

CHANGING PARADIGM OF ECONOMIC ACTIVITIES AND ECONOMIC SCENARIO UNDER COVID PANDEMIC

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Abstract

There is greatest changed in pandemic of covid -19 under economic activities. Due to COVID- 19 the government of India has to change the definition of Micro, small and medium enterprises under MSMEs act 2006. The demand of internet in this pandemic in huge quantity increased globally and most of the business enterprises engaged in telecommunication are increasing infrastructure facilities due to increasing in demand of internet, Due to this pandemic long-term impact on working culture of the labour in concerned industries. Education sector is reacting to in this pandemic a new reality of virtual system in the economies. As resulted lockdown process global level 25 percent reduction in carbon emission. On account of coronavirus outbreak many region and planet as a whole experienced a drop in air pollution.

Key words: -Economics System, Pandemic, Environmental Pollution, Economic growth, Demand crunch.

Introduction

A greatest change occurred due to uncontrolled virus called COVID-19, in the economic system, developed or developing economies. On account of corona virus each and everything negatively affected but resulted new things created in the economy. In comprehend saying that because of its other economic activities generated in the all economies. Most of the powerful economy in the world such as America, Franc, and Jarmani, Japan etc. have to change according Covid-19. What changes had been taken placed due to this panic virus, and economic system how completely changed regarding production and services. The economic growth rate was continuously increasing after demonetization period abolish in economy. Indian economy had a dream to become 5 trillion-dollar economy up to 2024 but the dream remained untouched due to this pandemic COVID-19. Because of this epidemic the economic activities functioning absolutely changed. How many changes has been taken place under the pandemic or if there is any paradigm shifting like classical economics to Keynesian economy after great depression of 1929.This study explains the paradigm shifting in the economic activities which creates a new economic system in production of goods and service in the world economy.

Review of Literature

Siddiqui, K. (2020) this study concluded that after four decades Keynesian policies came back and key services or utilities are managed by the government by its own level. Because of covid-19 pandemic governments had

to secure employment, incomes, supply chains, and the health system, and also supporting the financial system in the economy and very painful that trade and markets became unable to supply of core competencies which are demanded by the population.

Poddar, A. K. and Yadav, B. S. (2020) study reveals that growth rate of Indian economy slows down due to covid -19 pandemic. It has been expected that prices of logistic, transportation and freight will rise, repo rate can decrease, direct benefit scheme can be mor effective, the expenditure on government machinery can be decreased.

Nath, H. K. (2020) explained in his study that due to covid 19 the growth rate of Indian economy, includes globally remained slow down. A deep recession can take place in Indian economy, and significant declined in the rate GDP growth rate, or very high unemployment in the whole country.

Khandagale *et. al.* (2020) study reveals that due to corona virus human life is deeply affected. After all a great support has been provided by the government of India to agriculture sector although all others sector badly affected by this pandemic.

Agarwal *et. al.* (2020) the study concluded that covid-19 has affected the supply chain management all over the world and thousands of industries have to closed due to dreadful uncontrolled pandemic. In this study total eighteen barriers have been identified by the researcher for supply chain management in Indian economy.

Objectives and Research Methodology

There are different types of effects or changing are going under pandemic of COVID-19 on Indian economy or others economies in the world. COVID-19 till now an uncontrolled virus at the level of world, and all the economic activities changed in their form. To what extent change in economic activities happened all over. The main objective of the study is to examine is there a paradigm shifting in the economies or economic activities in coming future. The data has been collected through different website, internet services or published literature, published research paper in journal national or international. Small level only 30 respondents have been selected to know that their business really negatively affected under covid pandemic and data has been analyzed on the basis of simple percentage.

Economics Paradigm Shifting in Economic Activities

Oil and Petroleum Industries

This industry has a largest lost in the world economy except Indian economy, most of the petroleum exporting countries due to this epidemic has to bear loss in this industry, demand of petrol and crude oil in the international market was very low, but supply is more than demand, export or import among different countries is closed at the level of international. Indian economy is completely depending on railways and road transport, these two

also depends on petroleum industry. Historically changed has taken place in the oil industries, before covid 19 the **demand crunch** can be seen in this industry but pandemic changed into demand crunch in the first time in history of economy. The total demand in the aviation sector for oil approximately 11 percent concerned transportation as per (OPEC) in 2016. According to IEA global demand for oil was 99.9 million per day but due to pandemic significantly decreased in 2020.

Micro, Small and medium Enterprises.

Millions of people in like developing economies India are engaged in micro and small enterprises for their livelihood. Entrepreneurship development process is directly linked with high growth rate of development, in every type of economy. Due to COVID- 19 the government of India has to change the definition of Micro, small and medium enterprises under MSMEs act 2006. This is a changing economic paradigm in for small business enterprises and process of entrepreneurship development in Indian economy on account of this dreadful pandemic.

