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The COVID-19 Pandemic: Anticipating its Potential Effects on Economic Development of Pakistan

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Abstract

In this article, we discuss about the outbreak of the corona virus and how the corona virus effects the Global Economy. Further, we have discussed the economic development of Pakistan in the year 2019 to 2020. How did other countries stabilize their economy at the time of the pandemic? What were the policies they have for their country and business? How small size and large businesses were affected during the pandemic? What was the level of GDP? We have also discussed in this article the data analyzed through descriptive statistics. Pakistan's economic system, just like the outer world, has been significantly affected mostly by COVID-19 pandemic through a range of mechanisms, including several downturns in national and international consumption, a reduction in tourists, transportation, trade and manufacturing interconnections, and logistic shortages. From February 2020, the exponential growth of the COVID-19 virus drove the national economy to a standstill. The magnitude of monetary damages, on the contrary, will be related to the magnitude and frequency of COVID-19. We have used exploratory techniques, which will include a detailed examination of the relevant research, which would include government statements, research articles, and evaluations in the sector. The findings demonstrate that a large number of the collaborating enterprises have been severely influenced, and they are struggling with a range of problems involving financial management, supply chain interruption, reduced prices, sales, and revenue. We have also tried to understand how online businesses operated during COVID-19. Further, we have researched how the education sector was affected by the COVID-19 pandemic? What were the strategic plans implemented to stabilize the education system during an outbreak?

Keywords: Covid 19; GDP; Economic Growth; Online business; National Income.

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1. Introduction

The corona virus, a contagious disease caused by severe acute respiratory syndrome corona virus 2. The first known case of the COVID 19 virus was identified in Wuhan, China, in December 2019. After that, the disease spread worldwide (Ilyas, Azuine, & Tamiz, 2020). That led to an ongoing pandemic. COVID 19 symptoms often include fever, cough, headaches, fatigue, difficulties in breathing, and loss of smell and taste. Symptoms of COVID 19 may begin one to fourteen days after exposure to the virus (SheharYar Ahmed, 2020). At least one-third of those who are contaminated do not demonstrate any visible and obvious symptoms (Chien et al., 2022). Of the ones affected, people who develop symptoms noticeable enough to be declared as patients, most developed 81% mild to moderate symptoms (mild pneumonia), while 14% develop severe symptoms (Sohail et al., 2019), dyspnea, hypoxia, or more than 50% lung involvement on imaging and 5% suffer critical symptoms of respiratory failure, shock or multi-organ dysfunction (Irshad et al., 2019). Older people were at a higher risk of developing severe symptoms. Some people continued to experience a range of effects (long COVID) for months after recovery, and damages to organs have been observed.

Multiyear studies are underway to further investigate the long-term effect of the COVID 19 virus (Susilo et al., 2022). While the researchers are still bound to investigate

COVID 19, they also worked on the greater side; several COVID 19 vaccines have been approved and distributed in various countries (M. U. Muhammad et al., 2019). Which initiated mass vaccination campaigns. The usage of face marks and coverings had been recommended in public settings to minimize the risk of transmissions (Azmat Hayat et al., 2021). While research is underway to develop drugs that inhibit the virus, the primary treatment is symptomatic. The corona virus pandemic had quite a substantial impact on domestic and international trade theory (Khokhar et al., n.d.). Numerous companies struggled with a multitude of challenges and problems, all of which culminate throughout many extents of destruction (Hawkins, Charles, & Mehaffey, 2020). Companies, in particular, are contending with several complications, including one with a downturn in the economy, distribution network shutdowns, and abandonment of global demand, input material shortfalls, and logistic difficulties, are some to highlight. Furthermore, it is painfully evident that the COVID-19 pandemic is having a significant impact on businesses all over the world (Yoosefi Lebni et al., 2021).

