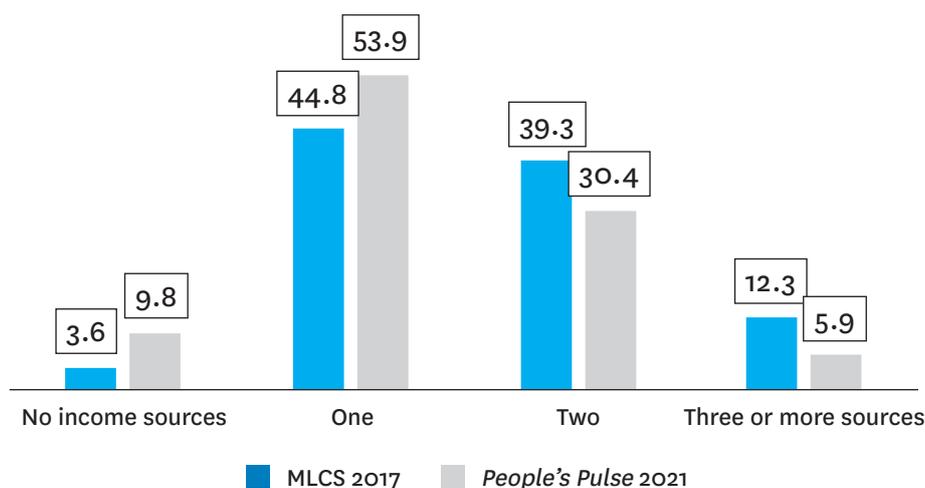
Currently households are most reliant on a job for their income. Figure 1.2 showed that 13.1 percent of households reported a reduced salary from their job. The economic crisis since 1 February 2021 has led to payroll problems, reduced wages and less overtime.¹⁵ Recent qualitative interviews of six industry experts on the current situation and business operation developments paints a dire picture. For example, the chair of the Garment Manufacturers Associations notes that employment has declined by 20% in this sector since the coup.

Figure 1.5: Main source of income since 1 February 2021 (percent)



In terms of **income diversity**, it appears that **People’s Pulse households are having to manage on fewer sources than the households surveyed in 2017**. Figure 1.6 shows that in 2017 a higher percentage of households had two or more income sources. This could be partially explained by the fact that 2021 data relates to income received since Feb to May/June and some income sources are seasonal (the twelve-month data collection period of MLCS 2017 avoids this weakness).

Figure 1.6: Number of sources of income, 2017 and 2021 (percent)



¹⁵ <https://www.reuters.com/article/us-myanmar-politics-workers-idUSKBN2APoTQ>

Table 1.2 shows that **households living in proximity to conflict and households with children have less diversity in their income sources.**

Table 1.2: Number of income sources since 1 February 2021 (percent)

Characteristic of household	None	one	Two or more	Total
Union	9.8	53.9	36.3	100%
Urban	5.1	58.4	36.6	100%
Rural	12.0	51.8	36.2	100%
Household without children	9.1	48.3	42.6	100%
Household with children (0-17)	10.2	56.6	33.2	100%
Household living with conflict	9.5	57.7	32.8	100%
Household not living with conflict	10.0	51.6	38.4	100%

Less than 1 percent difference for State/Region.

People’s Pulse asked respondents about their experience of job loss. Recent evidence from a Chambers of Commerce survey¹⁶ suggests that for companies the events since 1 February dealt a heavier blow to the country’s economy than a year of COVID-19 restrictions. According to the report, the coup “*is likely to produce a long-lasting social crisis, a general reduction of the purchasing power and standards of living of workers, and a dramatic increase of the unemployment rate in the months to come.*” In addition, the ILO released a report in July 2021¹⁷ stating that “*employment contracted by an estimated 6 percent in the second quarter of 2021 compared to the fourth quarter of 2020, reflecting 1.2 million job losses.*”

Table 1.3 shows that **24.0 percent of respondents reported losing a job since the COVID-19 restrictions began.** Job loss was higher in the regions, in urban areas and in households living in proximity to conflict.

Magway male, age 36 “I have fear of being arrested for being a CDM employee. Dismissed. Requesting a two-month advance loan”.

Mandalay male, age 33 “I lost my job because of the current situation”.

Mandalay female, age 52 “I have to take a break from the market because I am afraid that there will be obstacles on the way to the

¹⁶ <https://thediplomat.com/2021/05/myanmar-coup-forced-sharp-downturn-in-business-report/>
¹⁷ http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_814686/lang--en/index.htm

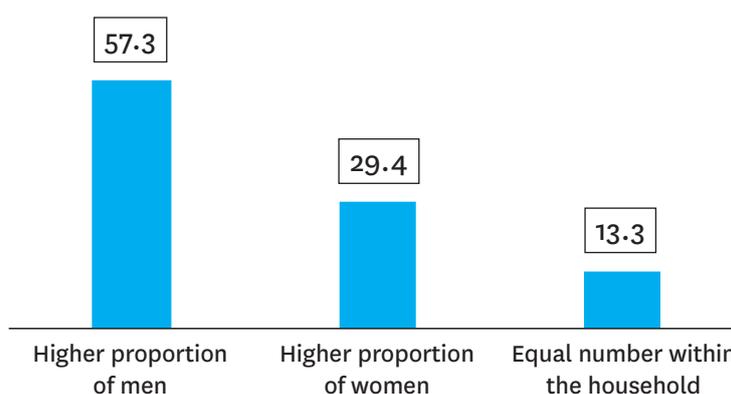
Table 1.3: Household has at least one member who lost a job* since COVID-19 restrictions began in March 2020

Characteristic of household	Yes	No	Total
Union	24.0	76.0	100%
State	15.6	84.4	100%
Region	27.0	73.0	100%
Urban	31.2	68.8	100%
Rural	20.7	79.3	100%
Household without children	22.4	77.6	100%
Household with children (0-17)	24.8	75.5	100%
Household living in proximity to conflict	28.3	71.7	100%
Household not living in proximity to conflict	21.5	78.5	100%

* includes permanent and temporary job loss

An examination of adults (18 years and above) shows that **within the household almost three-fifths (57.3 percent) of job loss had been experienced by men**, nearly a third by women (29.4 percent) and in 13.3 percent of households an equal number of men and women in the household had lost a job since March 2020 (Figure 1.7).

