

## Impact of Pandemic Covid-19 Towards Economy

Greena Shayu Anak Timbang

Faculty of Information Management  
Universiti Teknologi MARA (UiTM)  
Selangor, Malaysia

Received Date: 21 December 2019

Published Date: 12 January 2020

**Abstract.** Covid-19 pandemic outbreak increased big impact towards the economy. This disease outbreak has an effect on residents' jobs, tourism, hospitality, small and medium-sized enterprises, the urban food chain and migrant workers. The goal of this analysis is to examine the possible effect of the pandemic on the global economy, including financial assets, the supply chain, funding, and company contributions during the pandemic.

**Keywords:** Covid-19, Economic growth, Pandemic, Business, Household Economy, Global Economy, Burden, Financial

### Introduction

This outbreak of COVID-19 is very serious. Coronavirus pandemic (COVID-19) was affected by extreme acute coronavirus 2 respiratory syndrome (SARS-CoV-2) in 2019–20. It was first discovered in Wuhan, Hubei, China, in December of 2019. Abnormalities can happen from 2 to 14 days after exposure to the disease. People with all of these signs may have COVID-19: cough, chest tightness or Complications with breathing, fatigue, cold sweats, stomach aches, sore throat, reduced appetite or smell. This virus, COVID-19, did not find a solution. It is uncomfortable to make a vaccine in a short amount of time, because some research has to be conducted thoroughly to produce a better outcome. In order to prevent this virus from quickly transmitted among people, they must avoid direct contact with sick people.

Besides, they also have to wash their thoroughly with soap and water and do not cover their eyes, nose or mouth with dirty fingers and exercise proper ventilation care by themselves and the family member. It is because COVID-19 is a microscopic level contagious disease that reproduces only within the living host cells, the part of the body. Viruses can infect all kinds of life, from plants to animals, even bacteria. Pandemic COVID-19 also have analogous towards world wide economy systems. All of mankind having a difficulty to run their activity, business, tourism, transportation, financial and their everyday routine. Everything has change where they need to cut their cost daily and even they sorted their cost because unstable economic. They also

had to shut down their business due to unable to support their business systems, financial.

### **Impact of Pandemic Covid-19 Towards Economy**

Pandemic COVID-19 give bad impact towards the economy. It affect all sector that run the business which is need support from the society and the environment. Everything has change because everyone get daunt of the virus because it spread exceedingly quick among the human being. To cut this chain getting firmly infected, all the sector has to stop their activities and it cost a lot toward the nations economy and their income per day.

#### *Impact On The Care Burden Of Women And Families*

According to author Moreira Da Silva (2019), pandemic has increased burden of the women and the families. Most of the women in the world do unpaid work during this pandemic to support their family while they at home. This is because due to social distancing, every activities need to be done from home to prevent infected by the disease. As mention, before the pandemic hits the global economy, International Labour Organization (ILO) said that mostly 75% of females they were unpaid during working, and it is really give burden to them to support their family. Despite, after the pandemic come, they also going through the same situations where they also unpaid, but it turn more worst when their other family members are on the same boat. They struggled to stay alive to support other people, to serve, to wash, to fetch fuelwood, to care for elderly family members, to store, to do household work, as well as mental tasks such as making arrangements by doing inner work. It's heavier than when the COVID-19 pandemic hits the earth.

According to author Hochschild and Machung (1989) based on article 1, Non-payment jobs differs in the sense of inequality, the national government and the productive economy. It added to the hypocritical economy as people spoke about supporting women as they paid their taxes in a paying workforce without any institutional motivation or support, and it was considered a double shift". Problematic unpaid care obligations have a detrimental effect on women's involvement in the paying workforce. The ILO's perception is that 606 million women who are actually lethargic from the point of view of traditional jobs outside the job force have not been taken care of due to their unpaid work. Treatment economy is often incomplete and lacks the fertility work of daily life that supports society from which women who are willing to lend their resources to their families are able to do so. Throughout this pandemic, to support their lives, they have no shame in telling their kids to work with paying employees because they have been counted as part of the economy and contributing to the gross domestic product (GDP).

#### *Impact On Economic Policy, Stock Market And Oil Price*

According to author Luchtenberg and Vu (2015) based on article 2 and article 3, this disease outbreak also has a significant effect on our natural capital, foreign

policies, global threats, the financial market and the price of oil. Today, the latest price of oil is dropping. Convergence between the two COVID-19 pandemics and petrol production is triggering a long-term economic crisis, as in the US. The high public demand, oil markets will still hit the limit of stabilizing their stock prices as the economy gets back to normal, but it seems impossible because the world economy is slowing.

