

Corona Virus outbreak-An Economic Perspective

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Abstract

In the whole world, a Pandemic named COVID-19 ('CO'-corona, 'VI' -Virus, 'D'- Disease.) outbreak from the end of 2019. Till date we can't reach a point that is this virus a biological, Socio, Political, Trade or a Business virus. Even WHO changes its protocol regarding this monster. But the shadow of this virus falls upon the Socially, Economically, Nation Rapport, Environmentally etc. As we focus upon Economic perspective all theories, all rules, all paradoxes are collapse. China the super market, once seems that it will never survive or rise again in the world market, But this idea becomes fade soon. China rising with much thrill as earlier. He stables himself very soon. Transportation, Marketing and supply regain now. Many country get upsetting in such a manner that they need much time to come on track. Many countries loses their GDP India is one of them. In India rate of Interest of small saving schemes cut by 10 and more percentage. Even rate of interest on Sukanya Samridhi Scheme has dipped to 7.4 percent from previous 8.4 percent, about 12% get cut. It is slightly good news for Punjab and whole country that if we compare the word data with us it gives us somewhat relief that the world has 35 deaths per ten lakhs and India has only 1.5 while Punjab has only 1.0 per ten lakhs.

Key word

COVID-19 ('CO'- corona, 'VI' -Virus, 'D'- Disease, flu, influenza, Middle East Respiratory Syndrome (MERS) ,Severe Acute Respiratory Syndrome (SARS) .

Introduction

In December-2019, corona virus belongs to a class of long chain of viruses like SARS outbreak began in Wuhan, China. The chines scientist who first decoded the virus was Leo Poon. "What we know is it causes pneumonia and then does not respond to antibiotic treatment, which is not surprising, but then in terms of mortality, SARS kills 10% of the individuals." Poon, a virologist at the school of Public Health at The University of Hong Kong, Said. (*CNN source*). This corona Wuhan virus is not so fatal as SARS and MERS. I take both the sides of coin one the negative side and other the positive side, negative side is that the Jobs, Rate of interest of saving went down. GDP fell deeply. It will be further decrease by 5% in the coming Financial Year 2021, worst-ever performance by Country (*Firstpost Internet*). While the negative direction , environmental pollution get reduces naturally, even not any human activity do this after investing trillions of Dollar. Road accidents came to a lowest degree. Social Evils observed negligible. Causalities by Drugs are approximately nil.

Review of Literature

All the articles which passes through my eyes concerning Economic aspects of CORONA.

CORONA

In a large group of viruses mostly corona are common among animals. In rare cases, they can be transmitted from animals to Human.

SYMPTOMS

The symptoms of corona affected person as like common cold, influenza but a bit differ by mild to moderate upper respiratory tract illness like previous disease known as Middle East Respiratory Syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS) include a runny nose, cough, sore throat, possibly a headache and fever, last for three to four days.

TREATMENT

There is not a single patent medicine for corona disease but best treatment is strong immune system.

CAUSE OF SPREAD

It is a self-respect virus; It never goes to a host until host invite it. It is very unfortunate that a new Virus N-COVID-19 has spread across the nations. Except few, every country is in its grip and it has taken many lives so far. The worst hit nations are U.S.A, Italy and Spain. Due to its spread, their economies have faced a great jolt. Irrespective of various efforts by the respective government of each country, still each nation is flummoxed what to do. The pace of spread of this N-COVID-19 has been slow in India because the government of India has taken some preventive measures in its early stage. There is fear in the minds of public as to what will happen in the coming days? Centre and state governments are doing their best and taking care of medical and food facilities to each one of those, who are under observation or quarantine or suffering from this disease.

We are aware that a great panic was seen among public when our Prime Minister announced the India lockdown w.e.f. 24th march after 12.00 o'clock in the midnight for 21 days till 14 April 2020. People from states such as Delhi, Kalcutta, Maharashtra and Punjab came on roads and marched to their native home town/villages by foot. This news has taken a place in electronic and print media along with the social media. This was a very strange experience for our country and appeared obnoxious. The fear was mix of two things, one, they have lost their jobs, and other; it became very hard for them to make both ends meet. It is clear in the advisory, issued from time to time, that essential services and items are exempted from this lockdown. But all these items are available only to those who can afford and have money to purchase. All these items are beyond the reach of a common man such as rickshaw puller and daily wage earners. Various NGOs have lent their support in distributing food and other necessary items to the needy and down trodden segments of the society. Majority of the poor are unable to purchase other necessary items due to lack of money. The economic effects of this Corona virus pandemic will be realized in the coming future.