As the economic system progressively improves, the adverse consequences of COVID-19 are anticipated to disappear and decrease (Blustein et al., 2020). The methodology for restoration, on either extreme, will be affected by a combination of circumstances, together with the intensity of the unfavorable effects on multiple segments, the

frequency and duration of the detentions and shut downs, and the consequences that come with operations. As a consequence of the unpredictability, to do the forecast is potentially very dangerous (Javed et al., 2020). Meanwhile, the country's economic budget proposal, along with a resilience scale by the State Bank of Pakistan to supply additional liquidity to companies and consumers, will help to mitigate the ongoing economic contraction and provide somewhat an assistance to the limping economy (Tisdell, 2020).

The eruption and spread of the virus in China attempted to drive organizations to cease operations, decreasing reliance on oil, raw materials, semi - finished goods, and the distribution of single and multiple products from China to the rest of the nation. A comparable scenario happened in European democracies (Chen et al., 2021). As a consequence, the global financial system saw a drop in demand. Occurrences in the manufacturing and service sectors adversely targeted developed nations, specifically nations with an elongated perspective (HOU et al., 2021). Due to the decrease in output of goods and services from Pakistan and certain other emerging economies, the processing industry, especially manufacturers, found it difficult (Nundy et al., 2021). Several fabrics deliveries were thrown overboard and eventually returned even though, in the context of the disease outbreak, no jurisdiction attempted to send them back to the home country until circumstances were back to business as usual (Khokhar, 2019). Management of working capital was indeed a major challenge for exporting countries.

Additionally, small and medium enterprises, specifically contract workers, have suffered as proper management networks started to dry up, abandoning them without commodities or supplies (Abdullah et al., 2021a).

The main objective of this study is to evaluate the financial consequences of the COVID-19 pandemic in Pakistan and to explore the effects of disturbances on producer and consumer sectors in Pakistan's economy contributed by the outbreak (Waris et al., 2020). This would also ultimately decide which enterprises demand immediate help from the government's aid in order to mitigate expeditiously from the catastrophic consequences of the Covid-19 scourge (Wang et al., 2021).

2. Literature Review

Wellbeing of humans, as determined by living standards, perinatal incidence rates, and high maternal mortality occurrence, has already been associated with mostly well and advanced behavior, based on the most recent assessments. Numerous interconnections have been encountered where such a contagious cholera epidemic influences business development, based on the most recent studies (Chien et al., 2022). To estimate expenditures, prior literature leveraged ,conventional, additional statistical operations to morbidity and metabolic disorders (Irshad et al., 2019). Furthermore, numerous researchers have investigated information on sufferers' wasted opportunities and revenue, while also federal expenditures on treatment and

rehabilitation structures, to determine the infection's financial consequences (Şengel et al., 2022). These conventional approaches may fail to assess the economic consequences of catastrophic events. Immediately preceding epidemics, including AIDS, influenza, and catastrophic influenza, offered understanding about how to evaluate the repercussions of COVID-19 (Hou et al., 2021).

The severe acute respiratory virus has an enormous capital accumulation and environmental consequence including both industrialized and developing economies, based on the most recent analyses (Hu et al., 2020). Throughout many nations, some analysts also reported a significant reduction in personal finances, an uptick in commercial recurring expenditure, and heightened incidence (Khokhar, Iqbal, et al., 2020)(SheharYar Ahmed 2020). Only a few more publications are concerned with the economic repercussions and consequences of the plague, as shown in a review of relevant literature.

They conducted a comparative assessment into the pandemic disease's economic consequences in advanced economies (Silva et al., 2020). A systematic analysis of the infectious diseases recession in the United States had also been researched by an investigator, who has documented the economic damage. The Oxford budgetary prediction algorithm, was used in their research to assess the anticipated possible influence of infectious disease and it predicted consumption constriction in Asia, and therefore a significant

drop in aggregate Asian economic growth. Consequently, the investigation suggests that global GDP and international trade and commerce together have dropped significantly (Hawkins, Charles & Mehaffey 2020).

AIDS, which has been shown to have a severe economic and social consequence on people's personal well-being in assessments of studies, published investigations has already shown, that by a whooping scale, cough is substantially more highly infectious than HIV disease, and investigators anticipate that COVID-19 could very well propagate more quickly and unexpectedly than HIV (Latip et al., 2021). COVID-19's unpleasant features had massive repercussions for individuals around the world. It has actually caused hundreds of new behavioral and economic ramifications that start raising factors such as increased risk for socioeconomic and commercial well-being and health of humans (Mustafa et al., 2021).