As per Yarovaya B, the author and Lau (2016), based on Article 2, in the financial media, the impact of COVID-19 is primarily related to the Global Financial Crisis 2008 (GFC) which has now been widely explored throughout the area of interdependence, contagion and effects study. Based on the analysis, the present data shows that over the the last 22 trading days of 24 February to 24 March 18 stock market spikes have been registered and 16 to 18 of them are viewed as a reaction to "bad news" related either to the latest infectious disease or to the US policy response to the epidemic of COVID-19, author Baker et al. (2020) said. U.S. economic management is still in a horrible situation. This is confusion as calculated by the news-based EPU index. State economic policies cannot involve mechanisms for determining levels of taxes, government spending, money burdens and interest rates, as well as the labor market, forms of power, and many other aspects of government involvement in the economy. Further study is then required to address and address all of this issue for what has been happen towards the economy during this pandemic outbreak.

#### *Impact On Cities And Urban Planning Design*

In addition, according to author Wade (2020) based on article 3, the COVID-19 pandemic also has an impact on major cities lessons for urban design, construction and management. Both work in the construction area has been postponed. Their hours of work have also been shortened due to the pandemic. They are also more impacted by the present situation due to media risks, economic challenges and very limited access to survival. Cities who have been afflicted with the disease COVID-19 have minimal access to healthcare services because the average that requires medical care is very high and affects other disadvantaged populations, such as urban poor, more seriously. This is expensive and all the equipment must be adequate to accommodate what is required. There seems to be a broad scale that affects city tax collections, resident jobs, tourist industry and accommodation, small and medium-sized businesses, metropolitan food supply chains and seasonal workers.

#### *Impact On Tourism*

Other than that, this pandemic also has led to a 40% to 60% decrease in tourism in Lviv, Ukraine. In this positive scenario, the share of tourism in the 2020 state's budget decreased by 2/3 compared with the previous year according to author Rutynskyi and Kushniruk (2020). Most of those analysts have suggested that the effect of COVID-19 on the urban hotel industry is very negative. They claim that it is more likely that the poorer communities and disadvantaged areas will suffer wider social and economic

harm through this pandemic. To prevent the virus goes spread, governance has authorize that some cities need to be lockdown, doing COVID-19 test and practice the social distancing from the social support to providing the economic at good state. To make this happen, all the management must be ready to make it more relevant to save the economic systems.

#### *Impact On Transportations*

Based on the researcher, author Napierala (2020), transportation also affected by this pandemic. Transportation is the most largest business that contribute towards our sector economy. For example, air transportation having the most difficulties in maintaining their customer services, staff services, and even their flight schedule during this pandemic because of unstable economy. They also need to hold their flight to prevent the spread of this virus among the passenger and the staff that handling the jobs. Transport routes, for example, are in danger of being affected if pilot or flight attendance get ill infected by the outbreak disease. This is why, they need to hold the route to avoid it happen and getting worst. All the passenger came from different direction and location, and we afraid that they had the disease or they carrier the disease. It is because, we cannot see the virus through the rough eyes.

#### *Impact On Global Emerging Economy*

China is now a major industrial center for a variety of trades and industries worldwide. The supply chain of multinational business has been cut down and the manufacturing sector has been seriously hampered according to Hasanat, et. (2020). The COVID-19 pandemic is impacting the developing economy with a substantial decline in international exports, foreign remittances, and a narrowing of the global credit position that must be seen to be challenging. Restrictions on market dynamism are slowing down these markets even more widely than in developed regions to carry a pandemic. Objectively, the dynamic market economy is moving from a low-income, less developed, mostly pre-industrial economy to a modern economy with a better lifestyle.

#### *Impact On Money Exchange Rate*

On April 29, 2020, the President of the United States Federal Reserve announced that they would use the financial curriculum as a full instrument, as the finance ministry had estimated a 4.7% decrease on April 29, (2020). According to the American Journal of Economics (2020) the currency exchange rate was influenced by the COVID-19 pandemic. Both currencies like Yuan, GBP, Euro and Yen have plummeted relative to US\$ from January to March 2020. The foreign currency platform reacts to fear-shifted conditions in both the national and international markets. Being a worldwide crisis may be compensated by a fall in market flows and less global sales. Recently, China has been a major provider of domestic goods to overseas industrial associations and has played a crucial role in the global economy over the last 2 centuries. The dissemination of COVID-19 has led to a difficult normal existence and surprising foreign trade with the automotive sector.

