The COVID-19 pandemic hit when Argentina was struggling with historical macroeconomic imbalances and rising poverty. It accelerated a two-year economic contraction, leading to a deep fall in GDP in 2020 of 9.9 percent. Recovery during 2021 was solid but heterogeneous across sectors. GDP is expected to reach its pre-pandemic level by the end of 2022.

A year and a half into the pandemic, 23.5 percent of workers had lost their pre-pandemic job: 17.1 percent of pre-pandemic workers left the labor force altogether, and 6.4 percent became unemployed. The impact of job losses was more frequent for women, youth (ages 18-25), the elderly (age 65+), and workers with lower education levels. Indeed, 32.3 percent of female workers reported having lost their job, and three-quarters of them left the labor market altogether. This labor force departure was accompanied by a transition of 33.1 percent of those previously inactive into activity. Among the new active, 42.8 percent were women and 34.9 percent were men with primary or secondary education. Most of the new active (61.7 percent) were able to secure a job, mostly informal, at the time of the survey. In mid-2021, they represented 8.9 percent of the employed and 41.2 percent of the unemployed.

Also, 9.8 percent of pre-pandemic formal employees transited to informal jobs during the pandemic, and the proportion was higher for low-skilled workers. And the employed population reported working fewer hours per week on average (38.8 vs. 35.6 hours). In addition, a higher time demand for household and care responsibilities restricted the time spent on productive activities, especially for women. The increase in time spent supporting children's education and schoolwork was the highest in the region, with 70.2 percent of women reporting an increase in the time spent accompanying children's education, compared to 45.5 percent of men. In terms of connectivity, internet use for remote work was around the regional average, and 61.1 percent of households with a connection at home (70.2 percent of all households) reported having problems with internet services due to poor access, quality, or speed. Low service quality affected the poorer families more intensely.

All these impacts had adverse effects on household income across the country. The vertical and horizontal expansion of government social transfers appears to have been relatively effective in cushioning income losses. By June 2021, 32.2 percent of households had received emergency government transfers. Still, 38.8 percent of households reported their income remained below pre-pandemic levels. Poorer families were disproportionally affected. The survey found that 46.6 percent of households holding one or no assets reported an income decline, compared to 37.6 percent of households with three or more assets. Also, the percentage of households experiencing food insecurity doubled compared to pre-pandemic levels. In June 2021, 20.0 percent of households reported running out of food in the 30 days preceding the survey.

In terms of education, even though a relatively high number of children (74.9 percent) in the country were engaged in learning activities with direct interaction with a teacher, only 19.7 percent attended school in person.

JOB LOSS (% OF PRE-PANDEMIC WORKERS)
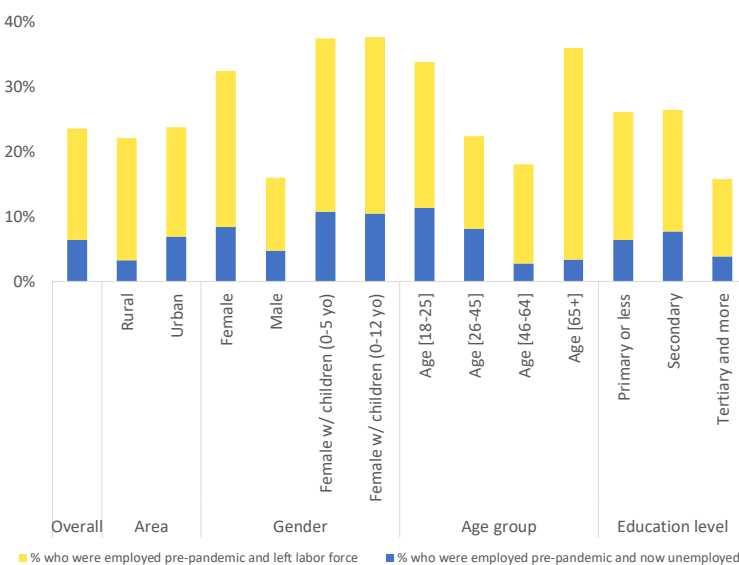
HOUSEHOLDS (%) WITH REDUCED INCOME
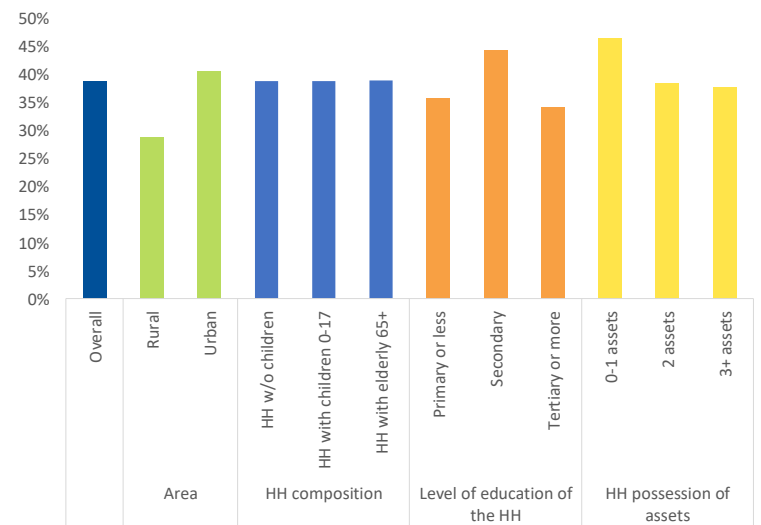
Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