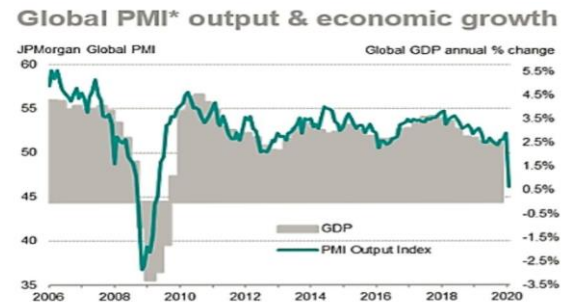
2.1 Covid-19 Pandemic Effect on Global Economy

Why did the spread of the COVID 19 pandemic bring the global economy down to its knees? The answer to this question lies in the two methods by which corona virus stifled economic activities (Haleem, Javaid, & Vaishya 2020). First, the spread of the corona virus encouraged social distancing which led to the shutdown of financial markets, industries, factories, corporate offices, businesses, and social events like charities and small business gatherings (Ramanan et al., 2020). Second, the exponential rate at which the virus was

spreading, and the heightened uncertainty about how bad the situation could get, led to a flight to safety in consumption and investment among the consumers, the investors, and international trade partners (Yumei Hou, 2020). On 30th January 2020, the World Health Organization (WHO) acknowledged the seriousness and complexity of the circumstances and officially declared a "life - threatening condition threat of international outrage" (Salman Ahmed et al., 2022). The prevalence of the disease escalated tremendously everywhere across the globe in a short amount of time, compelling the WHO to declare COVID-19 a "disease outbreak" on March 11th, 2020 (Song et al., 2020). After upward trajectory of seven months, the population of the town and potentially lethal occurrences continues to increase significantly around all over the globe as shown in figure 1.

We focus on the period from the start of 2020 through March when the corona virus began spreading into other countries as well as their markets (McCauley et al., 2022). We draw on real-world observations in assessing the restrictive measures, monetary policy measures, fiscal policy measures, and public health measures that are adopted during the pandemic period. We examine the impact of social distancing policies on economic activity and stock markets (Khokhar, Hou, et al., 2020). The findings revealed that the increasing number of lockdown days, policy decisions, and international travel restrictions affected the level of economic activities like import and exports of Pakistan (Ioannidis, 2022).

