Investigating the Socio-Economic Impacts of COVID-19 Pandemic on Jordanian Traditional Handicraft Sector

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Abstract

Objectives: The traditional Handicraft sector in Jordan is encountering significant challenges due to the measures adopted by the Jordanian government to curb the spread of COVID-19. These measures threaten the handicrafts sector’s sustainability and compromise artisans’ livelihoods. This research aims to examine the socioeconomic impact of COVID-19 on the Traditional Handicraft sector in Jordan.

Methods: The research utilizes a qualitative methodology to collect and analyze data. The research attempted to cover mostly widespread handicrafts in Jordan. These crafts were concentrated in Jordan's capital 'Amman'. A random sample of craftsmen working in ceramics, mosaics, olive wood carving, embroidery, and accessories was chosen. Semi-structured interviews, with open-ended questions, were conducted to collect the essential data.

Results: The research results revealed that the pandemic badly affected the business activity and operational environment. The research also shows the low and marginal support workers within the sector received during the pandemic were not adequate to help the artisans. Furthermore, it shows a relationship between changing strategies in the conduct of business and the sustainability of the studios.

Conclusions: The research concluded that changing the management strategies of the studios and the marketing methods for handicraft products greatly helped the sustainability of handicraft studios during the pandemic. The research recommends training the artisans to be familiar with the social media platforms and utilize those platforms to sell their products, training courses in e-marketing managerial, packaging, and design skills are highly recommended for building capacities of the artisans and sustaining their studios.

Keywords: Traditional handcrafts, sustainability, socio-economic impact, COVID19, Jordan.

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Introduction

For many countries, the handicraft sector is an important source of employment and income (Grobar, 2019). It ranks as the second-largest rural employment sector, and economic activity right after agriculture (Chakraborty, 2013). The COVID-19 pandemic is the undeniable crisis of the twenty-first century. The crisis has posed significant challenges for governments, societies, institutions, and individuals. Arts, cultural and creative industries are among the most adversely affected sectors of the economy in the wake of COVID-19 (Flew & Kirkwood, 2021). Globally, there are more than 179.9 million COVID-19 cases and 3.8 million reported deaths as of June 23, 2021 (Worldmeters, 2021). Daily caseload also continues to increase at an alarming rate in most countries affected by the outbreak. At the time of writing, a total of 820,798 COVID-19 cases and 10,697 related deaths had been reported in Jordan (MOH, 2021). International Labour Organization (ILO) indicated that the pandemic caused shortages in food, medical supply, services, and economic recession (ILO, 2020). In addition, United Nations Development Programme (UNDP) reported social and economic consequences of the pandemic affected communities, families, and individuals (UNDP, 2020).

The World Bank estimated that the Jordanian economy contracted by 1.6% in 2020 with unemployment rising to 24.7% in the fourth quarter of 2020 and youth unemployment rates reaching an unprecedented 50% (WorldBank, 2020). Ministry of Labor (MOL) reported that Jordan’s tourism-centered traditional handicrafts sector is highly affected, considering that the tourism industry has been the sector most affected by the pandemic (MOL, 2020). The lockdown imposed by the government, coupled with the suspension of international travel have deeply affected the Micro, Small, and Medium Enterprises (MSMEs) in Jordan. Jordan’s economy will continue to be negative through 2020. Gross Domestic Product (GDP) growth rates range from -5.7 to -7.4 percent, depending on the speed of economic recovery. A slow step of recovery is predictable (Raouf, Elsabbagh, & Wiebelt, 2020). In fact, Jordan’s economy contracted by a record low of 3.6 percent in the second quarter of 2020. This is believed to be the worst economic contraction in the past three decades (CentralBankofJordan, 2021).

Across the world, the handicrafts sector ranks as the second-largest rural employment sector, right after agriculture (Ndlangamandla, 2014). It contributes to alleviating poverty by generating employment chances in a range of creative and cultural contexts (Richard, 2007; Yang, 2008). While governments try to develop and sustain rural areas, protection and preservation of their traditional handicrafts became an integral component of development and sustainability plans (Arinat, 2016).

Traditional handicrafts production also makes up a significant part of the national economic exports, which is important to Jordan’s national economy (Al Haija, 2011). The “Traditional Handicraft” sector in Jordan is a critical source of income for thousands of households in Jordan. The revenues of souvenir tourist shops spread all over the country provide a sizable contribution to the country’s gross domestic product. However, this vital sector is, currently, encountering major challenges, mainly, due to the measures adopted by the Jordanian government to curb the spread of COVID-19. Ultimately, these measures threaten the handicrafts sector’s sustainability and compromise traditional handicrafts artisans’ income and livelihoods. A rapid assessment report published by UNDP indicated that almost three-quarters of survey respondents (72.5%) had difficulties covering basic needs including rent, food, heating, and medicine due to the lockdown measures (UNDP, 2020).

