

social and economic impact of covid-19 in india: a review study

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Abstract

We are facing a global health crisis unlike any in the 75-year history of the United Nations one that is killing people, spreading human suffering, and upending people's lives. But this is much more than a health crisis. It is a human, economic and social crisis. The coronavirus disease which has been characterized as a pandemic by the World Health Organization (WHO) is attacking societies at their core. The responses to the Covid-19 pandemic are simply the amplification of the dynamic that drives other social and ecological crises. The coronavirus outbreak is severely disrupting the global economy. The economic sector of most of the countries has been badly affected. Therefore, this study is an attempt to highlight the major impacts of the Covid-19 on social and economic sectors of India. On the basis of secondary data, this descriptive article tried to discuss the impact of COVID 19 Lockdown socio-economic status of Country. The COVID-19 crisis has exposed the vulnerabilities of individuals, societies and economies, calling for a rethink of how economic and social activities are organised. The crisis calls for strong responses based on solidarity, co-operation and responsibility. The all sectors of the economy has been disproportionately affected and even within a sector, there is a disproportionate loss. The societal impacts are dire too with job losses, mental illness, increased domestic violence, and so forth.

Keywords : COVID-19, Socio-economic Impact, COVID-19 pandemic

Introduction

The Director-General of World Health Organization had announced, on 30th January 2020, the novel coronavirus outbreak, i.e., 2019-nCoV, as a public health emergency of international concern. The declare of the outbreak as an epidemic in the country has been followed by the series of curfew and announcements of the 21 days long lock down in order to contain the pandemic. COVID 19 a virus shivers the entire country with its horrible infection. The entire world including all 213 countries are affected by this pandemic. Unprecedented disease with rapid spreading through contacts made people panic. Coronavirus disease, popularly known as COVID-19 is the contagious syndrome caused due to the novel virus, resulting into the severe difficulty in respiration with the common set of symptoms, viz., cough, fever, and in serious conditions causes breathing problems. The first case was found in Kerala in the month of February 2020. Later it started spreading like wildfire this made union government to worry; though the government took all precautions the spreading was so intense. Finally Government of India after studying and interactions with higher medical officials decide to go for Lockdown. Honourable Prime Minister Shri. Narendra Modi declared Janata Curfew on 22 March 2020 that was Sunday. Entire nation supported it and actively participated in this self curfew following gesture. It was just an experiment to test the people reaction to Lockdown. Later, from 24th March 2020, lockdown was announced in several phases and whole India has locked completely for approx. two and half month. During this period there were lot of difficulties aroused due to the shutdown of almost all businesses, institutions, trade and commerce etc.

This paper discusses the social and Economic impact of COVID 19 LOCKDOWN. India's large population belong to Middle and Low income Group and they have affected largely.

Objective of Study

Following objectives have taken into consideration –

☐ To know the various affects Covid-19 in India.

☐ Discuss the Social and Economic impact of COVID 19 LOCKDOWN.

Methodology of the Study:

The study is descriptive and analytical in nature. The information has been collected from secondary sources which contained Books, Journals, Newspapers, and Internet etc.

Social Impact

During these 40 days lockdown period entire nations Social life was disturbed completely. As there was ban on traveling from one place to another place and all transportation services were suspended most of the people specially labour class of the country suffered alot..

☒The government strategies such as social distancing and quarantine badly harm the social relations of the people. It is found that many persons who come from other states or countries have suffered mental stress during the period of quarantine just because of social isolation.

☒The Covid-19 pandemic has also adversely affected women across the world. A rapid spike in the cases of domestic violence after outbreak of Covid-19, clearly shows how the women are the worst victim because of this pandemic.

☒The Covid-19 also greatly influenced the religious and cultural life of people. To defeat the Corona virus the Government directed to shut down all religious places such as Temple, Masjid, Church and Gurdwara etc. The biggest religious event of Kamakhya Temple which is known as Ambubachimela has been restricted because of this pandemic. Moreover, The grand festival of Muslim community Eid also cancelled because of growing threat of Covid-19 and many other festivals have been cancelled.

☒The Covid-19 has also given a considerable impact on education system of Assam. A drastic change has been seen in education system of country and even world. After outbreak of this pandemic, the Government ordered to shutdown all educational institution across the country. Due to the closure of all educational institutions across the country, education has been adversely affected.

☒Fortunately India with its rich culture and values many people started supplying food to these people and also gave money to meet their day to day expenditure. Another side sitting in home for long time made people psychologically disturbed and every one were praying for vanish of this corona virus from world. Here we need to appreciate the state and central governments for feeding and taking care of the people living in red zones and sealed areas. Central government was working 24X7 at this period and giving time to time instructions to the country.