Figure 1: Output of Economic Growth

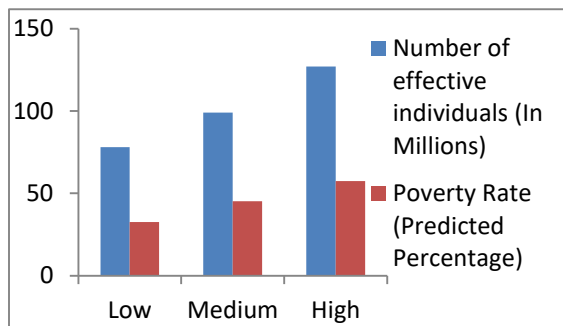


2.2 The Effect of COVID-19 on Pakistan's Economy

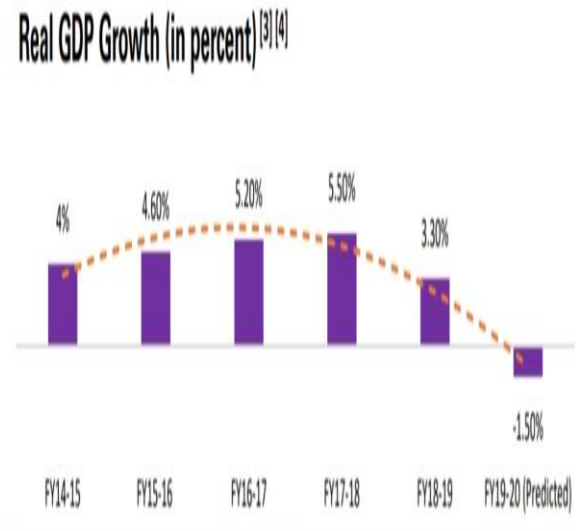
In the wake of the rising positive cases of COVID 19 virus throughout the country, the government limited transportation activities across international, provincial, and municipal borders which led to the suspension of transportation mediums such as flights and ride hailing services (Usman et al., 2020). Most commercial organizations have shifted to a work-from-home structure with only essential staff being allowed on site. It has compounded the issue of bullish domestic economic activity and reduced consumer-side demand. The impending COVID-19 contagion may very well have repercussions for emphasis on low ethnic communities, regardless of the length of the confinement and the outbreak's long-term consequences if it is suppressed in a short proportion of time in table 1. In some of the worst circumstances, a protracted infestation is forecasted. Pakistan's aggregate demographic of 127 million inhabitants could therefore potentially fall underneath the income threshold (Perveen et al., 2022) in figure 2.

Table 1: Effected Economy and residents of Pakistan during COVID-19

	Number of effective individuals (In Millions)	Poverty Rate (Predicted Percentage)
Low	78	32.6
Medium	99	45.3
High	129	57.5

Figure 2: Graphical Representation of Effected Economy and residents of Pakistan during COVID-19

Due to the shortfall in the agricultural sector's output and insufficient growth in exports from the large-scale manufacturing sector, the real GDP growth target of 4 percent was unlikely to be achieved in the face of lagging domestic markets (A. Ali, Ahmed, & Hassan, 2021). As of the latest projections by the State Bank of Pakistan, the GDP growth rate for FY20 has been revised to 3.0 percent, down from 3.3 percent in FY19 in figure 3.

Figure 3: Real Developmental growth

3. Methodology

We applied and conducted an exploratory methodology, which comprised a comprehensive examination of the established publications, which included legislative materials, scholarly publications, statistics and analyses in the domain. Due to diverse considerations, particularly schedule and expenditure considerations, and also the COVID-19 outbreaks and confinement, the material and information was gathered via an online survey. Several other investigators had been using an identical methodology and indicated it to be beneficial in terms of quality and expense economical.

To enhance participation estimates, analysts expressed a preference to engage into their private and social associations. We approached possible respondents through a range of social media sites, such as WhatsApp, Facebook, and LinkedIn, along with e-mail, and

encouraged them to indulge in the opinion survey poll. All participants, applicants and respondents were guaranteed of absolute anonymity and privacy, encouraging a considerable number of companies and people to participate in the assessment. The survey asked, basic information about corona virus and its effects on people's daily lives, business effects, different economic sectors and their characteristics (such as size and industry), impact of COVID-19 outbreak on small and medium businesses, sales and profit declines, survival period, industrial sector formalization period, and an appeal to the government to ease the burden of lockdown. The survey was absolutely and entirely voluntary, and no monetary remuneration was promised for commencing it. Prior the opinion poll was actually and officially launched, the series of questions components were checked and validated with a limited group of successful business owners to analyze their coherence and applicability, as well as to recognize and prevent any prospective shortcomings. The relevant data was gathered through using snowball convenient sampling, which really is widespread due to its economic and particular time saving benefits.

The 5-month incidence rate of COVID-19 was computed by dividing the total confirmed cases by the total population. The incidence rate was computed for individual states/countries to assess cross-state/cross-country variations in the pandemic. Total COVID-19 cases and total GDPs were plotted first to provide a visual representation of the relationship between the two variables. The plot was made using dual

logarithmic scales for both X- and Y-axes. Informed by the plots, the relationship between GDP and COVID-19 was quantified using the following regression model:

$$(Y_i) = \beta_0 + \beta_1 \log (GDP_i) + e_i,$$

where Y_i represents total confirmed COVID-19 cases in an individual U.S. state or European country during the study period, GDP represents total 2019 GDP of an individual U.S. state or an individual European country, and e_i = residuals; i represents individual U.S. state/European countries. Data processing and statistical analysis were conducted with commercial software SAS 9.4 (SAS Institute Inc., Cary, NC); plotting was completed using MS PowerPoint. Statistical inference was made at $P < 0.05$ (two-sided) for all modeling analyses.