This research seeks to examine the social and economic impacts of COVID-19 on the “Traditional Handicraft” sector in Jordan. Based on that, the research will provide a set of recommendations to reduce the negative impacts on artisans working within this sector. While similar research efforts attempted to survey marketers and academics to assess the impact of COVID-19 on this sector, this research seeks to capture these issues from the perspective of artisans, providing them the space to describe those issues in their own language. These authentic insights benefit artisans themselves, handicrafts studios, decision-makers, investors, and marketers working in the handicraft sector as they provide the evidence needed to take effective action to mitigate the impact of the pandemic, improve social cohesion and increase and sustain individuals’ income and livelihoods. If put into action, recommendations of this research will enhance the social and economic wellbeing of artisans, improve the effectiveness and sustainability of traditional handicraft organizations and individual home-based small enterprises and studios.
Methods and Materials

The research employed a mixed-method approach, including a qualitative assessment and a quantitative research exercise. The qualitative assessment comprised a set of semi-structured interviews, with open-ended questions, with two groups of actors within the Traditional Handicraft sector in Jordan. First, professionals (managers in charge of handicrafts studios) from Jordan Handicrafts Producers Association (JHPA) and Women Programmes Centre – United Nations Relief and Works Agency (UNRWA). Secondly, artisans involved in the sector. A common interview guide protocol was followed to collect qualitative data. Among these was an interview conducted with the head of JHPA (the entity that represents artisans), to understand its relationship with relevant actors, including the Jordanian government. The interview assisted researchers to gain a deep and holistic understanding of the issues and challenges encountering the artisans, especially during the COVID-19 pandemic. Additionally, five face-to-face interviews were conducted with artisans and owners of various types of handicrafts studios, including embroidery (The director of Women Programs Center – UNRWA), pottery and mosaics, wood carving, filling colored-sand-bottles artisan, and a dagger making artisan. The number of workers in these studios varied between (1-32 workers). Some of them are self-employed and some of them employ other artisans.

To make sure that the study accounts for the views of artisans, the quantitative research exercise consisted of a survey that was disseminated to 182 members of the JHPA, 89 of which responded to the questionnaire.

Data Collection and Analysis

The researchers asked professionals and artisans of the handicraft sector about the socio-economic impacts of COVID-19 and the associated health protection measures imposed by the government on handicraft production and activities, in addition to their suggestions on how to mitigate the negative impact of these measures. Researchers also asked about the importance that occupants of this domain place on the handicraft sector before and during the quarantine measures taken by the government and whether they make strategic changes in the way they manage their studios or not and what are these changes if they actually did it. For the analysis process, the researchers carried out a thematic analysis of the conducted interviews, and statically analyzed the data collected by questionnaire. The major goal driving the data collection and the subsequent data analysis processes was to better understand the consequences of the COVID-19 pandemic and its ramifications on the traditional handicraft business in Jordan. This goal was achieved, and the findings provided a new understanding of the researched topic.

![Figure 1: Participants’ Working Area](image)
Participants’ Demographic Profile

Eighty-nine artisans responded to the survey, representing all regions of the Jordanian community. Sixty participants were from Amman (67.4%), ten were from Jerash (11.2%), and five were from Irbid (5.6%). See (Figure 1). The respondent's experience within this domain ranged from 1 year to 45 years. There were 25 males (28.1%) and 64 females (71.9%) respectively (Figure 2). Sixty artisans were married (67.4%), ninety were single (21.3%) while ten participants (11.2%) answered as "other marital status". Regarding the academic qualifications, twelve participants were postgraduates (13.4%), 21 participants were graduates (32.6%) and the rest of them (56) were undergraduates (62.8%). Eighty-four of the respondents were Jordanian (94.4%), four were Syrian refugees (4.5%) and one respondent was a Palestinian (1.1%).

Interview Protocols and Guidelines

The researchers interviewed the first group of artisans individually at their homes or their studios. Each interview lasted for one hour on average. The researchers clarified to each participant that he or she would be asked nine questions covering nine issues. All sessions were recorded using a voice recorder so the data could later be analyzed and coded. No interview questions investigated personal issues related to the association or artisans. The interview was an open discussion space that enabled a fruitful exchange with participants.

