

# COVID-19 Pandemic and Its Socio-Economic Impact on India

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## **Abstract:**

Beginning in December 2019, the new COVID-19 poses a global threat to both human life and economic stability. As the deadly virus began to spread to nearby areas of infected areas, the governments of all the countries were extremely concerned. As the spread became uncontrollable, the nations were forced to declare and enforce a nationwide lockdown. Numerous sectors were severely impacted by the lockdown, which in turn had an effect on the economy. The three pillars of the economy—manufacturing, agriculture, and services—have all suffered, significantly slowing down the economies of all countries. Different state and federal governments implemented a number of programs and policies to lessen the effects of subsequent lockdowns on people. In this paper, we use a socioeconomic framework to present a then and now analysis of the economy, focusing on factors such as industrial production, trade in goods and services etc. Because of its vast terrain and rich cultural legacy, the Indian subcontinent presents itself as a possible center for economic activity. The assessment will be helpful in observing the long-term effects, both locally and globally, of any infectious disease outbreak, like COVID-19.

**Keywords:** COVID-19, impact on economy, awareness etc.

## **Introduction:**

Society is based on the economy, and the economy is based on society; this cannot be adverse from the field of a developing country. However, it is not very different in the case of developed countries. In the developing countries of the world like India, when poverty is about to be eradicated and the opening of a new economy is about to begin, then that way is stalled in a world pandemic. Since the outbreak of Covid-19 in China in late 2019, the way it has rapidly spread across the world, the strategy to get rid of it is lockdown. However, not all countries have used this name of lockdown. Many of them said curfew (Sri Lanka) and some said Ganachuti (Bangladesh). But most of the countries are trying to reduce the infection by keeping the people under house arrest in the name of this lockdown. That is, it is a compulsory effort to get rid of the epidemic by stopping social gatherings.

Now, just as normal life has been disrupted by the impact of the lockdown, so has the impact on the economy. We have found the idea of economists that the cycle of capital is always ongoing. But if the cycle stops! That is, if factories are closed and workers cannot go, if the production system is stopped, if the supply or transportation system is stopped, then the effect is mostly on employment. That number applies only to unorganized workers. According to economists, putting money into the hands of the poor

keeps the economy going. But if the actual number of poor people in unorganized sector in the country is being asked from the government, in that case the inertia of the government is seen in giving the correct information. So if there was correct information, then there would not have been so much concern about Corona. Rather, it would have been easier to find a way to properly revive the economy. However, it is not that data is not collected through NSS in India. But, it remains quite old and somewhat stagnant in government offices. The fact that thousands of migrant workers who returned from abroad at the start of the lockdown in India this past year are still unemployed today – the country's massive unemployment, has raised its head further. In case of developed countries, unemployment insurance benefits are available for workers in public or private organizations and after a certain period of time, the amount of that insurance decreases. But several countries like India have no such social benefits. According to a study on labor insurance in India, the central government spent Rs 3,500 crore in two months for 8 crore migrant workers. If you calculate that, it stands at 400 rupees per worker. So where is the difficulty of the government to pay that money through insurance? In fact, in response to this, the inertia of the government survey comes up again. So we have to wonder if unemployed people in India are secretly working while taking unemployment benefits! And so the expectation is more under the question of economic conflict.

Many people think that everything will be fine once the lockdown is lifted to overcome the economic crisis that the frozen factories have caused in developing countries due to the pandemic corona. But we cannot turn the economic wheel at will and bring it back to the previous state. It has fixed time. On which more depends, the functioning of the factories and the labor exchange of workers. But we have to depend the most on how many more waves of this corona epidemic will hit human life and social life and when everything will be normal after this crisis. We have to rely on adherence to infection control measures. Because, by increasing the epidemic, development is not possible. In particular, a mutated form of this invisible enemy, Corona or 'Covid-19', is rapidly infecting socialized organisms.

### **Epidemic preface of corona virus:**

Coronaviruses are important human and animal pathogens. At the end of 2019, a novel coronavirus was identified as the cause of a cluster of pneumonia cases in Wuhan, a city in the Hubei Province of China. It rapidly spread, resulting in an epidemic throughout China, followed by a global pandemic. In February 2020, the World Health Organization (WHO) designated the disease COVID-19, which stands for coronavirus disease 2019 [1]. The virus that causes COVID-19 is designated severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2); previously, it was referred to as 2019-nCoV. The WHO declared an end to the COVID-19 global health emergency in May 2023, more than three years after its emergence.