Figure 1.7: Job loss within households since COVID-19 restrictions, by gender (percent)



Recent research by ILO¹⁸ suggests that **since the coup women have been more likely to lose a job**. The data shown above is in relation to March 2020 onwards, when COVID-19 began, and shows that **men have been more likely to lose a job**. *People's Pulse* results are based on survey data and the ILO on models grounded on the Labour Force Survey Q1 2020.

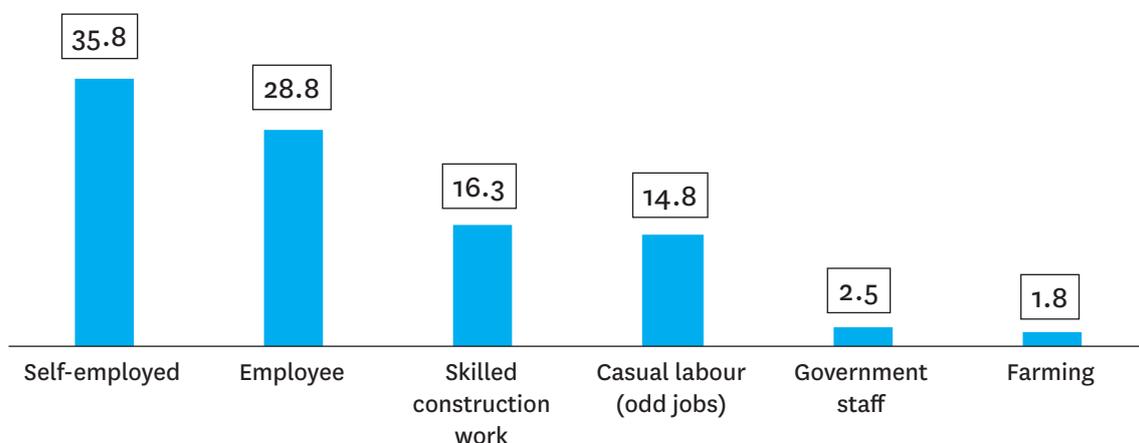
18 https://www.ilo.org/yangon/publications/WCMS_814681/lang--en/index.htm



In terms of **understanding the cessation of activity since 1 February 2021**, Figure 1.8 shows that most of this (35.8 percent) took place where respondents were self-employed. This mainly included trishaw, motorcycle or car taxi drivers, tailors, delivery men and machine rental services (farm machines rental, tractor, generator rental etc.). These types of self-employed activities have been dealt a heavy blow by the events since 1 February 2021. Jobs involving transportation had to face protests, hikes in the price of petrol, checkpoints etc at the time the survey was undertaken.

Additionally, **28.8 percent of People's Pulse respondents reported someone in their household had permanently lost a job as an employee.** Evidence from ILO research¹⁹ suggests this is likely to be in the garment or textile trade or tourism and hospitality. **A further 16.3 percent had permanently lost a skilled job in the construction sector.**

Figure 1.8: Share of households having ceased activities or been dismissed since 1 February 2021, by job type (percent)



¹⁹ <https://myanmar.un.org/sites/default/files/2020-07/ILO%20Myanmar%20COVID-19%20Impact%20Assessment%20-%20updated.pdf>

Two-fifths of the *People's Pulse* households were running a non-farm-business (Table 1.4) of **which 92.2 percent were operating at the time of interview with no noticeable differences between the different groups.**

Table 1.4: Share of households having a non-farm business, by urban/rural (percent)

Characteristic of household	Yes	No	Total
Union	42.1	57.9	100%
Urban	48.4	51.6	100%
Rural	39.2	60.8	100%

Less than 1 percent differences for the other breakdowns.





Continue to monitor:

The data shows that the coup has had a massive economic impact on households, with people being stripped of their livelihoods. Nearly three quarters of households have reported a drop in income since it took place. Not only have households lost earnings, but money coming in from international remittances has also fallen dramatically, and households are having to manage on fewer sources of income. One in ten respondents reported that their household currently did not have any money coming in. This situation will worsen as the economy stagnates, spiralling downwards. The self-employed continue to be ravaged, having been severely impacted by the restrictions imposed during the first and second waves of COVID-19.



Despite the severe difficulties being faced by many households only two percent of households (approximately 220,000 households) reported receiving cash or in-kind support from humanitarian organisations since the coup began. More support packages could help tide them over.

Chapter 2

COPING STRATEGIES TO COVER LIVING EXPENSES



As seen in Chapter 1, a quarter of respondents (26.5 percent) mentioned that one of the main reasons that their household income has declined is that their incomes cannot keep pace with the rising price of commodities. The prices of staple food are estimated to have risen by ten to fifteen percent between early May and mid-June 2021,²⁰ when *People's Pulse* data was being collected.

One open-ended question during the *People's Pulse* interview asked respondents to talk about life in Myanmar over the last few months. The word cloud below (where the size of the word depicts the number of mentions) shows that the words “difficult”, “politics” and “travel” are the most frequently mentioned, but “Commodity” and “Prices” were also greatly on people’s minds.

Rakhine female, age 38 “Due to political instability travel is slow and we want calm. Commodity prices have risen sharply”.

Kayin male, age 41 “I am very sad to hear about fire and gunshots. And the commodity prices are increasing”.

Chin female, age 21 “The sound of bombs and gunfire made travel unsafe and difficult. It’s difficult to do business, inconvenient, and rising commodity prices”.

Sagaing male, age 36 “Commodity prices rose after February. If there is no peace more inconveniences could occur”.

Ayeyarwady female, age 39 “I am worried about the students because I know the price of goods and I am worried about food and clothing”.

Word Cloud “Please tell me in your own words about life in Myanmar over the last few months”.



Figure 2.1 shows the various **coping strategies** that households are undertaking to cope with falling incomes. The **main action taken to date has been to reduce the consumption of non-food items (68.1 percent)**.

