

Section 7

LABOR MARKETS IN ASIA AND THE INFORMAL ECONOMY DURING THE COVID-19 PANDEMIC

GOTO, Kenta

Introduction

2020 was a turbulent year, shaken badly by COVID-19 that had spread across the globe. The coronavirus was first identified in Wuhan, China, in December 2019, and it quickly propagated beyond Hubei Province in January 2020, affecting other regions throughout China. The Chinese government had responded with city lockdowns accordingly. However, the virus had already been transmitted globally, and the World Health Organization (WHO) declared a pandemic in March 2020. As of the time of writing this report in May 31, 2021, the cumulative number of people infected with COVID-19 has reached 170 million, and the death toll has exceeded 3.5 million worldwide.¹⁾

This COVID-19 pandemic has had a significant impact on the world economy. According to the World Economic Outlook released by the International Monetary Fund (IMF) in April 2021, the world economy shrank by 3.3% in 2020, while the impact was greater in countries that depend on tourism and exports of primary products (i.e., mostly developing countries). It has been clear that the pandemic has also had severe adverse consequences on world poverty, with an additional 95 million people being expected to have entered the ranks of the extreme poor in 2020 compared with the estimation before the pandemic. However, the report also refers to some signs of a recovery. For example, while the impact of the pandemic on the industrial sectors greatly differs depending on the country and the industry, production levels have generally returned to pre-pandemic levels and a similar trend can be observed in the trade of goods (IMF 2021).

Looking at global labor markets, the impact of the COVID-19 pandemic is still significant, and the rates of unemployment and underemployment remain high. In labor markets in Asia, it has been noted that phenomena such as an increase in unemployment and a decrease in the labor force participation rate are biased toward industries in which many women and young people work (UN et al. 2021; IMF 2020; IMF 2021).

In this report, we will first provide an overview of the impacts of the

1) <https://coronavirus.jhu.edu/map.html> (Access date: May 31, 2021)

COVID-19 pandemic on labor markets in the world and in Asia, and we will then focus on the informal economy in Asia. As described later, more than half of the global workforce make their living in the informal economy, rather than in the so-called formal economy that constitutes the norm in developed countries such as Japan. Economic integration has connected Japan closer today with Asian countries where the informal economy is dominant. The dynamics of the informal economy will have important implications in understanding future development trajectories of local economies in Asia.

At present, data on labor markets during the COVID-19 pandemic are still limited, and this is particularly acute for the informal economy. Therefore, this report is mainly based on data and analyses from relevant institutions such as the International Labour Organization (ILO) and others.²⁾

The COVID-19 Pandemic and Labor Markets in Asia

First, let's take a look at the trends in the global and Asian labor markets during the COVID-19 pandemic. An ILO report published in January 2021 states that the global labor markets have experienced unprecedented disruption due to COVID-19 (ILO 2021a). According to the report, 8.8% of global working hours were lost in 2020, relative to 2019 Q4, which corresponds to 255 million full-time equivalent (FTE) jobs (assuming a 48-hour working week). The disruption was about four times greater than that witnessed during the global economic and financial crisis of 2009. These working-hour losses include both employment losses of about 114 million jobs and working-hour reductions within employment. It has been shown that the impact was particularly large on women, young people, the self-employed, and low-skilled workers.

Seventy-one percent of global employment losses translated mainly into rising inactivity rather than unemployment. Behind this is the fact that many people gave up on looking for jobs due to lockdowns as containment measures and to economic downturns. In monetary terms, global labor income fell by 8.3%, which amounts to USD 3.7 trillion, or 4.4% of global gross domestic product (GDP). Employment declined in many industries, and the particularly hard-hit sectors were accommodation, food services, retail trade, and construction. In contrast, employment increased in information and communication, and finance and insurance. It has become clear that the impact of the COVID-19 pandemic significantly varies across industries, countries, and regions, which raises con-

2) The data and analyses in this report are based on the information available as of May 31, 2021.

cerns about widening inequalities.

The impact of the COVID-19 pandemic was also remarkable in labor markets in Asia,³⁾ and the annual decline in working hours was 7.9% in 2020, which corresponds to 140 million FTE jobs, and labor income decreased by 6.6%. The Asian subregions present very heterogeneous losses, with East Asia the lowest at 4.2%, and China at 4.1%. This is followed by Southeast Asia and the Pacific at 8.2% (Southeast Asia alone at 8.4%), and South Asia the highest at 12.7%. India in particular recorded a serious loss of 13.7%. In the Asia region, the impact of the pandemic occurred with a regional time lag. The East Asian labor market was most heavily affected during 2020 Q1, registering a total loss of working hours of 11%. The two regions of Southeast Asia and the Pacific, and South Asia, experienced the largest losses in 2020 Q2. South Asia in particular exhibited this trend, registering a loss of 34.5% (ILO 2021a).

