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Socio: Economic impact of corona pandemic in India

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Abstract

Globalization has increased their health risk by pandemics like COVID-19 diseases or corona diseases. The successful growth of any country is largely dependent on citizens' health. A healthy population contributes to productivity, saving, and progress. In 1950 India made remarkable efforts to improve public health. With India increasing population and industrialization increasing environmental problems and there is increasing communicability. No communicable diseases that not only affect the lives of people but also the working capacity of various sectors of economy such current burden is COVID-19 diseases due to this corona virus, firstly, its effect in china and china's economic slowdown. And hence due to communicable diseases, firstly Maharashtra government stuck down their companies, railways, social gathering, and hence its direct effect on the economy and share market collapsed due to this virus. According to CII Indian economy falls below 5% in FY2021 if policy action is not taken urgently. Corona virus ha saw worrisome spreads in India recently. This paper explains the economic impact of COVID-19 disease and challenges in India's faces and some suggestions to overcome this pandemic.

Keywords: Covid-19, pandemic, communicable and no communicable, social gathering, global economy, health emergency and novel corona virus

Introduction

COVID -19 diseases in mostly found in mammals and birds.in humans. Novel corona virus causes respiratory tract infections that include common cold, coughing. This virus firstly discovered in 1960 the global spread of COVID-19 since 2019, mainly in Wuhan state in china. The first case of the 2019-20 coronavirus pandemic in India was reported on 30th Jan, 2020; the infection rate of COVID-19 in India reported to be 1.7, which is remarkably lower than in worst-affected countries. The first case in India reported in Thrissur, Kerala. Which are communicable respiratory diseases detected positively since 20th March 2020? The outbreak has been declared an epidemic in more than a dozen states and union territories, where provisions of the epidemic diseases act, 1897 have been invoked, and educational institutions and many commercial establishments have been shut down. India suspended all tourist visas, as a majority of confirmed cases were linked to other countries on 22nd March 2020 India observed a 14-hour voluntary public curfew at the instance of prime minister Narendra Modi. The government followed it up with lockdowns in 75 districts where COVID cases had occurred as well as major cities.

Further, on 24th March, the prime minister ordered a nationwide lockdown for 21 days, affecting the entire 1.3 billion population of India. The WHO director said that India had a tremendous capacity to deal with the coronavirus outbreak and, as a second-most populous country, will have an enormous impact on the world's ability to deal with it. According to UN report, "India is among the 15 most-affected economies due to coronavirus epidemic and slowdown in production in China. On 13th March 2020 the Prime Minister Narendra Modi proposed that SAARC nations jointly fight the pandemic corona, an idea that was welcomed by Nepal, Bhutan, Srilanka, Maldives. He allocated 74 crores of funds classified as COVID-19 emergency funds for SAARC countries. Prime minister also announced 15000 crore aid for the healthcare sector. this money will be used to develop testing facilities, PPEs, ICUs, ventilators, and training medical workers. The cinema halls were shut down by most state governments. Film bodies decided to stop the production of films, TV shows, and web series till 31st March 2020. according to data realized by UNESCO on 10th March, school and university closures due to COVID-19 has left one in five students out of schools globally.

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The trade impact of the epidemic for India is estimated to be 348 million dollars and slowdown world trade. It could

result in a 50 billion dollar decrease in export across global value chains.

