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Published in the Slovak Republic Asian Journal of Social and Human Sciences Has been issued since 2016. E-ISSN 2500-3763 2020. 5(1): 3-7

DOI: 10.13187/ajshs.2020.1.3

www.ejournal45.com



## **Articles**

# The Socio-Economic Implications of Coronavirus (COVID-19) Pandemic in South Asia: A Critical Appraisal

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### **Abstract**

Coronavirus (COVID-19) is an infectious disease caused by virus. As the pandemic has spread all over the world since December, 2019, concerns have shifted from supply-side manufacturing issue to decreased business in the service sector. Economic recessions happen across the world economy due to coronavirus. Many countries with large economics have enacted quarantine policies this led to the disruption of business activities in many economic sectors. The outbreak of this pandemic has drastic impact on health, and has increased suicidal tendencies, depression & anxiety among people. The outbreak of this pandemic has also disrupted the social life of people across the world, it has limited the daily activities of people, educational institutions are closed and religious rites are restrained to win the war against corona. In this context, the present study has been prepared in order to know the various implications of coronavirus with special focus on socioeconomic sector in the South Asian regions. Secondary source of data was utilised to critically examine the impact of COVID-19 on socio-economic life of people in South Asian countries. The authors found that there has been a significant impact on these variables.

**Keywords:** coronavirus, socio-economic, impact, south Asian perspective.

### 1. Introduction

Human history is observing a very strange time fighting an invisible enemy; the novel COVID-19 coronavirus. Initially observed in the Wuhan province of China, now fastly spreading around the world (WHO, 2020). On 20th March, 2020, there are 270,069 coronavirus cases, with 11,271 deaths while 90,603 have been recovered. In the total coronavirus patients died very interestingly the highest number belongs to Italy i.e. 4,032 deaths, the death toll is followed by China 3,248, Iran 1,433 and Spain 1,044 (WHO, 2019). As of January 24, 2020, at least 830 cases had been diagnosed in nine countries: China, Thailand, Japan, South Korea, Singapore, Vietnam, Taiwan, Nepal and the United States. Twenty six fatalities occurred mainly in patients who had serious underlying illness. Although, many details of the emergence of this virus such as its origin and its ability to spread among humans remain unknown, an increasing number of cases appear to have resulted from human-to-human transmission. 2019-nCoV is the third coronavirus in the human population in the past two decades after Severe Acute Respiratory Syndrome Coronavirus (SARS-CoV) outbreak in 2002 and the Middle East Respiratory Syndrome Coronavirus (MERS-

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CoV) outbreak in 2012. Covid 19 is an emergence that has put global public health institutions on high alert (Zhu et al., 2020). More than 74,000 people have contracted the virus in China. As of April 1, the total number of COVID-19 cases in South Asia was 3,649 which increased to 62,895 on May 1 and more than 200,000 on 21st May. Similarly, total deaths increased from 71 on April 1st to 1,772 on May 1st and around 5000 on May 21. India is leading in terms of total numbers of confirmed covid cases (more than 105,000) and deaths (more than 3500). Each of South Asia's eight countries has one of the lowest numbers of physicians per capita. It ranges from 0.3 physicians per 1,000 people (Afghanistan) to just one physician per 1,000 people (Maldives, Pakistan, and Sri Lanka). Due to such reasons, this region will still be much more vulnerable if the severe cases of COVID-19 increase. Finally, the numbers of COVID-19 cases and casualties are rising sharply on a daily basis and the fight with COVID-19 is not going to be easy.

The aim of the present study is as follows:

- 1) To examine the socio-economic recessions of COVID-19 in South Asian countries.
- 2) To critically examine the COVID-19 pandemic in South Asian countries.

# 2. Research methodology

The present study is based on secondary sources of data such as journal articles, official and non-official reports, newspapers and other relevant literature wherever necessary not any other test has been utilized to carry out the research. The statements will also be supplemented by observation of the authors.

## 3. Results and discussion

The findings of the study are as follows:

3.1. Social impact of coronavirus (COVID-19) pandemic

Social distancing involves staying away from people to avoid the spreading and catching the virus. It is a new emerging terminology which means to avoid the crowd. This has forced people to avoid social gatherings and contacting even their near ones. Eric Kleinberg, an American sociologist, admitted that we have also entered a new period of social pain. There is going to be a level of social suffering related to isolation and the cost of social distancing that very few people are discussing this yet. Man is a social animal and social relations and the social interactions are integral to human civilization, but due to the rapid pandemic spread of the virus and the increase of social distancing measures this web of relationships was severely impacted. So, if there is absence of such deep meaningful connections it leads to stressful states of anxiety both in body and in mind. Loneliness, anxiety drives, depression, panic states, mental disorders, health hazards, and many other issues impact the life of the individual and the society as a whole (Lora Jones, 2020). The Center for Disease Control and Prevention had issued its highest-level travel alerts for Italy, Iran, South Korea and China, also advising other countries to restrict travel in these places for the moment. These are the countries with the largest known corona virus outbreaks. (Times, 2020). Even before the pandemic spread to Europe and the United States, job losses in Viet Nam were estimated to range from 350,000 to 820,000 people. In Cambodia, Bangladesh and Myanmar, smaller garment factories are closing down due to the pandemic and as a consequence, shedding jobs that were mostly held by women. In Bangladesh, 45 percent of the population is vulnerable to falling into poverty (Wenham et al., 2020). The "return wave" of infections from Europe and the United States combined with the spread from within the region has forced even more countries into closing borders and restricting internal movement. The impact is sudden for millions of people who are losing jobs overnight e.g. daily and hourly laborers, domestic and crossborder migrants. Of the total workforce of Asia, estimated at 1.9 billion in 2019, around two thirds, 1.3 billion people are informally employed (UNESCO, 2020).

According to WHO, guidelines on pandemic that is physical distancing and staying home is the only feasible therapy to control the spread of pandemic Migrants and displaced persons are severely affected by the pandemic. Measures taken by governments to suppress COVID-19 and corresponding disruptions to economic activity in migrant destination countries are causing massive numbers of migrants to return to their home countries, often having lost their livelihoods overnight. For example, in the last week of March, tens of thousands of migrant workers from Cambodia, Myanmar and the Lao People's Democratic Republic sought to return home from Thailand when it announced the closure of its borders. Many are stranded due to the border

closures and testing requirements, without jobs or income. They also present a health risk to their home countries whose public health systems and capacities to screen and monitor entrants are woefully inadequate. At the same time, most migrants and daily laborers lack health insurance, so they can't afford tests or treatment. Displaced people such as Afghans in Iran and the Rohingya in Bangladesh are especially vulnerable, with their situation further aggravated by stigmatization in local communities (Wenham et al., 2020; 23).

**Table 1.** Magnitude of corona victims across the world

Country	Total COVID-19	No. of death	No. of recovered	
	victims			
USA	2747634	1303652	1144319	
Brazil	1426913	60194	790040	
Russia	654405	9536	422931	
India	603990	17822	359354	
UK	313483	43906	NA	
Spain	296351	28355	NA	
Peru	285213	9677	174535	
Chile	282643	5753	245443	
Italy	240760	34788	190717	
Iran	230211	10958	191487	
Mexico	2226089	27769	134957	
Germany	195998	9053	179800	

Source: Deccan Herald Report, 2020

# 3.2. Economic recessions of coronavirus (COVID-19) pandemic

Starting as a health emergency, COVID-19 the global pandemic has evolved into an economic and a "human crisis" of mammoth proportions. As governments locked down the populations, the economic activities have been disrupted, leaving millions of people jobless, pushing them into poverty and hunger and plunging the world economy into the worst recession since the Great Depression of the 1930s (Shereen, Khan, 2020). South Asia, a sub-region with nearly a quarter of world's population but over a third of world's people living in extreme poverty and hunger has been impacted severely given the vast proportion of population living at the margins, fragmented coverage of social protection, pervasive informality in economic activities and employment and wide gaps in public health infrastructure. Millions of workers have been rendered jobless, inequalities have been accentuated and the crisis is likely to reverse years, if not decades, of gains in poverty reduction, undermining the progress made by the sub-region towards achieving the Sustainable Development Goals (SDGs). The pandemic is testing the dynamism and resilience of South Asian economies. A comparison of growth estimates for South Asia for 2020 made before the outbreak of COVID-19 crisis (+6.1 percent) and after (-2.7 percent) indicate a substantial -8.8 percentage points loss. A loss of income of this magnitude will have severe social consequences for the livelihoods and wellbeing of people (WHO, 2020). Collapse of international trade has adversely affected South Asian countries as export orders have been cancelled or suspended for key labour-intensive products such as garments, leather footwear, handicrafts, and shrimp from South Asian countries causing widespread revenue and job losses. Tourism an important sector in all South Asian economies, particularly for Maldives, has been severely hit destroying the livelihoods of millions dependent on it and related activities. Foreign exchange remittances, which account for over 30 percent share of Gross Domestic Product (GDP) of Nepal and have significant shares in Bangladesh, Pakistan and Sri Lanka could decline by 22 percent on an average (Gray, 2020). Micro, Small and Medium Enterprises (MSMEs) backbone of South Asian economies with substantial contribution to GDP, employment and exports, and large informality of operations have been hit badly due to the pandemic. Liquidity crunch, supply chain disruptions, labour shortages, demand collapse together could result in MSMEs in South Asia lose more than half of their output, making it difficult for them to re-activate their businesses (ILO, 2020).