What is the Informal Economy?

Next, let's look at the informal economy. The informal economy is a concept that covers economic activities of companies that are not registered, not subject to taxation, and whose work falls outside the frameworks of social security systems and labor laws. The informal economy has long been regarded as a phenomenon specific to developing countries that would disappear along with economic growth. Although nearly half a century has passed since its discovery, it still occupies a large part of the global economy. It has also been reported that new forms of informality are expanding even in developed countries (Jütting and Laiglesia, 2009).⁴⁾ Therefore, the informal economy has recently been attracting attention (see Box 1 at the end of this report for supplementary explanation of the concept of the informal economy).

The informal economy is very diverse in terms of its forms and characteristics, and in certain countries or regions it has often developed against the backdrop of the factors unique to them. The characteristics of informality also tend to differ depending on the specific local institutional environment and the attributes of companies and workers. Therefore, it is difficult to effectively define the concept at the global level. As such, this report discusses the current situation based on the ILO's definition that depicts it as a matrix with the con-

3) See Material 1 for details of the regional classifications of Asia and countries in each region.

4) A particular concern in developed countries (high-income countries) is informal employment in the formal sector, such as by irregular workers, which has been increasing recently.

ventional enterprise-based “sector concept” on one axis and the “employment concept” on the other, because this would enable a focus on employment and labor dimensions of informality (Husmanns, 2004; Endo and Goto, 2018).

The Reality of the Informal Economy

In Japan, the informal economy is rarely reported on by the media, and therefore, the level of recognition of it may be low. However, it is a very important economic sector that accounts for about 30% of global economic output.⁵⁾ According to the estimates of the World Bank, the informal economy’s share of total global output has been declining year by year. For example, it declined from 20.4% in 1990 to 17.4% in 2018 in high-income countries, while it remained at the high level of 31.7% as of 2018 in low- and middle-income countries (Ohnsorge and Yu, 2021).⁶⁾

On the other hand, the informal economy has an even greater presence in terms of employment. According to the ILO’s report, as of 2016, 61.2% of the global employed population aged 15 years and above made their living in the informal economy (ILO 2018). The share in Asia was 68.2%, which was slightly higher than the world average (the highest was 85.8% in Africa). Excluding agricultural workers, the share of informal employment worldwide has dropped to 50.5%, but it is still high in Asia at 59.2%.

In general, there is a correlation between the economic level and formality of a country, so the share of informal employment in developed countries tends to be relatively low. For example, the share of informal workers in Japan is 18.7%, which is almost the same as the average of developed countries, while the share in developing countries in Asia (low-income countries and middle-income countries) is 71.4% (62.8% excluding agricultural workers), which is obviously higher than that of developed countries. [Table 1-7-1](#) summarizes the informal economy in Asia in terms of output and proportion of informal workers.

Informal employment exists in the informal, formal (officially registered enterprises), and household sectors, and nearly 85% of the world’s informal workers work in the informal sector, while 11% of informal workers are employed in the formal sector and 4% in the household sector. Globally, informal work is a greater source of employment for men (63.0%) than for women (58.1%). Despite

5) The global average from 1990 to 2018 was 31.8%.

6) In the World Bank’s report, the informal economy used for measurement was defined to include only “self-employment.” Therefore, readers should note that it is not necessarily consistent with the reports of the ILO and OECD.

Table 1-7-1 Size of informal economy in Asia

| | Share of informal economic output (2010–2018 average) | Proportion of informal workers | |
|-------------|-------------------------------------------------------|--------------------------------|--------------------------|
| | | Total employment | Non-agricultural workers |
| Thailand | 46.2 | 55.8 (*) | 37.6 (*) |
| Cambodia | 40.0 | 93.1 | 89.8 |
| Philippines | 36.4 | n.a. | n.a. |
| Myanmar | 29.2 | 85.7 | 82.3 |
| Malaysia | 28.1 | n.a. | n.a. |
| Laos | 23.6 | 93.6 | 78.5 |
| Indonesia | 16.3 | 85.6 | 80.2 |
| Vietnam | 12.6 | 76.2 | 57.9 |
| China | 9.6 | 54.4 | 53.5 |
| Japan | n.a. | 18.7 | 16.3 |

Note 1: Data regarding employment for each of the countries are from the following years: Thailand (2017), Cambodia (2012), Myanmar (2015), Laos (2010), Indonesia (2016), Vietnam (2008), China (2013), and Japan (2010).