Table 1: COVID-19 State-wise Status on 17th September, 2020

S. No.	Name of State / UT	Total Confirmed cases	Cured/Discharged	Death
1	Andaman and Nicobar Islands	196	3345	52
2	Andhra Pradesh	90279	497376	5105
3	Arunachal Pradesh	1892	4787	13
4	Assam	29091	119367	511
5	Bihar	12959	148656	848
6	Chandigarh	3171	5683	104
7	Chhattisgarh	37470	35885	611
8	Dadra and Nagar Haveli and Daman and Diu	233	2575	2
9	Delhi	30914	194516	4839
10	Goa	5375	20445	319
11	Gujarat	16262	98029	3256
12	Haryana	21334	78937	1045
13	Himachal Pradesh	4146	6558	91
14	Jammu and Kashmir	19503	37809	932
15	Jharkhand	14138	51357	579
16	Karnataka	101645	375809	7536
17	Kerala	32775	84608	480
18	Ladakh	953	2536	46
19	Madhya Pradesh	22136	71535	1844
20	Maharashtra	297506	792832	30883
21	Manipur	1751	6521	48
22	Meghalaya	1902	2264	29
23	Mizoram	567	939	0
24	Nagaland	1261	3987	15
25	Odisha	32405	129859	656
26	Puducherry	4770	15923	418
27	Punjab	21022	63570	2592
28	Rajasthan	17049	89352	1279
29	Sikkim	480	1722	19
30	Tamil Nadu	46633	464668	8559
31	Telangana	30443	133555	1005
32	Tripura	7498	12956	222
33	Uttarakhand	11068	24432	447
34	Uttar Pradesh	67002	258573	4690
35	West Bengal	24147	184113	4123
Total number of confirmed cases		1009976	4025079	83198

Source: Ministry of Health and Family Welfare, Government of India

The Global Economic Effect of Covid-19

The global economy could shrink by almost 1% in 2020 due to the COVID-19 pandemic, the United Nations. A reversal from the previous forecast of 2.5% growth because nearly 150 countries closing national borders during the past month. Millions of workers in these countries are facing the bleak prospect of losing jobs. According to forecast lockdowns in Europe and America hitting the service sector hard, such as retail industries and service. Also, the least developed countries economies are driven by the sale of raw material will also face hard consequences. Also, the global financial market is fluctuating due to supply chain interruptions from china and oil price uncertainty among major producers.

Socio-Economic Impact of India Due to Covid-19 Disease

The covid-19 pandemic will shrink world output by 3% in 2020 IMF Said in April update of world economic outlook. The corona impact will badly hurt the poor, daily wage labor, and small business. On 21st March trains leaving Mumbai and heading towards the eastern parts of the country were packed. Media reports suggested daily wage

laborers were leaving the city going back to their native places in Uttar Pradesh, Bihar, and Jharkhand. With the city being locked down and business shut down, it has become very expensive for daily wage laborers to continue living in Mumbai. This explains the rush to get out of city, but Indian railway canceling trains up until 31st March 2020.

As the coronavirus crisis worsens in India, lower income class Indians can either save their jobs or lives. India remains a distant reality for hundreds of thousands of domestic workers, charismatically, delivery people, and others in unorganized sectors. Also, the pandemic has impacted religion in various ways, including cancellation of worship services of various faiths, the closure of Sunday schools, as well as cancellation of pilgrims surrounding festivals. Many churches, synagogues, mosques, temples have offered worship through live streams amidst the pandemic. Also, peoples stay their home and maintaining social distancing to protect from the corona virus.

A global rating agency slashed India's growth forecast for 2020 to 5.2% citing the impact of the novel corona virus of the country strained economy. Also, SP Global rating agency mentioned that a global economy at large is entering a recession. What started with supply disruptions due to the

outbreak in china has brought economic activities to a standstill in many countries. The global rating agency said there could be a deep recession caused in efforts to contain the pandemic, which has spread to hundred of countries after its discovery in china just the first week of March, coronavirus pandemic shaved off nearly third global Indian share market. On 2nd March 2020, BSE SENSEX witnessed a flash crash on the back of the union health ministry announcement of two confirmed cases. Asian development bank estimated that the outbreak could cause losses of up to us 29 billion to India's economy. On 12th March Indian stock market suffered their worst crash since July 2010 after who declaration of an outbreak as pandemic. Baralays said the cost of 21-day shutdown as well as previous two shorter once would around 8.5 lakh crore loss. It was directly affecting aviation, tourism as well as other industry in India, and a lot of peoples become jobless in the future.