²⁰ <https://asia.nikkei.com/Spotlight/Myanmar-Coup/Myanmar-s-cash-shortage-casts-shadow-despite-rise-in-activity>

Figure 2.2 including data from both the World Bank High Frequency Surveys and *People's Pulse* shows that as the COVID-19 restrictions began, the **reduction of non-food²¹ consumption was around 53.0 percent in May 2020. This dropped to 32.0 percent as restrictions were eased in August, rose again with new restrictions and has now risen significantly since 1 February 2021.** Examining the data in more detail we can see that **in households living close to conflict, reducing non-food consumption is a coping strategy in 76.2 percent of these households.** On the demand side the events since 1 February 2021 have meant that people have less money to buy some products. On the supply side, some products have become harder to obtain. In addition, the prices of some products, such as cooking oil, have become much more expensive, particularly in some areas troubled with conflict.

Figure 2.1: Household coping strategies since 1 February 2021 (percent)

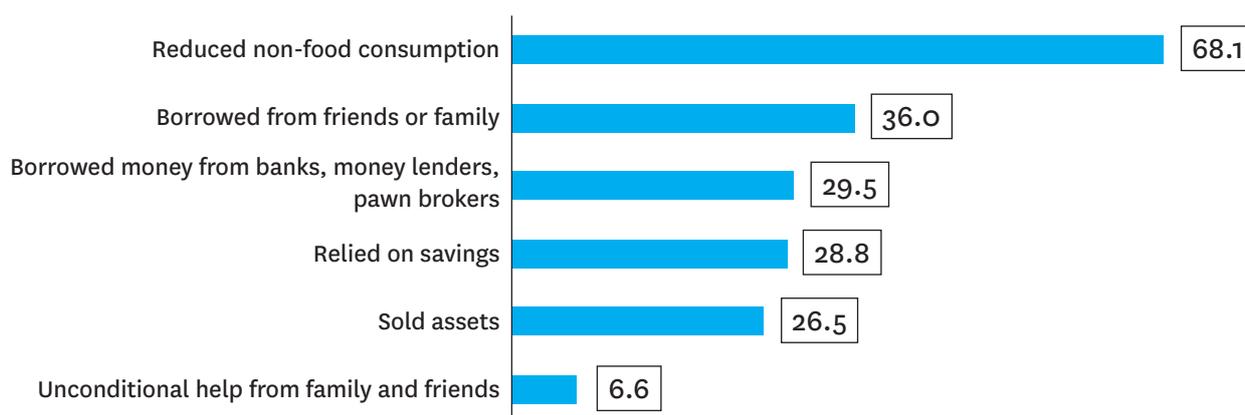
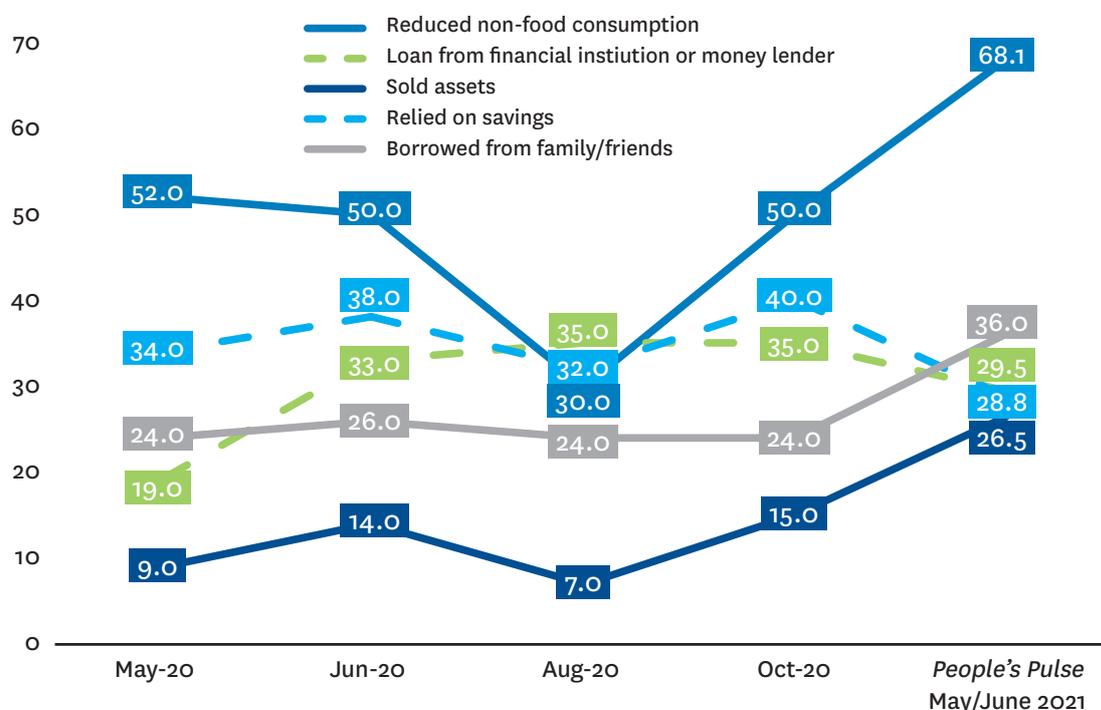


Figure 2.2: Coping strategies from May 2020 to May/June 2021 (percent)



Source for 2020 data is the World Bank High Frequency surveys.²² Refer to Annex 1 for a description of how the categories were derived for Figure 2.2.

21 Non-food includes clothing, phone credit etc.

22 <https://documents1.worldbank.org/curated/en/467541608135506920/pdf/Myanmar-COVID-19-Monitoring-Platform-Results-from-the-October-2020-High-Frequency-Phone-Survey-of-Households.pdf>

Rakhine female, age 33 “Due to the current situation, the banks are closed and the savings cannot be withdrawn, so it is difficult to make ends meet”.