Note 2: "n.a." = Data is not currently available.

Sources: Output = Ohnsorge and Yu (2021); Employment proportion data = ILO (2018), except for Thai data, which is based on WIEGO (2019).

this, women are more often to be found in the more vulnerable categories of work, and the lower their income level, the higher their share of informal employment. Thus, there is a strong gender aspect involved in issues related to the informal economy (ILO 2018).

Impact of COVID-19 on the Informal Economy

Next, let's take a look at the trends in the informal economy during the COVID-19 pandemic.⁷⁾ Figure 1-7-1 shows total employment, informal workers, and the proportion of informal workers significantly impacted by the COVID-19 pandemic as of the end of April 2020. This suggests that almost 1.6 billion, or 76%, of informal workers worldwide, have been highly impacted by the pandemic. Looking at this by national income level, the proportion of informal workers is higher in low-income countries, but the proportion of informal workers affected by the COVID-19 pandemic is as high as over 75% in all income levels, except for

7) It should be noted that most of the data in this report were released around 2020 Q2 when each country began to implement strict COVID-19 containment measures, such as lockdowns, and information and analyses were also limited to those that were available at that time.



Figure 1-7-1

Proportion of informal employment significantly impacted by the COVID-19 pandemic (April 2020)

Source: ILO (2020a), p. 8, figure 3

upper-middle-income countries.⁸⁾

The COVID-19 pandemic has also significantly affected the incomes of informal workers. Comparing the median earnings of informal workers with the estimates of “earnings in the first month of the crisis,” earnings are expected to decline by about 60% globally. The level of decline significantly differs depending on the income level of the country; 28% in upper-middle-income countries, 82% in lower-middle and low-income countries, and 76% in high-income countries. By region, the expected decline is largest in Africa and Latin America (81% respectively), while in Asia, the median earnings of informal workers was USD 549 (2016 PPP USD) before the COVID-19 pandemic, which fell to USD 430 after the pandemic, a decrease of about 22%. Compared with pre-pandemic levels, relative poverty among informal workers (those with earnings below 50% of the median earnings) increased by 34 percentage points globally; in particular, by around 52 percentage points in high-income countries and 56 percentage points in lower-middle- and low-income countries. In Asia as a whole, it is estimated to have increased by about 14 percentage points (ILO 2020b).

It is generally understood that employment adjustments are easier in the

8) The World Bank classified the world's economies into the following four income groups following a revision in July 2020: (1) low-income countries: less than USD 1,036, (2) lower-middle: USD 1,036–4,045, (3) upper-middle: USD 4,046–12,535, and (4) high: USD 12,536 or more.

informal economy than in the formal economy. Workers in formal sectors who are given various protections through their wage employment contracts are overwhelmingly in the minority in developing countries. Therefore, when an external shock such as COVID-19 occurs, many people maintain their livelihood while taking on multiple informal jobs, rather than spending time looking for a formal job, and as a result, the unemployment rate rarely fluctuates significantly. Actually, many informal workers are own-account workers, so it is relatively easy for them to start or stop working. For these reasons, job losses have been greater in the informal economy than in the formal economy, while working-hour losses tend to be smaller in the informal economy than in the formal economy (ILO 2021b).

The impact of the COVID-19 pandemic on the informal economy also depends on the characteristics of each sector. Taking the impact of the pandemic on economic output as an employment risk, the ILO classifies the sectors into five categories according to the size of the impact based on the International Standard Industrial Classification (ISIC rev. 4) as shown in [Table 1-7-2](#) (ILO 2020a).⁹⁾ In this classification, (1) Accommodation and food service activities, (2) Real estate activities; Administrative and support service activities; Professional, scientific and technical activities, (3) Manufacturing, (4) Wholesale and retail trade; repair of motor vehicles and motorcycles are identified as the high-risk sectors, and 1,245 million people (37.5% of the total employment) in these high-risk sectors are most seriously affected. Among these, the largest number of people, of over 480 million, are employed in (4) Wholesale and retail trade; repair of motor vehicles and motorcycles.