3.1 Current and Potential Effects of COVID-19 on Different Sectors of Pakistan

3.2. Agriculture Sector

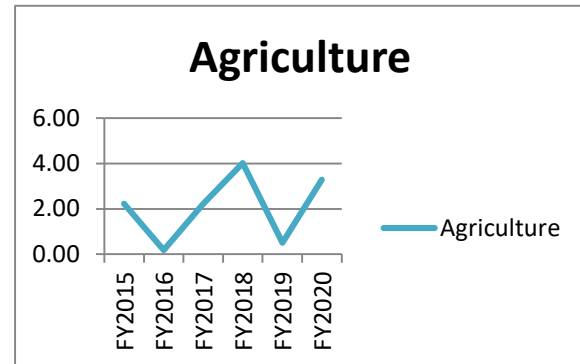
There is improbable chance for a shortage of food resources at this period since the scale of the predicament had yet been undetermined. Furthermore, if the confinement is protracted attributable to the persistent dissemination of COVID-19, the food production predicament can somehow exacerbate substantially. The highly perishable elements will be the first to be endangered, accompanied by convenience foods. Inadequate agricultural production and resource depletion, along with developing environmental degradation, potentially affect the sector (Ceballos, Kannan, & Kramer, 2020). Subsequent adventurous activities of reduced

contract management expenditures on the role of management and postponement in the routine reaping of farm products have generated protectionist pressures within the home market, exacerbating the unpredictability generated by COVID-19 (Workie et al., 2020). Agricultural laborers may be moderately protected from the occupational upheavals triggered by COVID-19 because they require less human engagement to carry out their responsibilities and hence are less hampered by socioeconomic alienation restrictions in table 2. In figure 4, with the continuous COVID-19 outbreak, another additional challenge has popped up: wild locusts and insect pests plagues have commenced to escalate in density on cultivation territory undergoing crops in Pakistan, devastating 24 % of crops and representing a substantial economic drop as well as a hazard to domestic food sovereignty (Barrett 2020).

Table 2: Growth in Agriculture sector

Sector	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Agriculture	2.23	0.18	2.21	4.01	0.51	3.28

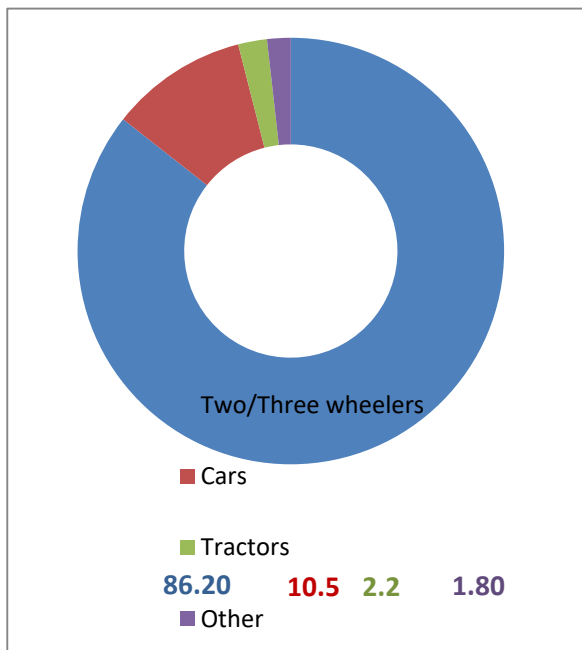
Figure 4: Graphical representation of the growth in Agriculture sector of Pakistan



3.1.2 Automotive Sector

Numerous concerns, such as high lending charges, weakening and depreciation of the Pakistani rupee versus the US dollar, and the implementation of increased taxes, had already hindered the automobile industry in terms of performance, growth and profitability expectations in both the national and international sectors for Pakistani vehicles. The COVID-19 suppression has rendered the Pakistani automobile manufacturing company's overall catastrophically plight journey of growth tougher (Saleem Butt & Khaimah n.d.). The fraction of different vehicles and parts suppliers have remained forced to shut down as a consequence of Federal Government's instructions mandating a general strike to prevent further spread of COVID-19. Additionally, as per the Pakistan Automotive Manufacturers Association (PAMA), the Covid-19 shutdown seems to have had a major impact on commercial automakers, with zero vehicle sales confirmed and reported as shown in figure 5.