The survey consisted of 25 questions and paragraphs. The survey was designed using Google forms. The questions were designed in a manner that enables and encourages respondents to express their views and opinions freely using their language. This approach reflects sub-consciousness towards their thoughts and beliefs related to the research issues. It also allowed not only answering the “what” questions but also the “whys”.

Complying with the government’s recommendations to limit gatherings and reduce face-to-face meetings at the time of data collection, and to support this research with quantitative data; a questionnaire was distributed through the group of JHPA (470 artisans). The researchers were able to administer the questionnaire through social media platforms to 128 artisans, 89 of which responded to the questionnaire with a rate of 69.53%.

Data Analysis and Findings

This section presents the data analysis and the results of this research. Analyzing the results of the qualitative and quantitative assessments, the following findings transpired:

Business Activity and Operational Environment

Due to the consequences of COVID-19 and the governmental reactions for containing this pandemic, nearly 89 crafts shop owners, which previously employed a combined total of 128 paid workers, lost nearly 70.3 percent of their workforce, or about 90 workers. This means that the livelihoods and income of at least 90 households have been affected. In addition to this, the sector suffered from a severe shortage of raw materials needed for production due to borders and business closures resulting in delays in shipping.
Some crafts shops owners suffered from a lack of workers due to quarantine. They also suffered from difficulties in marketing, especially in direct sales. A significant decrease in sales occurred during the pandemic, due to the absence of tourists and tourism activities, as 32.6 percent of artisans rely on tourists to market and sell their products, while 67.4 percent of artisans rely on the local market to sell their products. The research revealed that 74 percent were affected very badly, 19.1 percent were affected moderately, and 3.4 percent were only slightly affected.

**Financial support received during the pandemic**

About 5.5 percent of respondents reported receiving support from governmental entities. Respectively, 4.4 percent of respondents (four studios) reported receiving support from the Jordanian Social Security Corporation, and 1.1 percent (one workshop) reported receiving support from the Municipality of Greater Amman.

About 13.4 percent of respondents reported receiving support from non-governmental donors. Respectively, 6.7 percent (six studios) reported receiving support from international NGOs, while an equal 6.7 percent (six studios) reported receiving support from Craft Makers Association.

In general, 67.4 percent of respondents believed their financial situation after the pandemic was weak, nine percent as being good, and 23.6 percent believed they had an acceptable financial standing.

The lack of governmental support for the sector has been described by many as "disappointing", with 94.5 percent of the respondents reporting that they did not receive any direct or indirect support from governmental entities, while only 5.5 percent reporting that they received negligible monetary or in-kind support. Also, 6.7 percent of the respondents said that they received very little percent support from international non-governmental organizations operating in Jordan. These statistics indicate and confirm the low and marginal support that workers within the traditional handicrafts sector received during the COVID-19 Pandemic. These findings should, also, alert and draw the attention of relevant actors and stakeholders to the need for concrete and substantive support that this vital sector needs to maintain its input to Jordan’s economy.

**Strategic shifts in the conduct of business**

Nearly 82 percent of the participants reported making strategic changes to their business. These changes include changing the nature of the products to comply with local customs (46.1 percent), reducing the number of workers or employees (23.6 percent). In other cases, more drastic steps were taken, including about 7.9 percent of respondents who decided to close their business and relevant operations. Additionally, 1.1 percent of respondents reduced the number of working days while another 1.1 percent moved their products to storage facilities. Some 47.1 percent also reported shifting their sales modality to online platforms, and many others have started relying on these platforms to sell their goods predominantly.

This last finding, concerning the shift to selling through online modalities, shows artisans’ resilience and calls for further examining. This is because the research revealed that not all individuals or shop owners are aware, or possess the skills necessary to transform their businesses to online selling. Nonetheless, researchers observed a few instances where third parties assisted artisans in marketing their products through online modalities for a fee. Moreover, other parties offered help by teaching artisans how to ‘market their own products through online platforms.

**Discussion**

This research sought to investigate the socio-economic impacts of COVID-19 on traditional handicraft artisans in Jordan. However, artisans have faced significant challenges, even before the pandemic (Ayesh, 2019; Haddad, 2013). This is evident through statements made by at least five key informants during the interviews. Interviewees explained that despite being the most affected by these challenges, their opinions and suggestions were rarely taken into account by the governmental authorities.

While globe attitude encourages e-marketing for the artisans to sell their products (Crafts & Arts, 2003). Many members in the artisan society did not yet utilize the available social media platforms to sell their products. One participant commented that he doesn't believe in social media platforms as a solution for marketing.