[Table 1-7-3](#) summarizes the employment status of informal workers by the level of risks associated with the sectors. This suggests that 75% of informal workers are working in small units of less than 10 workers (own-account workers and workers in small firms with 2 to 9 workers), and nearly half of these are own-account workers. As mentioned earlier, 76% of informal workers have been highly impacted by COVID-19, but the share increases to almost 90% if limited to high and medium-high risk sectors. Furthermore, although this is not represented in the table, 42% of female informal workers work in high-risk sectors, compared to 32% of male workers (ILO 2020b).

The COVID-19 pandemic has had a particularly strong impact on youth

9) The risks posed to individual sectors due to the exogenous shocks from the COVID-19 crisis are evaluated using the estimation model using data based on the following three axes: (1) global firms' output indices, (2) investment in fixed assets, domestic trade, and foreign trade, and (3) business expectations (ILO 2020a).

Table 1-7-2

Economic sectors classified by risk level

| Risk level | Economic sector (based on ISIC rev. 4) | Total employment (thousands) | Sector employment as percentage of total employment (worldwide) (%) | Percentage of women (%) |
|-------------|-------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------------------------------------------|-------------------------|
| Low | Education | 176,560 | 5.3 | 61.8 |
| | Health and social work | 136,244 | 4.1 | 70.4 |
| | Public administration and defense; compulsory social security | 144,241 | 4.3 | 31.5 |
| | Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities (*1) | 26,589 | 0.8 | 18.8 |
| Low-Medium | Agriculture, forestry and fishing | 880,373 | 26.5 | 37.1 |
| Medium | Construction | 257,041 | 7.7 | 7.3 |
| | Financial and insurance activities | 52,237 | 1.6 | 47.1 |
| | Mining and quarrying | 21,714 | 0.7 | 15.1 |
| Medium-High | Arts, entertainment and recreation; Other service activities | 179,857 | 5.4 | 57.2 |
| | Transportation and storage; Information and communication | 204,217 | 6.1 | 14.3 |
| High | Accommodation and food service activities | 143,661 | 4.3 | 54.1 |
| | Real estate activities; Administrative and support service activities; Professional, scientific and technical activities | 156,878 | 4.7 | 38.2 |
| | Manufacturing | 463,091 | 13.9 | 38.7 |
| | Wholesale and retail trade; repair of motor vehicles and motorcycles | 481,951 | 14.5 | 43.6 |

Note 1: "Utilities" in the ILO report were translated as in (*1) above in accordance with the Japanese version of the International Standard Industrial Classification of All Economic Activities (ISIC).

Source: ILO (2020a), Table 2, pp. 4-5 (Japanese translation by author)

(aged 15 to 24). According to ILO, 77%, or 328 million of the world's young workers (in Asia, 84%, or 183 million of its young workers) are in informal jobs. Almost 40% of total employment (about 178 million people) in this age group work in high-risk sectors, and three-quarters of them are informal workers (ILO 2020c).

There are many difficulties in developing and implementing public support programs through fully identifying these informal workers (CGAP 2020), but some countries are providing them with support. For example, in Thailand, the government provided 5,000-baht monthly handouts to informal workers. It was originally intended to cover 3 million workers, but 22 million people ended up registering for those informal worker benefits. China, the Philippines and Viet

Table 1-7-3 Number and percentages of informal workers by at-risk group of sectors

| | Risk level | | | | | Total |
|---------------------------------------------|------------|-------------|--------|------------|-----|-------|
| | High | Medium-High | Medium | Low-Medium | Low | |
| Total employment (millions) | 1,245 | 384 | 331 | 880 | 484 | 3,324 |
| Informal workers (millions), of which: | 712 | 213 | 213 | 795 | 128 | 2,060 |
| <i>Own account workers (%)</i> | 43 | 44 | 43 | 57 | 12 | 47 |
| <i>2-9 workers (%)</i> | 26 | 31 | 28 | 31 | 22 | 28 |
| <i>10-49 (%)</i> | 10 | 6 | 11 | 4 | 11 | 7 |
| <i>Over 50 (%)</i> | 22 | 19 | 18 | 8 | 56 | 18 |
| Highly impacted informal workers (millions) | 626 | 194 | 176 | 515 | 54 | 1,564 |
| % highly impacted | 88 | 91 | 83 | 65 | 42 | 76 |

Source: ILO (2020b), Table A3, p. 15. (Japanese translation by author)

Nam have integrated COVID-19 testing into their health insurance packages, which have been made available to informal workers as well (ILO 2020d). Despite these measures, the impact of COVID-19 on the informal economy has been large, and its recovery is likely to take some time.