Coronaviruses are enveloped positive-stranded RNA viruses. Full-genome sequencing and phylogenetic analysis indicated that the coronavirus that causes COVID-19 is a betacoronavirus in the same subgenus as the severe acute respiratory syndrome (SARS) virus (as well as several bat coronaviruses), but in a different clade. The Coronavirus Study Group of the International Committee on Taxonomy of Viruses has proposed that this virus be designated severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) [2]. The Middle East respiratory syndrome (MERS) virus, another betacoronavirus, appears more distantly related [3,4]. The closest RNA sequence similarity is to two bat coronaviruses, and it appears

likely that bats are the primary source; whether COVID-19 virus is transmitted directly from bats or through some other mechanism (eg, through an intermediate host) is unknown [2-5].

The host receptor for SARS-CoV-2 cell entry is the same as for SARS-CoV, the angiotensin-converting enzyme 2 (ACE2) [6]. SARS-CoV-2 binds to ACE2 through the receptor-binding domain of its spike protein. The cellular serine protease TMPRSS2 also appears important for SARS-CoV-2 cell entry [6-7].

Like other viruses, SARS-CoV-2 evolves over time. Most mutations in the SARS-CoV-2 genome have no impact on viral function. Certain variants have garnered widespread attention because of their rapid emergence within populations and evidence for transmission or clinical implications; these are considered variants of concern. Each variant has several designations based on the nomenclature used by distinct phylogenetic classification systems; the World Health Organization (WHO) has also designated labels for notable variants based on the Greek alphabet [8].

The Omicron variant was first reported from Botswana and very soon thereafter from South Africa in November 2021. In South Africa, it was associated with an increase in regional infections, and it was promptly identified in multiple other countries, where it was similarly associated with sharp increases in reported infections [9-12]. Subsequently, Omicron sublineages with increasingly greater replication advantages emerged, replacing the previous predominant sublineage. The original Omicron variant was sublineage BA.1, followed by sublineage BA.2, which in turn was supplanted by BA.4 and BA.5 [13]. Other Omicron sublineages, such as BQ.1, BQ.11, BF.7, BA.2.75, XBB, XBB.1, and XBB.1.5, which evolved from various previously circulating sublineages, have been increasing in prevalence worldwide. Each sublineage differs from the others by at least one mutation in the spike protein (except for BA.4 and BA.5, which have identical spike proteins) [14]. Several Omicron sublineages have a replication advantage over the Delta variant and evade infection- and vaccine-induced humoral immunity to a greater extent than prior variants. They also appear to be associated with less severe disease than other variants.

### **Corona awareness for society:**

The risks of getting COVID-19 are higher in crowded and inadequately ventilated spaces where infected people spend long periods of time together in close proximity.

Outbreaks have been reported in places where people have gather, often in crowded indoor settings and where they talk loudly, shout, breathe heavily or sing such as restaurants, choir practices, fitness classes, nightclubs, offices and places of worship.

To make your environment as safe as possible:

1. Avoid the 3Cs: spaces that are closed, crowded or involve close contact.
2. Meet people outside. Outdoor gatherings are safer than indoor ones, particularly if indoor spaces are small and without outdoor air coming in.
3. If you can't avoid crowded or indoor settings, take these precautions:
  1. Open a window to increase the amount of natural ventilation when indoors.
  2. Wear a mask.

Maintain good hygiene:

1. Regularly and thoroughly clean your hands with either an alcohol-based hand rub or soap and water. This eliminates germs that may be on your hands, including viruses.
2. Cover your mouth and nose with your bent elbow or a tissue when you cough or sneeze. Dispose of the used tissue immediately into a closed bin and wash your hands.
3. Clean and disinfect surfaces frequently, especially those which are regularly touched, such as door handles, faucets and phone screens.

What to do if you feel unwell:

1. If you have a fever, cough and difficulty breathing, seek medical attention immediately. Call by telephone first and follow the directions of your local health authority.
2. Know the full range of symptoms of COVID-19. The most common symptoms of COVID-19 are fever, dry cough, tiredness and loss of taste or smell. Less common symptoms include aches and pains, headache, sore throat, red or irritated eyes, diarrhoea, a skin rash or discolouration of fingers or toes.
3. Stay home and self-isolate for 10 days from symptom onset, plus three days after symptoms cease. Call your health care provider or hotline for advice. Have someone bring you supplies. If you need to leave your house or have someone near you, wear a properly fitted mask to avoid infecting others.
4. Keep up to date on the latest information from trusted sources, such as WHO or your local and national health authorities. Local and national authorities and public health units are best placed to advise on what people in your area should be doing to protect themselves.