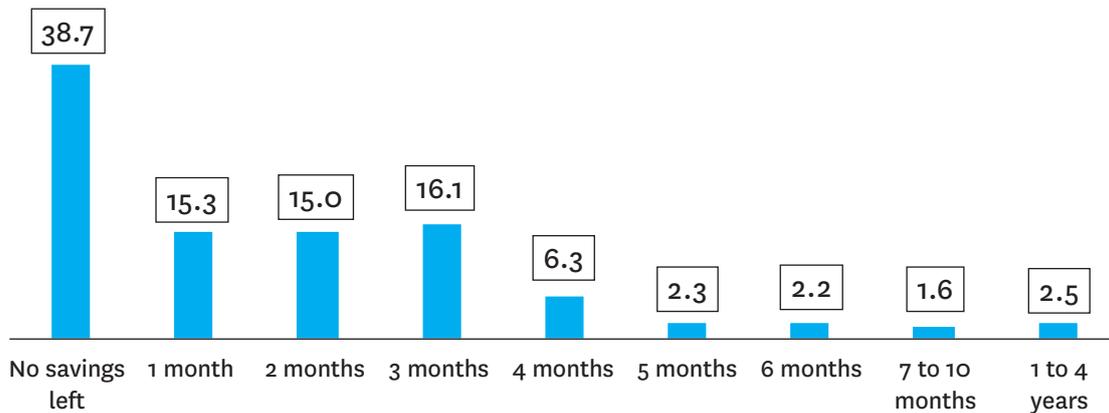
Yangon male, age 49 “There are many difficulties in trading, buying, selling, living, and traveling. If I sell something, I could not get money immediately. I had to give in credit and if I wanted cash immediately, I had to give a discount”.

Over a quarter (**28.8 percent**) of households reported using savings to supplement their income and this increased to **32.5 percent** in urban areas. The World Bank High Frequency surveys (May to October 2020) in Figure 2.2 indicate that **relying on savings had been quite a steady coping strategy in 2020** however the *People’s Pulse* data shows this is a reduced option now.

Figure 2.3 shows that nearly **two-fifths (38.7 percent)** of respondents who had relied on savings since 1 February said that they have no more savings left. A further **46.4 percent** have only one to three months of savings left. In terms of **having no savings left, this was significantly higher in urban areas (46.9 percent) than rural areas (34.3 percent).**

Challenges linked to savings have been compounded by the fact that there is a shortage of cash and throughout the country people are facing difficulties withdrawing their money. During data collection, Myanmar’s largest bank, KBZ, was limiting cash withdrawals to 200,000 Myanmar kyats (approximately USD 120) a day.

Figure 2.3: Number of months of savings remaining for households who had relied on savings (percent)



Issues around access to banks may also explain why **the use of taking a formal loan has decreased over time. In August 2020 39.0 percent** of households had taken out a formal loan, by May/June this had fallen to **29.5 percent** (Figure 2.2).

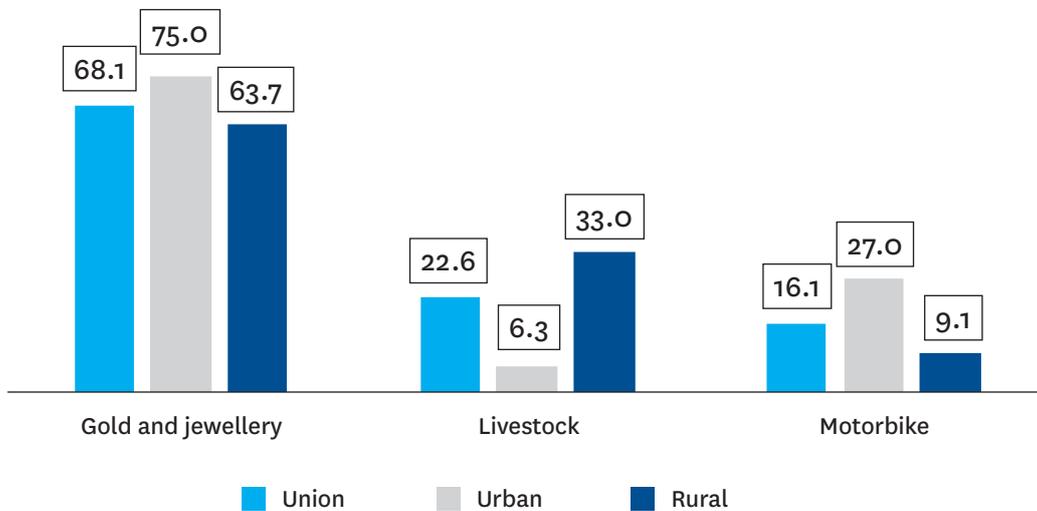
Another **strategy to get cash in times of difficulty is to sell assets** and this is a method that has seen a noticeable rise in the last few months. **In October 2020 14.0 percent** of households reported selling assets, in May/June 2021 this figure had risen to **26.5 percent.**



More than one in four urban households have sold a motorbike since the coup began.

The primary items sold have been gold and jewellery (Figure 2.4). **To cover living expenses since 1 February 2021, a third of rural households have sold livestock and 27.0 percent of urban households have sold a motorbike.**

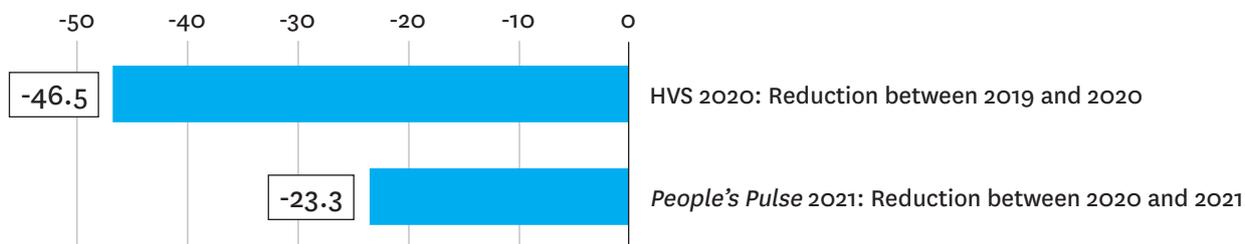
Figure 2.4: Share of households having sold assets since 1 February 2021, by asset type (percent)



Other sold items include a bed frame, bicycles, cooking pots, books, boat and phones.