Conclusion

This report has provided an overview of the impact of the COVID-19 pandemic on labor markets both worldwide and in Asia, based on data and information available as of end of May 2021, which is when this report was prepared. It had become clear that its impact was extremely large. However, it should be noted that some of these evaluations may include the direct, physical, and short-term effects of robust restrictions on movements, such as strict lockdown measures. The COVID-19 pandemic has not yet subsided, and more comprehensive and detailed data are needed to examine its long-term and structural impact on labor markets. Analyzing labor markets from these perspectives will require the incorporation of important individual market characteristics according to contexts based on country, industry, and informality.

In addition, there has been increased interest in the emerging forms of work and employment due to increased use of digital technologies during COVID-19. The long term impacts this could bring in terms of fundamental changes in the labor market, and how it would play out in relation to the informal economy, are probably new issues that need to be addressed in the future as well.

In 2020, several vaccines for COVID-19 were developed, and their rollout

started at the end of the year in developed countries, led by the US. Japan, which has not yet entered the practical application stage of its homegrown vaccine and depends on imports for its vaccine supply, is proceeding with inoculations, although it has lagged behind other developed countries. On the other hand, the supply of vaccines has generally been much slower in developing countries. Given this, there is no question about the importance of the COVAX Facility, which is a global initiative whose main purpose is the joint purchase and distribution of COVID-19 vaccines using both public and private funds from developed countries.

For the highly integrated global economy to achieve a full-scale recovery, it is essential that developing countries, which are dominated by people living in the informal economy, quickly recover from the COVID-19 pandemic. How international communities can cooperate to address the COVID-19 pandemic will be the key to the sustainable development of the world in the future.

Box1 From the Concept of Informal “Sector” to Informal “Economy”

Underemployment has been regarded as one of the major contributing factors in discussions related to the roots of poverty. Under this approach, the reason why people in developing countries are poor is mainly attributed to the fact that they tend to be employed in traditional sectors that are pre-modern, and therefore much less productive. In addition, as an excessive number of workers share a limited amount of work, this is resulting in a low (or almost zero) marginal product of labor (employment insufficiency).¹⁰⁾ Such a condition is called disguised unemployment because people appear to be employed but in reality they remain effectively unemployed.¹¹⁾ Therefore, addressing disguised unemployment by expanding productive modern sectors through the accumulation of capital and absorbing surplus workers were considered key to reduce poverty.¹²⁾

- 10) In developing countries, generally the concept of underemployment is often considered more appropriate to capture the reality than the concept of unemployment. In fact, recent empirical studies using micro data show that the labor productivity of people who are considered redundant in developing countries is often positive, rather than zero (even with large variations), which means many people are underemployed in reality (Gollin, 2014).
- 11) The term ‘disguised unemployment’ is often used in the context of labor markets in developing countries. This concept was first introduced by the British economist Joan Robinson during the US Great Depression in the 1930s in an effort to make Keynes’s theory more applicable. He defined involuntary unemployment as enforced idleness, but Robinson pointed out that, in reality, many of the unemployed worked in whatever ways they could, living hand-to-mouth (Benanav, 2019).
- 12) As an extension of this argument, an idea that became famous later is that of the unlimited supply of labor as proposed by Arthur Lewis. For the significance of this theory today, see Gollin, 2014.

Unlike in developed countries, however, workers in formal wage-based employment relationships constitute a minority in developing countries. In addition, the weak social security systems in these countries do, in general, not provide those people the option to remain completely unemployed. As such, they typically juggle different types of informal work, making continuous transitions between employment and unemployment. This situation has made it difficult to establish an operational definition and measurement tools that are useful for policy intervention, that has led to a re-focusing towards the statistically obscure informal sector (Benanav, 2019).

This informal sector concept was first discussed in the ILO report on employment in Kenya, published in 1972 (ILO 1972).¹³⁾ This concept is basically an enterprise-based concept focusing on economic entities that operate outside legal frameworks, such as those that are unregistered. With the introduction of this informal sector concept, a view also emerged that informal economic activities, that had previously been regarded as something to be reduced in discussions of underemployment, should be positively evaluated as income generating opportunities (Endo and Goto, 2018). Such informalities have nevertheless been considered as a phenomenon unique to developing countries, that would decrease and disappear along with economic development.