**Table 2.** Economic growth outlook of south Asian countries in COVID-19

Country	2017	2018	2019	2020#	2020*	2020@	2020**
Afghanistan	2.9	2.7	3.0	3.5	-3.0	-5.01	-5.5
Bangladesh	7.6	8.2	7.9	7.45	2.0	1.6	1.6
Bhutan	6.3	3.7	5.3	7.2	2.7	2.67	1.5
India	7.0	6.1	4.2	7.0	1.9	-1.2	-3.2
Maldives	6.8	6.9	5.7	6.1	-1.8	-10.05	-13.0
Nepal	8.2	6.7	7.1	6.3	2.5	1.89	1.8
Pakistan	5.2	5.5	3.3	2.4	-1.6	-2.5	-2.6
Sri Lanka	3.6	3.3	2.3	3.5	-0.5	-1.5	-3.2
South Asia	6.8	6.1	4.3	6.1	1.5	-1.2	<b>-2.</b> 7

Source: World Bank, 2020

It is now widely recognized that COVID-19 has pushed the world economy into the worst recession witnessed since the Great Depression of the 1930s. IMF, 2020 projects a 6 percentage points decline in the world output from a +3.0 percent economic growth expected earlier to shrinking by -3.0 percent in 2020. United Nations Department of Economic & Social Affairs (UNDESA) expects the cumulative output loss during 2020 and 2021 to be nearly \$8.5 trillion wiping out nearly all output gains of the previous four years. The pandemic is also testing the resilience of South Asian economies that had continued to grow at relatively robust rates even in the aftermath of the global financial crisis. The sub-region is likely to see its economy shrinking for the first time on four decades. As many as 56.6 percent respondents of the UNESCAP-SSWA Rapid Response Survey expected the South Asian economy to be shrinking in 2020 with 43.5 percent expecting the extent of contraction between 1-4 percent (Ibid. p. 10). A comparison of growth estimates before the outbreak of COVID-19 crisis and after, shows a huge difference from +6.1 percent to -2.7 percent for South Asia as a whole, representing a difference of whopping -8.8 percentage points. This is a very substantial loss of income for the South Asian countries and will have severe social consequences for the livelihoods and wellbeing of people (International Labour Organization, 2020: 123).

## 3.3. Critical appraisal of coronavirus pandemic

The lockdown imposed by governments in the south Asian countries caused a humanitarian crisis as millions of migrants across the country struggled to get home. Many government's responses to the COVID-19 pandemic have been characterized by mistakes and missteps. There is evidence that women in the south Asian countries are less likely to receive information about COVID-19 than men. This is particularly worrying because traditionally women have had primary responsibility for household hygiene and care for family members. South Asian countries have failed to make use of economic growth to improve the lives of the poor and marginalized people, extreme inequalities have depended the health, social and economic crises by allowing the rich to plunder and earn profits even from basic services, which the states have handed over to them. The poor and the working people are facing extreme form of destitution and vulnerability at the time of COVID-19 crisis, living without adequate basic needs materials to keep alive and prevent from the disease like food, soaps, water and proper shelter. To contain the spread of coronavirus, the governments in south Asia have issued travel restrictions social distancing and possible outbreaks.

## 4. Conclusion

It is to conclude that novel coronavirus has disrupted whole economy of the world and south Asian regions as well. Collapse of international trade has adversely affected the South Asian countries as export orders have been cancelled or suspended for key labour-intensive products such as garments, leather footwear, handicrafts, and shrimp from South Asian countries causing widespread revenue and job losses. Tourism an important sector in all South Asian economies, particularly for Maldives, has been severely hit, foreign exchange remittances, which account for over 30 percent share of Gross Domestic Product (GDP) of Nepal and have significant shares in Bangladesh, Pakistan and Sri Lanka could decline by 22 percent on an average. This is a very

substantial loss of income for the South Asian countries and will have severe social consequences for the livelihoods and wellbeing of people like suicidal tendencies, depression & anxiety.

## 6. Recommendations

- 1) Avoiding close contact with people suffering from acute respiratory infections;
- 2) Frequent hand-washing, avoiding unprotected contact with farm or wild animals;
- 3) People with symptoms of acute respiratory infection should practice cough etiquette (maintain distance, cover coughs and sneezes with disposable tissues or clothing, and wash hands);
- 4) Within health care facilities, enhance standard infection prevention and control practices in hospitals, especially in emergency departments.

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