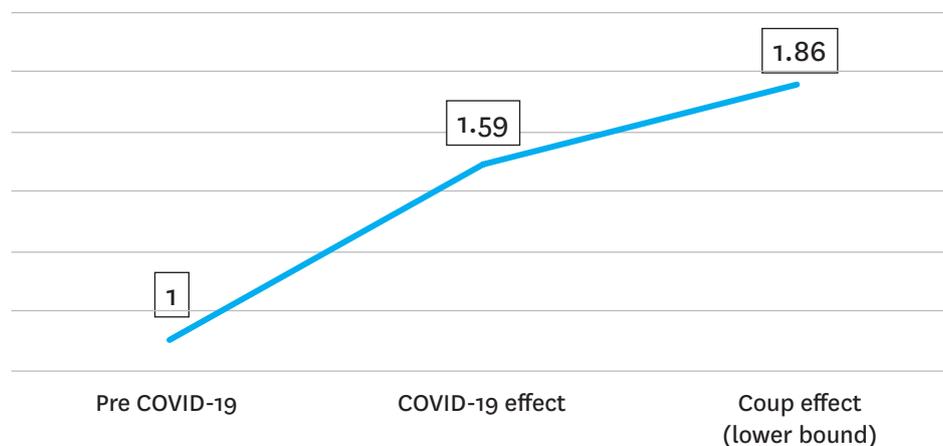
Comparing HVS 2020 and *People's Pulse* 2021 data suggests that **in terms of the reduction in money coming into the household, the 1 February events might not be as severe as those of COVID-19** (Figure 2.5).

Figure 2.5: Reduction in monthly household income (percent)



This finding is reinforced by July 2021 research by the World Bank²³ in which simulations indicate that the **coup effect on poverty has not been as severe (steep) as the 1st and 2nd wave COVID-19 effect** (Figure 2.6). However, care should be taken in the comparison as the data are from two different surveys with differing methodological aspects.

Figure 2.6: Relative poverty ratio (pre-COVID as reference)²⁴



Source: World Bank simulations based on 2017 MLCS data.

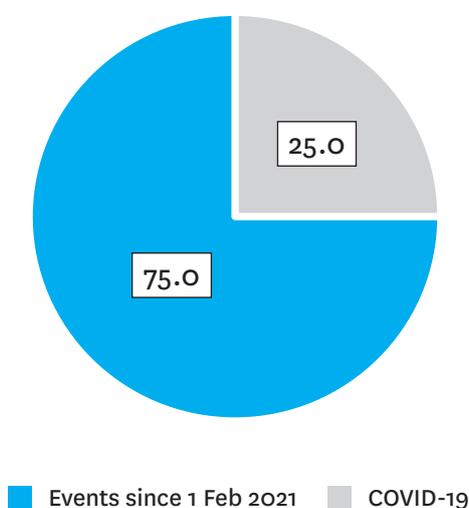
However, the impact of the coup is felt in numerous ways and has been a huge shock to many people. The word “difficult” is mentioned 234 times by the 1,200 *People's Pulse* respondents in the Word Cloud above.

When asked which has had the biggest impact on their household income, COVID-19 or the events since 1 February 2021, **75.0 percent said “events since 1 February”**. This **was uniform throughout state/region, urban/rural, living in proximity to conflict or not**.

²³ <https://www.worldbank.org/en/country/myanmar/publication/myanmar-economic-monitor-july-2021-progress-threatened-resilience-tested>

²⁴ Simulations of income losses during the coup include additional losses of employment as reflected by sectoral changes in the GDP and a labour demand scenario with elasticity of 0.7 (lower bound).

Figure 2.7: COVID-19 or events since 1 Feb 2021 had biggest impact on household income (percent)

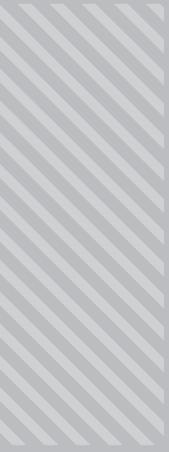


There is a discrepancy between the **perceived main reason for income loss (coup rather than COVID-19)** and the **actual reported income loss (COVID-19 more than the coup)**. One reason for this could be, apart from the shock of the coup over-riding other memories, is that people are now forced to use more extreme coping strategies and they view this as impacting their household income.

Figure 2.2 shows that since 1 February there has been a rise in households selling their assets, use their savings or rely on the support of friends and family. These more worrying coping strategies – rather than cutting back on non-food consumption which is often the first step for adjusting to a reduced income – could make respondents feel that the coup is having a larger impact on their household incomes.

Continue to monitor:

The data shows people having to sell their means of production. This will stall recovery and make it difficult to recuperate the gains made during the decade of transition. Follow the extent to which extreme coping methods are used as access to money continues to decline.



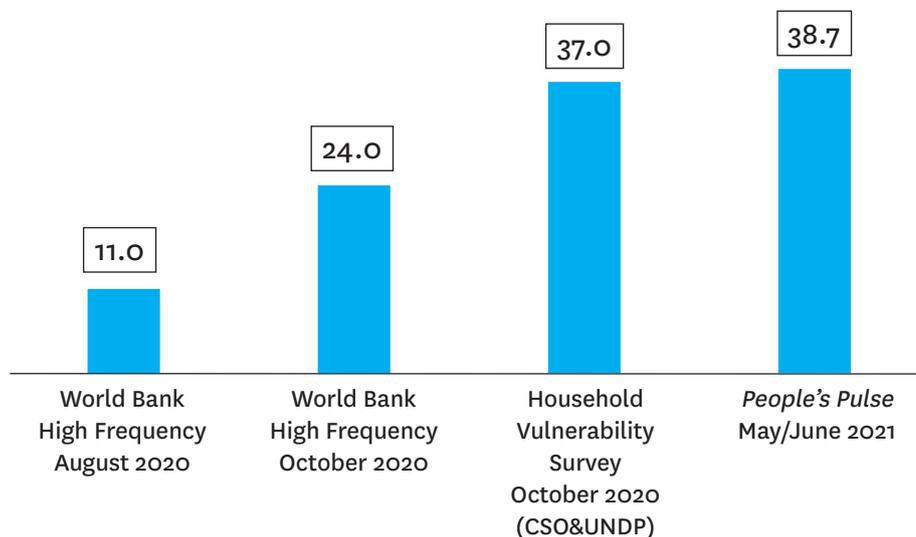
Chapter 3

ACCESS TO FOOD AND CHANGES IN ATTITUDE ABOUT ACCESS TO HEALTH SERVICES



A very severe coping strategy to compensate for a reduced income is cutting back on the amount of food eaten within the household. **Unfortunately, a clear rising trend of food insecurity can be seen in the last ten months** (Figure 3.1).