### *Impact On The Household Economy*

COVID-19 is a disorder with a very high failure rate according to author Bilal Celik et. (2020) based on article 1 and article 5. It has resulted in the largest pandemic geography, and some 210 countries and areas across the world have had intolerable impacts. The outbreak and lockdown of the virus raise people's psychological tension. Previous study stated that having relatives infected with COVID-19, the social and economic effects of day-to-day along with delay in educational tasks, has raised depression. During this pandemic hits the worldwide, it statistically significant decrease the family incomes and increase the expenditures among the family. Nutrition expenses also increase during this COVID-19 pandemic outbreak. Apart from that, their water-electric-gas expenses also increase because of the outbreak. This is happen because of the demand to cover up the economy to not weaken drastically. Communication among themselves also decrease because this pandemic teach us not to get closure to each other to cut the chain of COVID-19. Some people start to stay away themselves from other.

## **CONCLUSIONS**

In conclusion, we discussed the COVID-19 pandemic and the effects on the global economy that began the international recession in 2020. This pandemic is endangering economies with no long, quick or established affair. The social and economic costs of the Disease outbreak COVID-19 impact the economy, decision-makers and all participants on the financial markets and individual investors. It can be said that this pandemic is like a huge bad tsunami that has struck the global economy and has made it impossible for the human being to run their operations and live their lives. Any individuals have lost their jobs because their employer cannot afford to pay their monthly salaries. The weakest, too, could not leave behind, they were completely affected by the pandemic, work loses, little wages, and the household economy became a mess.

## **Reference**

- Baker, S., Bloom, N., Davis, S. J., & Terry, S. J. (2020). COVID-induced economic uncertainty. paper available on the link <http://www.policyuncertainty.com/media/COVID-Induced%20.pdf>.
- Caldara, D., & Iacoviello, M. (2018). Measuring Geopolitical Risk (2018-02-02). FRB International Finance Discussion Paper No. 1222 Available at SSRN: <https://ssrn.com/abstract=3117773> or <http://dx.doi.org/10.17016/IFDP.2018.1222>.
- Connolly, C., Keil, R., Ali, S.H., 2020b. Extended urbanization and the spatiality of infectious disease: demographic change, infrastructure and governance. *Urban Stud.* 0042098020910873.
- Conticini, E., Frediani, B., Caro, D., 2020. Can atmospheric pollution be considered a

cofactor in extremely high level of SARS-CoV-2 lethality in Northern Italy? *Environ. Pollut.* 261, 114465.

Elson, D. 2017. "Recognize, Reduce, and Redistribute Unpaid Care Work: How to Close the Gender Gap." *New Labor Forum* 26 (2): 52–61. doi:10.1177/1095796017700135.

Folbre, N. 2001. *The Invisible Heart: Economics and Family Values*. New York: New Press.

Folbre, N. 2006. "Measuring Care: Gender, Empowerment, and the Care Economy." *Journal of Human Development* 7 (2): 183–199. doi:10.1080/14649880600768512.  
[https://www.dailymail.co.uk/news/article-8351649/Lockdown-waste-time-kill-saved-claims-Nobellaureate.html?ito=social-twitter\\_mailonline](https://www.dailymail.co.uk/news/article-8351649/Lockdown-waste-time-kill-saved-claims-Nobellaureate.html?ito=social-twitter_mailonline)  
<https://www.wma.net/policies-post/wmadeclaration-of-helsinki-ethical-principles-for-medicalresearch-involving-human-subjects/>

Kate Power (2020) The COVID-19 pandemic has increase the care burden of women and families, *Sustainability : Science, Practice And Policy*, 16:1, 67-73. DOL: 10.1080/15487733.2020.1776561 <https://doi.org/10.1080/15487733.2020.1776561>

Kumar, A. (2020, 4 17). Covid 19: Effect of the Pandemic on Logistics and Supply Chain. Retrieved 5 24, 2020, from Entrepreneur India: <https://www.entrepreneur.com/article/349420>

Sengupta, A. (2020, 4 14). Impact Of COVID-19 On Global Supply Chains and Opportunities In the Post-COVID World. Retrieved 5 24, 2020, from Entrepreneur India: <https://www.entrepreneur.com/article/349229>

Wang C, Pan R, Wan X, et al. Immediate psychological responses and associated factors during the initial stage of the 2019 coronavirus disease (COVID-19) epidemic among the general population in China. *Int J Environ Res Public Health* 2020; 17:1729.