Economic Impact

An attempt has been made to provide brief idea about economic and social impact due to COVID-19 as follows:

- The country's growth is estimated to have dropped below 5 percent for FY 2019-20.
- Around 400 Million workers employed in the informal economy are at risk of falling deeper into poverty during this crisis, as per a report by International Labor Organization.
- Bombay Stock Exchange Sensex fell from 40,363 points on February 24 to 25,981 points on March 23, it has now recovered to 31159 as on April 9. The valuations look attractive and unless another shock rattles the market, this is a good time to start making cautious and calibrated investments (www.india-briefing.com).

Sector Wise Impact

•Agriculture – The nationwide lockdown has left farmers across the country in the miserable condition before the crucial harvesting season. Farmers also had concern about government procurement and their ability to sell their crops, given that many agricultural markets are still closed, despite orders from the home ministry to exempt all farming activities from the shutdown. Unless the government acts soon, farmers in India will face a bleak future leading to bankruptcies and farmer suicides.

•This will severely dent India's ability to revive its economy since there will be a sharp decline in consumption in the rural sectors leading to impairment of the industrial activity.

- Textile – Production halts in China and lockdown in India have had an impact. Mainly because of dependence on China for textile raw materials including synthetic yarn, synthetic fabric, buttons, zippers, and hangers. India also exports cotton yarn to China in bulk quantity, and poor demand in China has caused cotton prices to come down in India.
- Apparel – Closure of retail stores across the country is also adding to losses. Payment of at least US\$2 Billion is stuck with foreign buyers because of postponement or cancellation of orders.
- Automotive – The sector had already witnessed a sluggish demand for the last one year. The present situation has further aggravated the problem and compounded the situation with an acute liquidity crunch. China accounts for 27 percent of India’s automotive part imports. With Wuhan being a major auto hub, the supply chain of the automotive sector has been hit significantly.
- Aviation – With global travel being pendant, airlines are looking at bankruptcy. It is possible that the government might bail the aviation sector in the near future.
- Hotels and restaurants – Demand has declined substantially with owners struggling to recover the fixed costs. Pre-lockdown, hotel occupancy rates of 70 percent declined to 20 percent with restaurants losing 30 to 35 percent of their business.
- Poultry – The claims regarding transmission of COVID-19 through chicken and other meat have impacted the sales and price of poultry items. Sector is facing a loss in the range of US\$20 Million every day.
- Chemicals –The shortage of essential chemicals amidst the lockdown has resulted in a reduced production of organic and inorganic chemicals across India. Dependence on China for active ingredients have also hit us largely.
- Consumer durables – Electronic appliances are experiencing a slowdown due to lack of demand, reduced economic activity, and supply chain dependencies with China and other impacted countries. India imports around 50 percent of its completely built units of consumer durables from China.
- Entertainment and sports – Places of gathering like cinema halls and malls have been closed. Promotional and sport events are also being called off. One of the major cricketing events in the country – Indian Premier League (IPL) has been deferred for the time being – its cancellation can alone mean a loss of at least US\$500 million for the organizing body.
- FMCG – After the lockdown announcement, demand for essential FMCG products spiked up owing to hoarding and panic buying by consumers. Grocery items, milk, and hygiene products have seen a surge in demand while supply chain constraints have limited the manufacturing capacities (www.india-briefing.com).

Employment

The data from the Consumer Pyramid household level survey of the Centre for the Monitoring of Indian Economy (CMIE) shows that the unemployment rate in urban areas increased sharply to 30% in the week ending March 29, about 3.5 times the rate of 8.7% for the week ending March 22. For rural areas, the corresponding figures were 21% and 8.3%. The overall unemployment rate increased from 8.4% to 23.8%. The data for the week ending April 5 estimates the rate at 30.9% for urban areas, 20.2% for rural areas and 23.4% at the all-India level.

Sectors with a possible upspring

- Digital & Internet Economy: Online based products & services companies will find new takers
- Ed-tech and Online Education along with firms involved with online-skill development
- Online groceries**
- There will be a sudden spike in the demand for Content, with digital content being in demand more than ever.

- The food-based retail chains, and companies catering to low-ticket consumption demand will emerge as winners.
- Speciality Chemicals: Firms dealing in Chemicals will see a jump due to increased demand for disinfectants, drugs and medicines.
- Pharmaceutical firms are set to see growth in the near term([www. blog.smallcase.com](http://www.blog.smallcase.com)).

Conclusion

With fears of a new recession and financial collapse, times like these call for resilient and strong leadership in healthcare, business, government and wider society. Immediate relief measures need to be implemented and adjusted for those that may fall through the cracks. Medium and longer term planning is needed to re-balance and re-energise the economy and health following this crisis

Due to COVID-19 many lives will be lost and millions more will be affected. India will have to introspect, businesses will realign. Technology for many businesses, will be considered to be a support function with it being used as a means to get to an end. This is set to change as technology will now become the frontline requirement in most organizations.

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