Figure 3.1: Household ate less than usual, 2020 and 2021 (percent)



Yangon female, age 55 *“In the past, it was easy to find food. Due to the current political situation, it is difficult to find food and drink”.*

Magway female, age 46 *“I live in fear. I cannot sleep at night. I have less food because of my low income”.*

Table 3.1 shows that **cutting back on food is more prevalent in urban areas, and among those households where someone has lost a job since the COVID-19 restrictions began.** In contrast, having a non-farm business seems to provide some protection against resorting to this strategy. In addition, **13.2 percent of rural households reported that since 1 February 2021 they had sold crops that had been stored for the household to consume.**

Myanmar’s health service is under severe stress since the events of 1 February 2021, compounding the pressure already brought by the COVID-19 pandemic. Some medical staff are taking part in the Civil Disobedience Movement, military forces are occupying some hospitals and it is under immense pressure with rising numbers of COVID-19 cases.

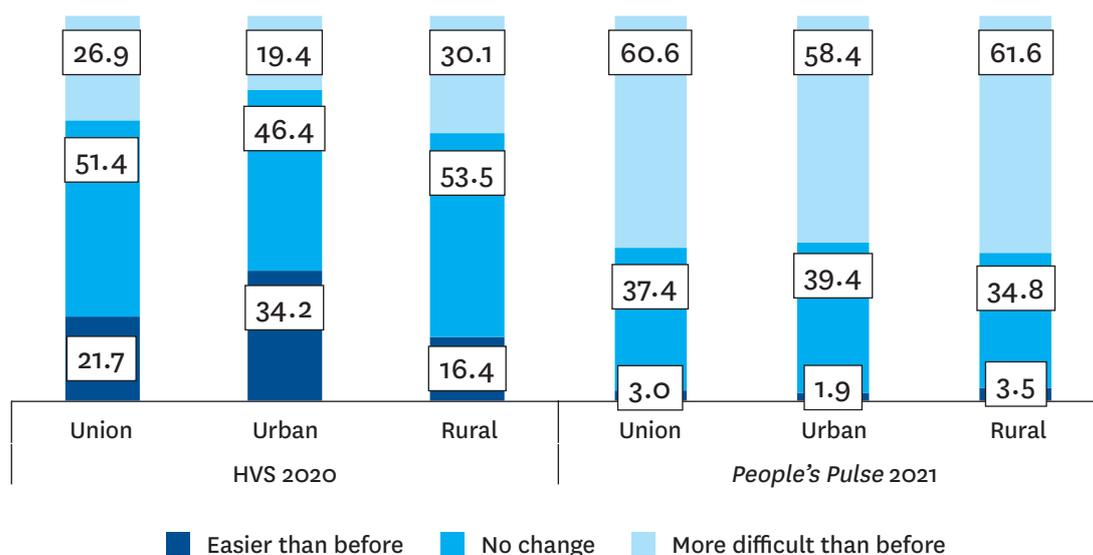
Respondents were asked their opinion about access to health services during April/May 2021. The same question was asked to HVS 2020 respondents in October 2020 and Figure 5.1 shows a sharp increase in reporting more difficulties. **In October 2020 26.9 percent of respondents reported access being more difficult than before. By May/June 2021 it had more than doubled to 60.6 percent.**

Table 3.1: Since 1 February 2021 whether household ate less due to lack of money or other resources to help cover living expenses (percent)

Characteristic of household	Yes	No	Total
Union	61.4	38.7	100%
Urban	58.3	41.7	100%
Rural	62.8	37.2	100%
Household has a (non-farm) business	64.4	35.6	100%
Household does not have a (non-farm) business	59.2	40.8	100%
Household member lost a job since Covid-19 restrictions began	55.2	44.8	100%
Household member has not lost a job since Covid-19 restrictions began	63.3	36.7	100%

Less than 1 percent differences between state/region, living in proximity to conflict or whether household has children

Figure 3.2: Opinion about accessing health services in the last month (percentage of households surveyed)



Urban households have felt the biggest decline (from 19.4 percent in 2020 to 58.4 percent in 2021 stating that it was more difficult than before), but rural households are more likely overall to say that access to health services has become more difficult. Female were more likely to say access had got worse (63.2 percent compared to 57.8 percent of males).

In 2019, **before the pandemic or the coup, medical services had been one of the government services with which the public was most satisfied.**²⁵

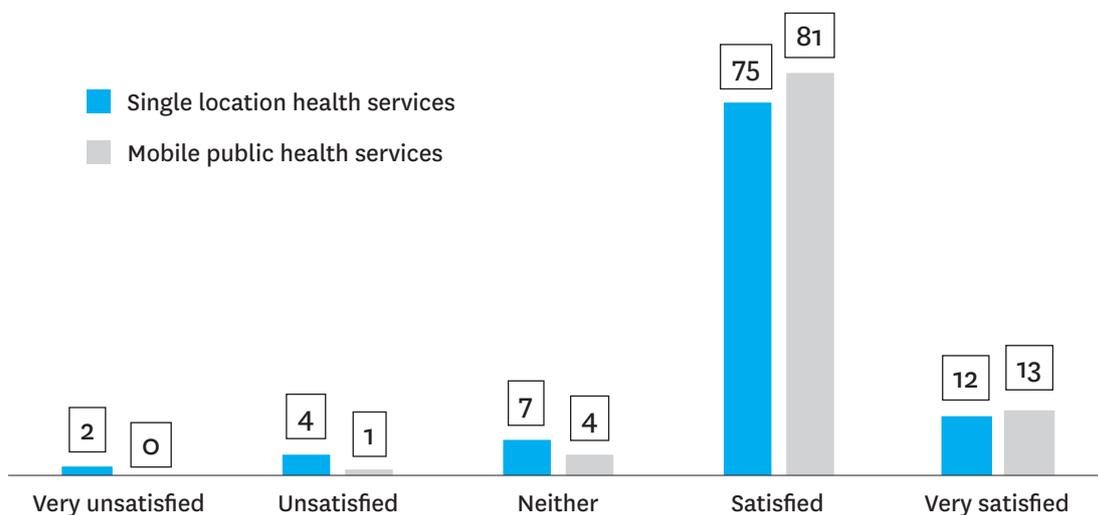
²⁵ https://www.mm.undp.org/content/myanmar/en/home/library/democratic_governance/public-perception-survey-of-government-services.html

