

Impact and policy measures of India in Covid-19 pandemic

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Abstract

The Covid-19 pandemic has been hitting the globe. Almost every country is affected by this pandemic. The coronavirus epidemic has had a significant influence on India's economic activities as well as the loss of human life. With a few notable exceptions, almost all industries have been negatively impacted as domestic demand and exports have sharply decreased, with few notable exceptions where high growth has been witnessed. This study examines how the public health issue has impacted India's most important economic sectors. While the government has put in place certain mitigating measures, they are insufficient to combat the pandemic's effects. The study examines how a near-collapse of the Indian economy might affect the country's hybrid political structure, which is dominated by the elites. An attempt is made to assess the impact and potential remedies for a few significant industries. The impact and policy measures need to be more pro-active to be effect and implicated on ground measures.

Keywords: Covid-19, Policy, India, Economy, Impact

Introduction:

India's economy has been affected by the Corona virus Disease 2019 (COVID-19) epidemic. The economy was mostly impacted by disruptions in cross-border connectivity until mid-March 2020. For example, tourism numbers in India have decreased as a result of tight travel restrictions, and some value chains, particularly those involving China, have been disrupted. When COVID-19 spread by internal contagion in India, the Indian government implemented a number of steps to prevent the epidemic. Including, nationwide lockdown that began on March 25 and severely affected economic activity across the country. Economic activity gradually rebounded when restrictions were gradually lifted in May. Shutdowns and other non-pharmaceutical measures to stop the spread of COVID-19 come at a significant expense; therefore they're usually accompanied by policy actions to offset the costs. Both the Reserve Bank of India and the Government of India has outlined efforts to help individuals and businesses that have been harmed. A near-real-time evaluation of the severity of the economic crisis is required to adjust containment measures and policy actions to reduce their economic impact. Furthermore, because the influence varies by place, a high spatial granularity evaluation is required (Quraishi, 2020).

Objective of the Study:

- To understand the Covid-19's multiple effects in India.

Methodology of the Study:

The research paper is both descriptive and analytical. The data was gathered from secondary sources such as books, journals, newspapers, and the internet.

Impact on Indian Economy:

Traditional economic indicators are typically accessible with significant delays and are frequently only available at the national level, providing little insight into the immediate effect of forceful and abrupt governmental actions like a national lockdown. To address these issues, economists have proposed a variety of proxies that are accessible more often, with shorter publishing delays, and at a greater geographic granularity. Changes in consumption disclose information about activities across the economy, from industrial output to commerce and home activity, in real time. Concerning, economic activity at a fine geographic scale. Such proxies have been particularly crucial during the COVID-19 epidemic, since it has made data collecting through surveys, which is essential for traditional estimates of gross value added, more difficult. Accordingly, the Central Statistical Office stated that data collecting problems caused by

India's countrywide shutdown will most certainly result in adjustments to the country's first-quarter growth estimate (Sharma, 2020).

The lockdown had an immediate economic impact. The weekly unemployment rate, according to the Centre for Monitoring Indian Economy (CMIE 2020), climbed from 10% in both urban and rural areas the week before the lockdown to 30% in urban areas and 20% in rural areas the following week. In contrast to what has happened in other nations, unemployment rates have remained stable since then, hovering around 25% in both urban and rural regions. The increase in unemployment is indicative of a significant and long-term negative economic impact, which is reflected in other statistics. For example, container traffic and rail freight fell, oil demand plummeted, and India's Purchase Manager Index hit a new low in April. Dev and Sengupta in 2020 give an outstanding analysis of COVID-19's economic impact on India's economy.

Political Impact:

The Covid-19 epidemic had a significant impact on India's political system. The devastating Corona virus epidemic generated several roadblocks in India's political activity. In response to the pandemic's spreading and danger, the Indian government invoked the Epidemic Act of 1897 and postponed the state's existing budget session. Furthermore, the government implemented a number of steps to stem the spread of Covid-19 in the state, including lockdown, home or institutional quarantine, and social isolation, among others. Due to the fast spread of the Corona virus, the Indian government has established a number of rules to battle the pandemic, including The India Covid-19 Regulations 2020 and The India Covid-19 Containment Regulations 2020. In addition, the Indian government established task forces at the state and local levels to oversee the successful execution of Corona control measures. As a result of the global epidemic, the Indian government has come under fire from the general public as well as opposition party leaders. Many individuals have slammed the government's abrupt lockdown decision, claiming that they have suffered much as

a result. Some opposition party leaders have said that the government is playing politics with the Covid-19 (Shoeb, Aslam, & Naaz, 2020).