Figure 5: Total Vehicles of Automobile industry sold during COVID-19 Pandemic



3.3 Construction Sector

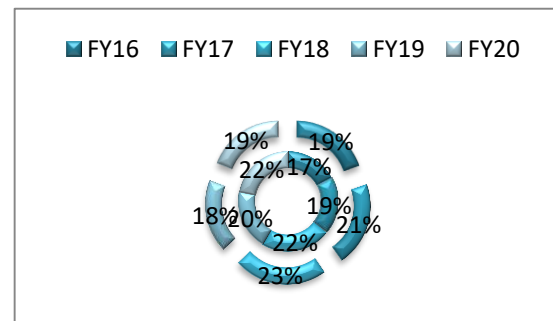
COVID-19 casualties have become much more prevalent by the day, which is exerting a consequence on the building sector. Authorities' security measures are interrupting the distribution network; skills shortages are happening; factors have caused and undergone a downturn in the economy; and they are experiencing problem maintaining their commitments. Major construction undertakings require a huge amount of specialized equipment. With the international economy contracting as a consequence of the COVID-19 outbreak, expansion in long-term lending and investment demand has underperformed (Iqbal et al., 2021). However, with the administration's optimistic initiatives and the positive impact of immunizations, funding for investment spending is quick to take

up again in table 3. The COVID-19 outbreak has thrown off construction, infrastructure and architectural activities everywhere throughout the globe, including those in Pakistan, in precarious positions in diverse manners, and many have been abandoned the field (Azeem et al., 2022). As a result, the constructions industry in Pakistan has experienced a macroeconomic recession, culminating and leading in high unemployment. Consequently, the construction sector is apprehensive, anxious, and deeply uncomfortable about the scenario as shown in figure 6.

Table 3: Overall GDP Growth in the construction sector of Pakistan from fiscal year 2016 to 2020

	FY16	FY17	FY18	FY19	FY20
Construction Sector (PKR bln)	603	669	799	694	776
Construction Sector % of GDP	2.20%	2.32%	2.55%	2.01%	2.14%

Figure 6: GDP Growth and Recession in culminating unemployed labor



3.4 Education Sector

COVID-19 caused the closure of schools around the world. More than 1.2 billion children worldwide are out of school. Therefore, with the unique rise of e-learning, education has undergone tremendous changes, teaching through distance and digital platforms (Dwivedi et al., 2020). Studies have shown that online learning has been shown to increase the retention of information and take less time, which means that the changes caused by the corona virus may continue to exist. Although the COVID-19 infection rate in various countries is at different stages, more than 1.2 billion children in 186 countries are currently affected by school closures due to the pandemic (Edem Adzovie & Jibril, 2022). In Denmark, children under the age of 11 have returned to nurseries and schools after the initial closure on March 12, but in South Korea, students are responding to teacher rollovers online. With many parts of the world suddenly moving away from the classroom, some people wonder whether the adoption of online learning will be continued after the pandemic, and how this shift has affected the global education market.