Existing or Revised definition MSMEs under MSMEs act 2006 and 2020

Existing MSMEs Definition			
Criteria: Investment in plant and Machinery			
Classification	Micro	Small	Medium
Manufacturing Enterprises	Investment< Rs, 25 lac	Investment< Rs, 5cr.	Investment< Rs, 10cr.
Service Enterprises	Investment< Rs, 10 lac.	Investment< Rs, 2 cr.	Investment< Rs, 5 cr.
Revised MSMEs Definition			
Classification	Micro	Small	Medium
Manufacturing Enterprises	Investment< Rs, 1 cr.	Investment< Rs, 10cr.	Investment< Rs, 20cr.
Service Enterprises	Investment< R5 cr	Investment< Rs, 50cr.	Investment< Rs, 100 cr.

Sources: www.msme.gov.in

Internet Revenue Generation

This pandemic called covid -19 have new experience for internet services providing, the revenue of all these companies increased speedily. Most of the positively affected telecommunication industry in the pandemic situation under circumstances. The demand of internet in this pandemic in huge quantity increased globally and

most of the business enterprises engaged in telecommunication are increasing infrastructure facilities due to increasing in demand of internet, facilities under uncertain political of business environment. After lockdown process begins the demand of internet facilities are continuously increasing and same time other facilities has to provide the telecommunication companies to the increasing customer base. This is because most of the work is being done by home in this pandemic condition. Supply crunch can be seen in telecommunication industries also.

Employment System

Due to pandemic Covid -19 there are huge losses in the employment opportunities in every sector whether service or manufacturing. Till November 2019 Indian economy is fast growing economy in the world economy. But on account of this epidemic largest employment opportunities has been lost by the workers and employees concerned industries. The most affected industries of covid 19 is manufacturing industries completely has been shut down and labour most of them were migrated economically backward states have to returned their native land and production process till now stopped. Due to this pandemic long-term impact on working culture of the labour in concerned industries. All the migrated labour have to leave their settled job in different type of industries and owner of the business enterprises have to shut down their production plant for uncertain time period that cannot be predicted in coming future. In the manufacturing industries regarding production process there is a changed paradigm in the economy historically.

Educational System

This industry badly affected by the pandemic covid 19 or epidemic. Mostly school, colleges or universities in the Indian has to close by the government because of concepts of social distancing. Till 22 march the class room study was ongoing but after this date these institutions absolutely has been shut down and new concepts called on line teaching created by the concerned organization. This pandemic has the paradigm change in perfect educational system. Conference, seminar replaced as Webinar concept by the all Indian universities or colleges. This is new concept or paradigm change in this industry. Everything is virtual, with no physical movement. Schools, colleges, universities and institutes of all levels have to dropped examinations. All the educational institutions have to adopt digital tools for delivering educational content to students and learners. In this pandemic technology played an important role in various education service providers to change their strategies for stay and strong. Epidemic COVID-19 have raised the flag or revolution of digital mode in every types of activities. Education sector is reacting to in this pandemic a new reality of virtual system in the economies.

Changing in Environment Economy

Since a long time, there is subject of concern of environment pollution at globally, climate change had been changed and negative effect on natural environment, A huge expenditure has to do on cleaning of environmental policies by the government of different countries after all there was no improvement in environment pollution. A miracle changed in the environmental economics under covid-19. As resulted lockdown process global level 25 percent reduction in carbon emission. On account of coronavirus outbreak many region and planet as a whole experienced a drop in air pollution. There is great improvement in water quality due to setting of sediment which was disturbed by boat and other traffics.

Changing of small retailing Business Scenario

Table:1 Under covid pandemic your business negatively affected?

Category of small Business	Strongly Agree	Agree	To a large extent	Total
Up to 10 Lakh	3(10.0)	4(13.3)	1(3.3)	8(26.7)
Up to 20 Lakh	6(20.0)	4(13.3)	2(6.7)	12(40.0)
20 to 25 Lakh	3(10.0)	-	1(3.3)	4(13.3)
25 to 30 Lakh	1(3.3)	1(3.3)	4(13.3)	6(20.0)
Total	13(43.3)	9(30.0)	8(26.7)	30(100.0)

Sources: Primary Data

The table shows that up to 20 lakh invested small business accept that strongly agree (20 percent) their business negatively affected. Results of the table show that 43.3 percent small business strongly agree, 30 percent agree another 26.7 percent also admit that their business negatively affected to a large extent under covid pandemic.

Conclusion

Study concluded that there is dynamic paradigm shifting in the economic activities under covid-19 pandemic which is uncontrolled till now. In different type industries production process is shut down and in huge quantity the labour class or employees lost their job opportunities for uncertain time period which cannot predicted in coming future till date. The education system of the country as a whole negatively affected and loss to the students for job creation opportunities. The government of Indian has to special financial packages to the different sectors of the economies but still there is no improvement in those sectors under covid-19 pandemic or epidemic. But selected areas in which positive impact of this pandemic solely environmental economics because there is lacking of emission by the different economies which is advanced in modern technology or production process and create largest quantity of emission for low quality for environment.

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