Mandalay male, age 23 “When I go to the city I am afraid of being shot and arrested. When I go to the hospital outside the government hospital it is difficult for doctors to treat me because of CDM. It is not safe for long-term patients in the hospital”.

Shan female, age 34 “Commodity prices are rising. I am afraid to live and stay. As we have to go to other township for health, it is not okay if we do not have money in hands. I am worried and nervous when I am thinking that anything can happen at any time”.

Ayeyarwady male, age 28 “There is no hospital in the village for health so it is difficult to visit the city when you are not feeling well”.

Figure 3.3: Level of satisfaction with health service in 2019 (percent)



Source: Public Perception Survey of Government Services 2019.

Continue to monitor:

Hundreds of lives are lost each week because emergency surgeries are not being performed. Disease prevention programs have halted, including a child vaccination campaign. Many physicians who refuse to work for the regime are treating patients at private hospitals or underground clinics, but those facilities cannot provide the specialized care that major public hospitals can. It is important to carry on monitoring people’s perceptions about access to health services.

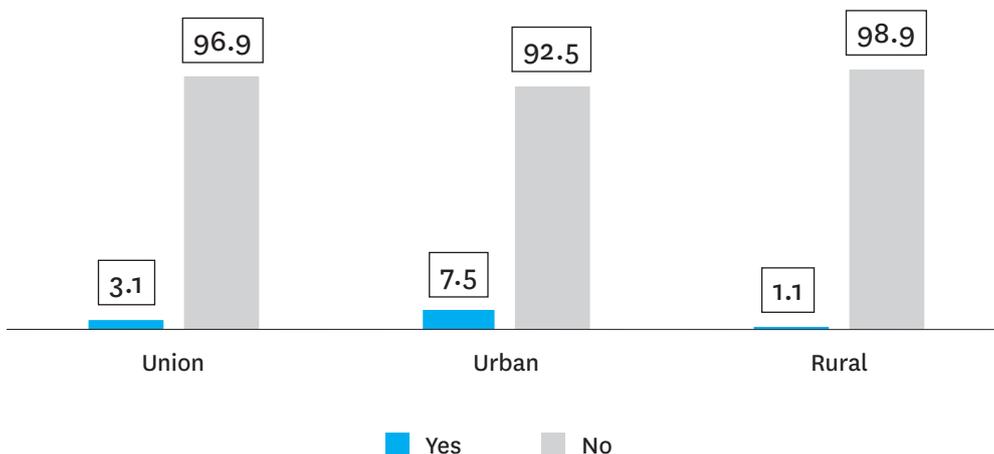
Chapter 4

MOVING WITHIN AND OUTSIDE MYANMAR



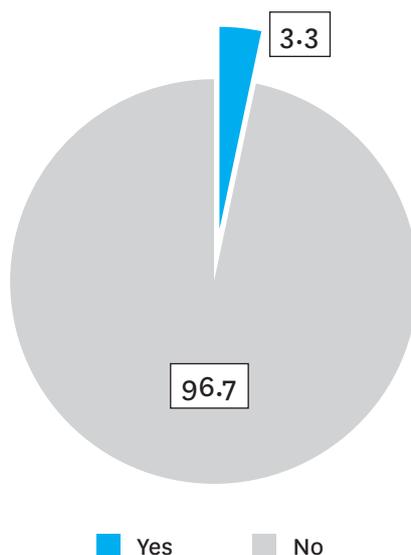
About 3 percent of *People's Pulse* households have moved since February 2021. As there are approximately 11 million households in Myanmar this translates to around 300,000 households having moved since the 1 February 2021. Figure 4.1 shows that there seems to be a small tendency²⁶ that movers are more likely to be urban dwellers.

Figure 4.1: Household moved since 1 February 2021, by urban/rural (percent)



It is not easy to travel abroad as people do not have the resources or permits to enable trips to other countries. A small percentage (3.3 percent) of respondents said that someone in the household had plans to move abroad over the next 12 months. In relation to this small number of respondents over half of them (54.9 percent) had started making preparations (Figure 4.3). Table 4.1 shows that for the small number of potential movers in the data, the top three destinations would be Japan, Thailand and Singapore.

Figure 4.2: Share of households with at least one member planning to move abroad in next 12 months (percent)

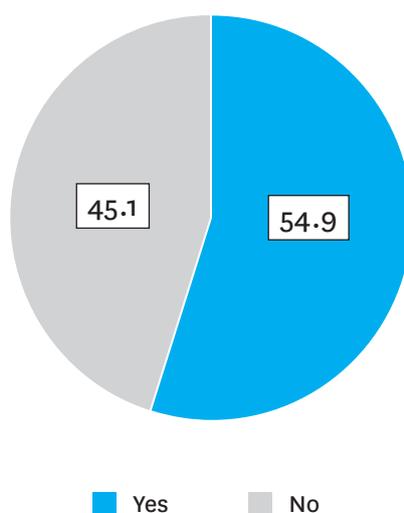


²⁶ Based on only 35 cases of movers so caution should be used.