KEY INDICATORS: INDIVIDUALS (18+ years old)

Distribution among groups	Labor			Childcare responsibilities	Health	Finance
	% of employed population (pre-pandemic) who lost their pre-pandemic job	% of inactive population (pre-pandemic) who became active (employed or unemployed)	% of formal workers (pre-pandemic) who became informal	% of population who spent more time accompanying children's education	% of population who is not planning to get vaccinated or unsure (vaccination hesitancy)	% of population using mobile wallets
Overall	23.5%	33.1%	9.8%	59.5%	10.8%	35.1%
Rural	22.0%	24.4%	10.5%	47.2%	15.8%	24.6%
Urban	23.7%	34.8%	9.7%	62.3%	10.0%	36.8%
Females	32.3%	27.4%	7.6%	70.2%	11.9%	30.2%
Males	15.9%	44.3%	11.2%	45.5%	9.6%	40.3%
18 to 25 years old	33.7%	62.0%	13.8%	46.9%	17.0%	56.9%
26 to 45 years old	22.2%	60.0%	9.5%	68.7%	13.7%	41.9%
46 to 64 years old	17.9%	14.7%	9.7%	52.5%	6.7%	24.6%
65 and older	35.8%	3.6%	6.7%	24.0%	3.6%	9.7%
Primary or less	26.0%	8.8%	21.1%	45.8%	14.8%	15.1%
Secondary	26.3%	44.1%	11.1%	61.2%	11.3%	34.6%
Tertiary and more	15.7%	36.9%	3.7%	68.7%	6.1%	54.4%

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

KEY INDICATORS: HOUSEHOLDS AND CHILDREN

Distribution among groups	Income		Food Insecurity	Education (6-17 yo)		Connectivity
	% HH that report a reduction in total income (current v. pre-pandemic)	% HH that received Emergency Government Transfers during the pandemic	% HHs that ran out of food (last 30 days)	% of children in school age who attended school (in person or virtually)	% of children in school age who interacted with teacher (in-person or online classes)	% HHs that had problems with internet service due to poor access quality / speed
Overall	38.8%	32.2%	20.0%	93.9%	74.9%	61.1%
Rural	28.8%	31.2%	27.8%	95.6%	79.9%	66.9%
Urban	40.6%	32.3%	18.7%	93.6%	73.9%	60.6%
HH w/o children (0-17)	38.8%	24.4%	14.6%	-	-	59.4%
HH with children (0-17)	38.8%	41.9%	26.8%	93.9%	74.9%	63.3%
HH with elderly (65+)	38.9%	22.2%	11.4%	86.7%	73.7%	55.4%
0-1 assets	46.6%	36.8%	36.6%	85.6%	53.7%	76.5%
2 assets	38.4%	40.4%	29.4%	90.8%	69.7%	59.9%
3+ assets	37.6%	26.9%	12.1%	96.1%	79.6%	60.6%
HH education - Primary or less	35.9%	38.8%	28.1%	92.7%	68.4%	60.2%
HH education - Secondary	44.4%	35.4%	22.2%	94.7%	74.5%	58.2%
HH education - Tertiary or more	34.3%	21.3%	9.2%	93.3%	82.2%	64.3%

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

HIGH FREQUENCY PHONE SURVEY

The World Bank and UNDP conducted a multi-wave High-Frequency Phone Survey (HFPS) in 2021 to assess the impact of the coronavirus pandemic on the welfare of Latin American and Caribbean households. The first wave was collected between May and July 2021, and the data is nationally representative for 24 countries: Antigua & Barbuda, Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Lucia and Uruguay. The data for Brazil was collected between July 26 and October 1. The HFPS provides information on the welfare impacts that households experienced with respect to food insecurity, changes in employment, income changes, access to health and education services, and coping mechanisms. Key indicators on socioeconomic effects are available at the COVID-19 monitoring global dashboard, which provides 96 harmonized indicators across 50 countries in Latin America and the world. For further information, see World Bank and UNDP (2021).