Measures by Indian authorities to contain the pandemic:

India imposed a 14-hour curfew on March 22, 2020, to battle the COVID-19 epidemic and test the country's capacity to undertake containment measures. The government has already imposed a curfew in 75 regions across the country where COVID-19 instances have been reported, as well as in all major cities. Furthermore, on March 24, the government imposed a 21-day countrywide lockdown, which would last from March 25 to April 14, impacting India's whole 1.3 billion people. Almost all government offices were shuttered and public services were halted when the nationwide lockdown was enacted. Furthermore, virtually all private and commercial enterprises were forced to close, with the exception of critical companies such as banks and insurance offices, internet and printing services, and grocery stores (which were encouraged to provide home delivery). Industrial institutions were shut down, with the exception of industrial operations that produced vital goods. To operate, such units needed approval from state governments. Furthermore, all but essential transportation services – whether by air, train, or highways – as well as hospitality services – were halted. Finally, all educational establishments were shuttered (Paul, et.al, 2020).

The lockdown, which was supposed to expire on April 14th, was prolonged until May 3rd. However, from April 20 onwards, the authorities largely lifted restrictions in regions where no new instances of COVID-19 had been reported. Under the Mahatma Gandhi National Rural Employment Guarantee Act, agricultural and public works operations were once again permitted (MNREGA). In addition, industries in rural regions, Special Economic Zones (SEZs), industrial estates, and industrial townships may resume operations if workers were allowed to remain on the site. In addition, construction activity in rural regions may continue. The Ministry of Home Affairs said on May 1 that the lockdown will be prolonged for two weeks, from May 4 to May

17. Many limitations, on the other hand, have been eased or abolished. For example, the central government allowed migrant labourers, pilgrims, tourists, and others who were trapped during the countrywide lockdown to travel between states again, and the Ministry of Railways resumed operating special trains with social distancing measures to assist movements. India's government categorised districts into green, orange, and red zones based on risk profile. Profiling is based on a variety of factors, including the number of COVID-19 cases, recovery rates, and the scope of testing and monitoring. There were 130 red zone districts, 284 orange zone districts, and 319 green zone districts as of April 30. Restrictions were greatly loosened in green zones, allowing most commercial activity to restart. Furthermore, from 7 a.m. to 7 p.m., all goods movement was reinstated, and persons may travel freely for non-essential purposes. Air, train, metro, and interstate road travel remained forbidden, as did educational institutions, hospitality services, and sites of large public meetings (such as theatres and malls). Restrictions were also eased in orange zones, while those linked to mobility remained. Except in Special Economic Zones and industrial estates/townships with access control, industrial firms in metropolitan areas were forbidden from operating in red zones (Balanagalakshmi, & Kumari, 2021).

While private offices may resume operations even in red zones, only a third of the staff could be physically present at the same time. Finally, building in red zones was generally forbidden. The lockdown was extended again on May 17, although additional relaxations were announced. For the first time, states were allowed discretion to decide on the lockdown's specifics. In addition, the red, orange, and green zones include two new zones (containment and buffer). The Indian government's countrywide shutdown proved successful in restricting mobility. The Google Mobility Reports for India (Google 2020) demonstrate how mobility has decreased after the lockdown was implemented. This information is based on tracking smartphones, which have a 27.7% coverage rate in India. While this implies that not everyone is followed, the

mobility data is still based on a large sample, allowing it to be used to analyse global mobility decreases. Holi caused a significant reduction in office attendance around March 10. Shortly before the nationwide lockdown was declared on March 24, workplace attendance had already dropped by over 10%, and retail and entertainment areas had experienced a comparable drop. When the lockdown was imposed, the number of people at work quickly decreased by half, and then by another 20% a few days later. Residential areas were also more visited, indicating that Indians did actually remain at home more owing to the lockdown. Since mid-April, workplace presence has gradually improved, but on May 16, workplace presence was still 40% below average (Naik, 2020).

Conclusion:

In light of the foregoing debate, it is apparent that the worldwide pandemic Covid-19 has had a negative influence on India's social, political, and economic sectors. Due to the epidemic, India's whole economic structure has worsened, and it will have a significant impact on the social, political, and economic aspects of the people's life in the future. The Indian government is putting up its best efforts to limit the impact of the Corona virus, but it has yet to be entirely successful. Because this epidemic is impacting the whole planet, no one state or country can battle it alone, which is why all nations and territories throughout the world must band together to combat this terrible virus. Aside from that, at the national level, all states should band together and work closely with the federal government to mitigate the effects of this deadly virus. Because this is a humanitarian catastrophe, not a political one, the people and various socio-political groups in the nation should cease criticising the government and offer full support to the government in combating the epidemic. India's developmental paradigm has to be rethought. A key requirement for fair development is equal access to health and education. One of the most significant lessons the COVID-19 epidemic has taught India's policymakers is to give more support to sectors that improve resource allocation and minimise economic disparities. COVID-19 has also shown us that in times of crisis, people revert to relying on the

agricultural sector. Although India has a significant amount of arable land, the agriculture industry has its own set of structural issues. However, the agriculture industry continues to support 50% of households, either directly or indirectly. Greater support for SMEs, increased public spending on health and education, and transforming the labour force into a formal employee in the economy are just a few of the milestones the country must reach.

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