Table 4.1: Destination country for movers

Destination	Number of movers
Japan	13
Thailand	12
Singapore	8
Korea	4
USA	4
China	2
Malaysia	2
Sweden	1
Not sure yet	3
Total cases	49

Figure 4.3: Started making preparations to move abroad in next 12 months (percent)



Sagaing female, age 30 “I was saddened to see people in my village fleeing the country because of the political situation”.

Magway female, age 32, “I was upset and wanted to be abroad because of political instability”.

Chapter 5

CONCLUDING COMMENTS

The events unfolding after February 1st, 2021, continue to have a massive economic impact on households. Nearly three quarters of households have reported a drop in income since that date. Urban households and those running a non-farm business have been struck particularly hard. Comparing the period between January to December 2020 and February to May/June 2021, households who reported a drop in income have, on average, lost a quarter of their household income. Not only have households lost earnings, but money coming in from international remittances has also fallen dramatically from 19.5 percent in 2017 to 2.4 percent in May/June 2021. *People's Pulse* households are now having to manage on fewer sources of income. One in ten respondents reported that their household currently did not have any money coming in from any sources.

Despite the severe difficulties being faced by many households only two percent of households (approximately 220,000 households) reported receiving cash or in-kind support from humanitarian organisations since February 1st, 2021.

In terms of helping themselves, the main action taken to cope with falling income has been to reduce the consumption of non-food items. People are also increasingly selling assets to cover living expenses, mainly gold or jewellery, livestock and motorbikes. Over a quarter of households have used their savings to supplement their income, more in urban areas. Two-fifths of these households say that they have no more savings left, again more in urban than rural areas. The use of taking a formal loan from a bank to cover living expenses has decreased over time.

Coming on top of COVID-19, those households living in proximity to conflict have experienced the largest reduction in income, have fewer sources of income to rely on and over three-quarters of them have reduced non-food consumption as a coping strategy.

The last ten months showed a rising trend of households eating less food, again more prevalent in urban areas. Over a tenth of rural households have eaten food that they had stored to consume later.



The non-farm business sector has been massively disrupted by both COVID-19 and the events since 1 February 2021, with two-fifths of respondents reporting loss of income from this source. More than a quarter of *People's Pulse* respondents reported that someone in their household had permanently lost their job as an employee. Within the household the majority of job loss was experienced by men.

There has been a marked increase in the percentage of respondents reporting that access to health services has got worse since February 1st, 2021, particularly in urban areas. Overall, rural households are more likely to state that access to health services has become more challenging. Some of the restricted access is due to the fear that people have to travel to health centres.

Approximately 300,000 households have moved since February 1st, 2021. A small percentage of respondents said that someone in the household had plans to move abroad over the next 12 months and about half of these had started making preparations. The top destinations for potential movers are Japan, Thailand and Singapore.

Annex 1

Comparing the coping strategies between HFS and *People's Pulse*.

Figure 2.2 is based on the following data.

	1. Reduced non-food consumption	2. Loan from financial institution or money lender	3. Sold assets	4. Relied on savings	5. Borrowed from family/friends
HFS May-20	52.0	19.0	9.0	34.0	24.0
HFS June-20	50.0	33.0	14.0	38.0	26.0
HFS August-20	30.0	35.0	7.0	32.0	24.0
HFS October-20	50.0	35.0	15.0	40.0	24.0
People's Pulse May/June 2021	68.1	29.5	26.5	28.8	36.0*

* Unconditional help from family and friends (6.6 percent) **not included** in this category.

2. Loan from financial institution or money lender created by combining two HFS categories.

	Loan from financial institution	Loan from moneylender	Total
HFS May-20	19	Not asked	19
HFS June-20	19	14	33
HFS August-20	24	11	35
HFS October-20	22	13	35

High Frequency Survey question

Has the household had to do any of the following actions in response to the COVID crisis?

PROMPT ALL CATEGORIES AND FILL WITH YES OR NO USING CODES

- RELIED ON SAVINGS
- RECEIVED ASSISTANCE FROM FRIENDS AND FAMILY
- BORROWED FROM FRIENDS AND FAMILY
- REDUCED FOOD CONSUMPTION
- REDUCED NON-FOOD CONSUMPTION
- SOLD HARVEST IN ADVANCE

- g. TOOK A LOAN FROM A FINANCIAL INSTITUTION
- h. RECEIVED FOOD ASSISTANCE FROM GOVERNMENT
- i. RECEIVED RENT SUBSIDIES
- j. RECEIVED UTILITY SUBSIDIES
- k. SALE OF ASSETS (AG OR NON-AGRICULTURAL)
- l. ENGAGED IN ADDITIONAL INCOME GENERATING CTIVITIES
- m. CREDITED PURCHASES
- n. DELAYED PAYMENT OBLIGATIONS
- o. RECEIVED ASSISTANCE FROM NGO
- p. TOOK ADVANCED PAYMENT FROM EMPLOYER
- q. RECEIVED UNEMPLOYMENT CHECK
- r. WAS COVERED BY INSURANCE POLICY
- s. DONE NOTHING
- t. OTHER, SPECIFY

People's Pulse question

Since February 1st this year has your household done any of these actions to help cover living expenses?
 READ OUT AND CODE ALL THAT APPLY

- 1. Borrowing from friends or family (THIS IMPLIES THAT THE MONEY WILL BE PAID BACK EVENTUALLY)
- 2. Unconditional help from family and friends. (THIS IMPLIES THAT MONEY IS NOT EXPECTED TO BE PAID BACK EVENTUALLY)
- 3. Borrowed money from non-family sources (INCLUDE BANKS, MONEY LENDERS, PAWN BROKERS)
- 4. Used savings to cover living expenses IF MENTIONED ASK S2Q10
- 5. Cut back on buying non-food items, like clothes, phone credit, etc.
- 6. Ate less due to a lack of money or other resources? (OTHER RESOURCES INCLUDES CONSUMING HOME PRODUCED PRODUCTS OR BARTERING PRODUCTS)
- 7. Sold crops that were stored for household's consumption
- 8. Sold assets such as gold, motorbikes livestock etc. IF MENTIONED ASK S2Q11
- 9. Did nothing



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