The research shows a relationship between changing strategies and the sustainability of the handicraft studios. For
example, after tourists could no longer visit Jordan, participants who work in olive wood carving began producing new products that are suitable for local consumers. However, other artisans who were noted as successful in attracting a new clients’ base ended up having to close their shops.

This substantiates earlier calls by practitioners and academics within this domain stressing the importance of utilizing e-marketing approaches to solve issues that face artisans in marketing their products. Furthermore, at least three interviewees reported that these approaches helped them grow and sustain their enterprises. In fact, only 1 percent of artisans’ sales had increased. This specific craftsman managed to take advantage and maintain sales utilizing social media platforms, as well as websites that showcased the artisan’s products.

The researchers noted that the studios or artisans who were mainly relying on marketing via electronic platforms were able to sustain and continue their business despite and during the pandemic. Likewise, the artisans who were able to quickly engage in the e-marketing approaches were also able to sustain. The effect of the lack of sales on them was very slight, and they were able to compensate for a large part of it through e-marketing. The researchers have noticed that artisans and workers in the traditional crafts production sector, in general, suffer from poor handling and selling skills in marketing platforms, in general, and e-marketing in particular.

Artisans who made strategic changes to their business pattern in production or marketing. These changes were represented in the form of changing the nature of the product or producing new required items other than the one they used to produce, as well as the rapid transformation of some artisans to target the local audience instead of tourists, which has brought good results that helped in the sustainability of the projects. The studios and artisans who did not develop production or marketing strategies could not continue their work and found themselves without work.

**Conclusion**

COVID-19 affected artisans in Jordan negatively exacerbating challenges that the traditional handicrafts sectors had been facing even before the pandemic, including distributing and marketing their products. Combined, these insurmountable challenges drove scores of artisans out of business and left many others without a job, ultimately making artisans and their families vulnerable and without access to income. However, the COVID-19 pandemic increased these hardships and resulted in some being out of the handicraft sector and, eventually, out of work.

Measures taken by the government, particularly the Social Security Corporation and Ministry of labor to mitigate the impact of the pandemic on people affected are not adequate. In addition to the governmental supportive efforts for the traditional handicraft sector being inadequate, they did not cover the majority of artisans. Consequently, many studios closed down as they could no longer deal with the ramifications of COVID-19 on their business.

Therefore, urgent action must be taken to protect artisans, their livelihoods, and the industry. Additionally, more research efforts should be dedicated to exploring solutions to alleviate the pressure on artisans and address the most damaging crisis that has even affected this sector, particularly as the pandemic is far from over.

To this end, the researchers recommend that:

- Based on these conclusions, planners, decision-makers, donors, and artisans themselves should consider that the socio-economic impacts are the source and the result of the current situation of the handicraft sector in Jordan. An effective strategy to deal with this crisis, in our opinion, should consider social cohesion, as a priority, not only to address the status of the sector but as necessary to value the sector as a big potential to generate jobs then consequently, achieve goals of economic growth.

On the other hand, with the dynamic nature of the pandemic, the processes of opening and closing markets periodically, stopping production, and then returning to work, and the interaction between these constantly changing factors that directly impacted the quality of artisans’ life. Therefore, new research is recommended to be conducted shortly to measure the new potential effects in the long run.

The suggested solutions that interviewees provide to sustain within this pandemic are: a) Receiving direct financial support, b) Ending the closure policy, c) exemption from licensing fees and customs duties on imports of raw materials, d) Providing protection for the traditional local product Vs. the imported product, e) Establishing a cultural village to display
the Jordanian cultural activity, which includes traditional Jordanian handicraft products, f) Enforcement of Law No. 36 related to the obligatory display of at least 70 percent of Jordanian products on the shelves of oriental antique stores in Jordan, g) Marketing Jordanian handicraft products outside Jordan and linking them to tourism, h) ending the case of "multiplicity of references" through which artisans are associated with the Jordanian official regulatory authorities and united them in one body, i) Monitoring and determining the commission rates charged by the tour guide on the sales of traditional craft products from bazaars and craft studios, j) facilitate the movement of goods through the post mail.

In addition to these suggestions made by the artisans, this research recommended training the artisans to be familiar with the social media platforms and utilize those platforms to sell their products. Training workshops in e-marketing are highly recommended, managerial, packaging and design skills are also important for building capacities of the artisans and in the end sustaining their studios.

REFERENCES