Corporates are directed to help those industries which are manufacturing medical equipment. In this direction they (corporate sector) have diverted their resources to produce medical equipment, medical infrastructure such as ventilators and PPEs (personal protective equipment) and N-95 masks which are the utmost need of medical staff such as doctors, nurses and other supporting staff. Due to this, there is a big deviation from producing daily routine consumption goods. Industries start to retrench employees from their concerns because each worker has not the specialty to produce medical equipment. There is a dire need of training for technical know-how. In these days, it is not clear as to in which direction our economy is moving. World Bank has also given the caution, that at world level, the growth of each economy will be dismal in coming years. We know that each and every activity is interlinked with the other. If we disturb one thing, the things which are associated with it, will also get disturbed. It is like throwing a stone in a bounded pond, which is visible to you, and

then you notice, that the stone has produced ripples in the pond one after another, it will remain in continuation until these ripples get back to its previous position. Economy of our country is limited so it becomes less or more isolated, frankly speaking when these workers, employees and daily wage earners are job less, then they will not get income and will be unable to generate demand of goods and services. Drivers who drive means of transportation, to the factories which are producing goods, and to the points where raw material was collected come to stand still. Those who were dependent on means of transportation such as road side dhabe-wala or shopkeepers, technicians, service station will feel the heat of lockdown of means of transportation. Similarly, factories which were producing spare parts and workers who were working in spare parts producing factories will bear this crisis and they will also lose their jobs. This chain effect will continue till it reaches to each one of us. On the one side people are not having employment on the other they are having less demand. Due to less demand there will also be less investment. When there is less investment in the economy then the employment opportunities will also be less and the economy will put itself into a vicious circle. So many years will be required to break this circle. Only one way to pull the economy from the vicious circle, government will have to adopt the policy of pump priming.

On one side due this Corona Virus, our nation is lockdown, on the other; people are making less or in some case no demand. If no goods are demanded in the market then the industries will stop production. Then entrepreneurs will not take loan from the banks irrespective of low rate of interest. The process of credit creation will stop. In these days economy has a lop sided growth at a very slow rate. Moreover Central government has also added another problem by lowering the interest rates on small saving schemes like public provident fund, National saving certificate, Kisan Vikas Patra and others. On provident fund schemes it is now 7.1 percent than the previous quarter of 7.9 percent. On NSC it is now 6.8 percent than the previous quarter 7.9 percent and on KVP it is 6.9 against 7.6 percent in the previous quarter. Moreover the interest rate on Sukanya Samriddhi Scheme has dipped to 7.4 percent from previous 8.4 percent and interest rates on five senior Citizens Saving Schemes have also been reduced significantly to 7.4 percent from 8.6 percent. This will push the economy in recessionary track as the rate of overall savings will decline. Saving is the only source of investment. If the rate of saving is 20 to 30 percent in an economy then that economy may get a high growth rate. People will divert their savings from national securities to other portfolios where they may get more rate of interest. When there is a decline in savings with banks then banks will not be in a situation to give loans. If the purpose of lowering the rate of interest on small saving schemes is to leave more liquidity in the economy, to make more demand, then it may be the big mistake in the time of the spread of Corona virus.

Chart reveal the clear picture of Punjab and India w.r.t. world

S.No.	Area	Estimated Total Population in 2020	Confirmed case till date 10-05-2020	No. of Deaths till date 10-05-2020	No. of confirmed cases per lakh	No. of Deaths per ten lakh
1.	WORLD	7.8 Billion or 7800000000	4,102,001 (time:12:33 PM)	2,80,454	52	35
2.	INDIA	1377763532	62,939	2,109	45	1.5
3.	PUNJAB	30000000	1,762	31	58	1.0

It may take couple of years, after eradication of this virus, from the nation to put economy on the trajectory growth. Each state government can do one thing, by maintaining social distancing; shifts may be stated in factories, so that production will remain instantaneous. Over 94 percent of India's working population is a part of unorganized sector. Only 6 percent of working population is engaged in organized sector in India. If our 94 percent population

get jolted then the economy may go into deep recession. Keeping in view the present position of our economy, the basic and key industries should remain operational, at least for four to five hours daily. By taking all precautions, government should keep on, supply chain of goods and services, at door steps. But proper care should be taken to prevent the spread of Corona virus. For this purpose on one side government should formulate new schemes with the consultation of policy makers, planners and execute these policies in a phased manner to avoid another economic crisis after Corona virus.

Analysis Recommendation

The COVID-19 destroy our country's Economy, Human social activities halt at all. Migrant labor learnt a very bloody experience in their own country. When all these activities happening in two or three months then nature get refresh itself. It is noted that during this game of two super power countries, the people of under developed countries crushed to earth without any pre warning pandemic. The precaution is the only way to overcome this disaster.

Conclusion

If fire able to burnt a house then it has also capable to cook food and make it delicious. If a knife can cut a finger then this knife also chopped the vegetable for cook. So if corona ruins ones economy then other side this very corona leaves the favorable effects on the whole humanity of the world.

References

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