### **Socioeconomic impact due to COVID-19:**

Needless to say, the global economy has been affected the most. The countries have gone through a period of economic slowdown during the pandemic showing marked changes in several factors such as unemployment, industrial production, consumer spending, and foreign trade. The beginning of the oil war between Saudi Arabia and Russia, the largest oil-producing countries, followed by a sharp decrease in the global demand for oil due to restriction on movement during COVID-19 induced lockdown led to a steep price crash in the global market. In many countries including the United States (US) and India, the agriculture sector has also suffered huge losses owing to a decrease in local demand and declined foreign trade. Not only lower incomes, but unprecedented conditions also forced businesses to lay off employees in large numbers across the world. Needless to say, manufacturing and industrial sectors employ a significant number of people directly or indirectly. An increase in industrial production is a sign of a stronger economy.

Declining growth in industrial production had severely impacted the livelihood of workers leaving millions of people unemployed. With no income and almost zero savings, the migrant labours and daily wage earners struggled for a livelihood. Index of Industrial Production (IIP) for all goods except consumer non-durables reduced to more than 50 percent as that of prior lockdown. The production of non-essential items declined abruptly due to a fall in demand, the production of basic and essential commodities including food and pharmaceutical products-maintained normalcy even in the lockdown. Foreign trade is an important aspect in determining a country's GDP. A surplus trade balance contributes to the positive growth of the economy but the limited industrial production and lesser demand in foreign

markets have caused a decline in the export trade. This decrease in foreign trade has skeptically affected global supply chains and the economy. To some relief, the export of commodities like cereals, drugs, pharmaceutical products, and iron ore recorded positive growth in April and May 2020. With a direct impact on foreign trade, a depreciation in the currency exchange rate promotes the export business in the international market. For example, during the pandemic, the value of the Indian currency dropped from 70.68 to the dollar in January to 77.01 to the dollar in April 2020 [15-17]. This economic crisis is considered to be one of the worst recessions in Indian history, affecting the country's Gross Domestic Product (GDP) per capita and global supply chains. With a loss of around Rs.32,000 crore daily in the first lockdown period, the growth of the Indian economy slowed. The unemployment rate, Index of Industrial Production (IIP), foreign trades, and currency exchange rates are a few of the key factors determining the economy of a nation [18-20]. Due to the adoption of social distancing and movement restrictions by different state governments, most of the operations involving the flow of goods and services came to a standstill. A cut down in the foreign investments and negative revenues resulted in most of the emerging startups being vulnerable to the financial crunch and at risk of shutting down. While the IT, telecommunication, and medicine industry have seen an appreciable increase in demand, most of the services-based companies suffered heavy losses due to movement restrictions.

### **Conclusion:**

The Indian government responded to the COVID-19 pandemic by enforcing a nationwide lockdown for 21 days and continuing a full lockdown at hotspots to prevent the virus from spreading. The Indian government's precautions may help contain the health crisis, but the total lockdown has caused a recession in the country's economy. There are two reasons why the economic shock in India might be even more severe. Prior to COVID-19, the economy had already slowed, which had made inequality in general, low incomes, rural hardship, hunger, and unemployment already severe. Second, the sizable unorganized sector in India is especially weak.

The primary characteristics of India's COVID-19 containment strategy include total disruption of supply chains, interruption of government agencies' food procurement, labor shortages for harvesting "Rabi" crops from farms and truck drivers, limited availability of APMC "Mandis" operations, and closure of retail markets. India's agricultural system has been severely impacted by the pandemic-induced crisis. We won't be able to address the food security crisis if we don't comprehend how COVID-19 affects the agricultural system. Mobility constraints, transportation problems, and reverse labor migration have caused supply chain disruptions in India, raising the cost of basic goods like vegetables, soybeans, flour, and milk at both the wholesale and retail levels.

The covid pandemic hit the world economies badly. As India's economy is recovering from the pandemic effect, the covid third wave is affecting the economy negatively. The Indian government is trying hard to prevent the further negative impact on the economy by not imposing the lockdown and increasing the pace of vaccination.



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