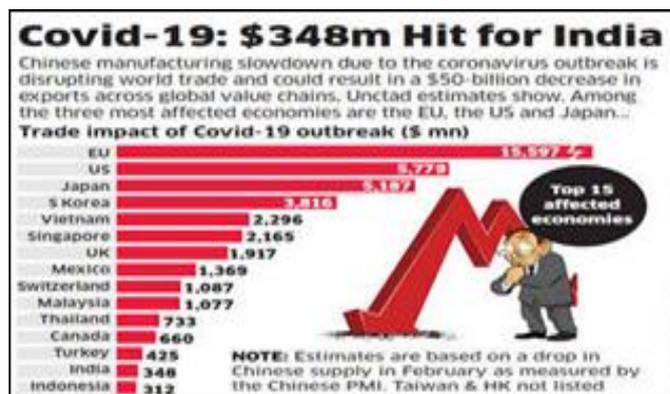


Fig 1: Covid-19 \$348m Hit for India

Worst Affected Sectors by COVID-19

- 1. Indian Tourism and Hospitality Sector:** India is a very large market for Tourism and Hospitality. For instance Goa, Kerala, Laddakh, Konkan are some of the favorite destinations of the tourists and Religious Sites as well, and many more small industries related to tourism are likewise badly impacted. India's Tourism and Hospitality sector is estimated at US\$ 28.6 billion dollars and expected to rise to US\$ 50 billion by 2022. Still, the COVID-19 has impacted it badly, and this sector provides 4 percent employment, which is 8 percent of India's employment.
- 2. Indian Retail Sector:** Indian Retails sector was US\$ 950 billion dollars and expected to reach 1 Trillion dollars in 2020, but the impact of COVID-19 has affected it badly as all the Shopping Malls are shut down to stop the spread of the COVID-19. This is the largest industry that creates employment and pays a very handsome salary now; the sector is badly impacted by the corona virus.
- 3. Indian Aviation Industry:** Indian Aviation Industry is considered the fastest growing industry in the world. Likewise, it is the third-largest domestic industry in the world, with estimated to grow to US\$ 136 billion dollars by 2021.
- 4. Infrastructure Industry:** The sector is highly responsible for propelling India's growth in the last couple of decades. This industry generates more jobs than any other industry in India because the Infrastructure sector includes power, bridges, dams,

roads, and urban infrastructure development. This sector is ranked 44th in 165 countries in the World Bank's Logistics Performance Index (LPI) 2018 and estimated to grow to US\$ 250 billion dollars in 2020.

Suggestions

1. The economic bell out package is required to emerge out of this economic calamity.
2. India spends billions of dollars on building statues of the political and community leaders that money should be transferred to building Hospitals for the community.
3. As advised by the WHO that 6% of the GDP money should be invested in the health sector that should be followed. India currently spends around 2% of GDP on Health.
4. There should be a separate fund created by every organization to tackle the corona like viruses in the future.
5. People should be made aware of basic and personal hygiene and cleanliness.
6. The government should give financial packages to small scale sectors and should include those not necessarily directly employed in SMEs such as farmers.
7. Loan payments of citizens to be rescheduled for 3-6 months, so default does not happen.
8. Enhance cash transfer programs for farmers and also introduces for poor consumers these could be done through below poverty line (BPL) ration cards to start.
9. Ensure greater supplies of basic food items through fair prize shops.
10. Provide tax relief to affected sectors and provide income support to poor peoples.
11. Countries' urgently need to work together to slow the spread of virus and develop a vaccine to counter the disease.

Conclusion

The outbreaks of COVID-19 represent serious health emergency crisis event in India, and both had significant impacts on health, society, and economy in battle against coronavirus it from becoming an epidemic and affecting the health of country population and economy, judicious policies and program required in India. Our Indian people are unaware of health and sanitations and lack of sanitations facilities in rural as well as an urban area in India. Also, health facilities must be improved and people taking lessons from hygiene from government, also health facilities must be improved. Corona virus directly impacts on major sectors like aviation, tourism, steel industry, and informal sector. The government needs to take preventive measures so the potential economic loss can be avoided. The stats of Health habits, and services need to improved also, airport popular tourist spots and tourism operators could also be involved in control and management of an epidemic disease. India needs to take lessons from epidemic diseases and creating a special emergency plan to battle against COVID-19.

An effective and efficient emergency response can reduce avoidable mortality and morbidity and reduce the economic, social, and security impacts of all public health emergencies, including disease outbreaks. Information sharing and communication are considered key tools for the coordination of prevention and management of COVID-19 diseases.

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