However, in the 1980s, when many developing countries were hit by a debt crisis and entered an era of structural adjustment, the momentum for labor market deregulation (flexibility) increased globally. This shift shed light on the limitations of the informal sector approach as informal economic activities, which should have disappeared with economic development, began to expand rather than contract (Benanav, 2019). In relation to this, informality, which was previously thought to be a problem unique to developing countries, was expanding in developed countries as well through irregular forms of employment (Jütting and Laiglesia, 2009). As a response, the ILO adopted the concept of the informal economy, incorporating the employment axis (informal employment) to cover informalities in the formal sector in addition to the informal sector, in 2003. There was a clear shift from the traditional and dualistic sector (enterprise)-based understanding of formality and informality towards a more comprehensive approach to the informal economy by focusing on the informality of employment (ILO 2018; Endo and Goto, 2018).

13)The term 'informal sector' is considered to have been first used by Keith Hart in his research report on Ghana from the Institute for Development Studies (IDS) at Sussex University.

Note: This section is partially supported by JSPS Grants-in-Aid for Scientific Research 19H00553.

References

- Benanav, Aaron. 2019. “The origins of informality: the ILO at the limit of the concept of unemployment” *Journal of Global History*, 14 (1), 107–125.
- CGAP, 2020. Relief for informal workers: Falling through the cracks in the COVID-19 crisis. COVID-19 Briefing, Washington DC: CGAP.
- Endo, T. and Goto, K. (2020), “Informalizing Asia: the other dynamics of the Asian economy” in Goto, K; Endo, T; and A. Ito (eds.) *The Asian Economy: Contemporary Issues and Challenges*. London and New York: Routledge, 169–187.
- Gollin, Douglas. 2014. “The Lewis Model: A 60-Year Retrospective.” *Journal of Economic Perspectives* 28 (3), 71–88.
- Husmanns, Ralf. 2004. *Measuring the informal economy: From employment in the informal sector to informal employment*, Working paper No. 53, Policy Integration Department, Bureau of Statistics, Geneva: ILO.
- International Labour Organization. 1972. *Employment, incomes and equality: a strategy for increasing productive employment in Kenya*. Geneva: ILO.
- International Labour Organization. 2018. *Women and men in the informal economy: a statistical picture (third edition)*, Geneva: ILO.
- International Labour Organization. 2020a. *ILO Monitor: COVID-19 and the world of work. Second edition*. Geneva: ILO, January.
- International Labour Organization. 2020b. *ILO Monitor: COVID-19 and the world of work. Third edition. Updated estimates and analysis*. Geneva: ILO, April.
- International Labour Organization. 2020c. *ILO Monitor: COVID-19 and the world of work. Fourth edition*. Geneva: ILO, May.
- International Labour Organization. 2020d. *Extending social protection to informal workers in the COVID-19 crisis: country responses and policy considerations*. Geneva: ILO, September.
- International Labour Organization. 2021a. *ILO Monitor: COVID-19 and the world of work. Seventh edition*. Geneva: ILO, January.
- International Labour Organization. 2021b. *Asia-Pacific Employment and Social Outlook 2020: Navigating the crisis: towards a human-centred future of work*. Bangkok: ILO.
- International Monetary Fund. 2020. *Regional economic outlook update. Asia and Pacific: navigating the pandemic: a multispeed recovery in Asia*. Washington, DC: IMF, October.
- International Monetary Fund. 2021. *World Economic Outlook: Managing Diver-*

- gent Recoveries*. Washington, DC: IMF, April.
- Jütting, Johannes P. and Juan R. de Laiglesia. 2009. *Is Informal Normal?: Towards More and Better Jobs in Developing Countries*. Development Centre Studies, Paris: OECD.
- Ohnsorge, Franziska, and Shu Yu (eds.). 2021. *The Long Shadow of Informality: Challenges and Policies. Advance Edition*. Washington DC: The World Bank.
- United Nations, Asian Development Bank, and United Nations Development Programme. 2021. *Responding to the COVID-19 Pandemic: Leaving No Country Behind Bangkok*. Thailand: United Nations.
- WIEGO. 2019. "Informal Workers in Urban Thailand: A Statistical Snapshot." *WIEGO Statistical Brief* No 20, September.

Material 1 Regional classification of Asia and countries in each region

| | |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| East Asia | China, Hong Kong, Macau, Japan, South Korea, North Korea, Taiwan |
| Southeast Asia | Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, East Timor, Vietnam |
| Pacific Islands | American Samoa, Australia, Cook Islands, Fiji, French Polynesia, Guam, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, New Caledonia, New Zealand, Niue, Norfolk Island, Northern Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tubal, Vanuatu, Wallis and Futuna |
| South Asia | Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Pakistan, Sri Lanka |