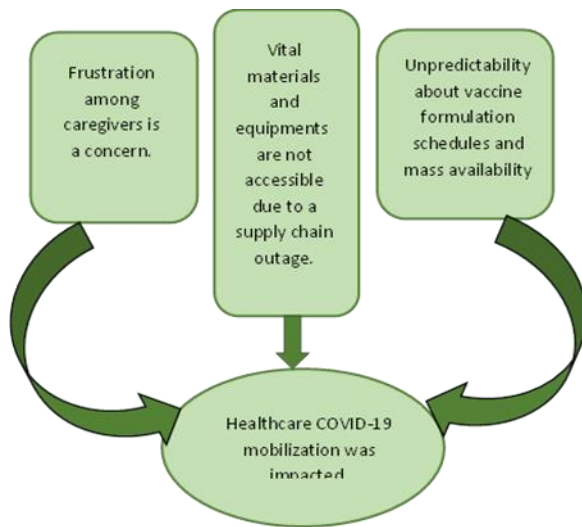
Even before COVID-19, educational technology has experienced rapid growth and adoption (S. Ali et al., 2021). In 2019, global investment in educational technology reached 18.66 billion U.S. dollars, and it is estimated that by 2025, the overall online education market will reach 350 billion U.S. dollars. Whether it is language applications, virtual tutoring, video conferencing tools, or online learning software,

usage has increased significantly since COVID-19.

3.5. Healthcare Sector

As the majority of instances of COVID-19 escalated in Pakistan, organizations have begun to whimper under the pressure. Due to the obvious wider public lack of engagement in regulatory changes, they have faltered (Sarfraz et al., 2022). The authorities completely ignored general populace government ministers' recommendations and lightened the confinement. This situation results in a disturbing consequence. Physicians, caregivers and doctors were under pressure, clinical laboratories equipment's were overcrowded, and emergency departments were falling apart on the edge with patients infected. Apparently basic healthcare apparatus was malfunctioning, and there were no specialists, experts, physicians or ambulances on sight. Healthcare practitioners had almost no professional knowledge regarding the outbreak. For years, costly healthcare apparatus remained completely unusable. The privileged were made to promote, while the poor were left behind. Even the preservation, recovery and rehabilitation of healthcare facilities were underestimated (Cárdenas et al., 2022). Due to the occurrence of COVID-19 the public health care system in Pakistan eventually became distraught. This contagion seemed to stay in figure 7. There existed a deficiency of healthcare machines and equipment, along with antiquated structures and facilities, in the nation (Abbas, 2021).

Figure 7: Impact of COVID-19 on different healthcare centers of Pakistan

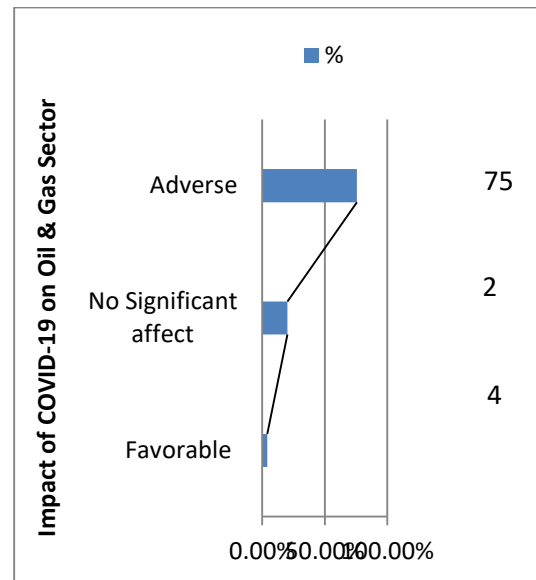


3.6. Oil and Gas Sector

The oil and gas sector has been one of the Pakistan's major essential socioeconomic sectors. In 2019, the overarching electric power availability was anticipated to be approximately 86 million tons of oil counterparts. COVID-19 prompted global crude oil prices to tumble from \$780 per barrel to \$16 per barrel in a bunch of days, diminishing requirement tremendously as various sectors, including air transport, happened to come to a stoppage (Sajid, Yu, & Rehman, 2022). Consequently, gas extraction was lowered from around 60% to 50%, while oil reserves were confiscated, most of which have a contribution to domestic manufacturing in figure 8. International exchange rate holdings were presumed adequate by traditional benchmarks at the commencement of the COVID-19 catastrophe, although they are anticipated to be unsustainable to address the wide and varied requirements that emerging economies are now encountering (M.

Muhammad et al., 2022). On the consumption perspective, rapidly increasing customer expenditures and diminished economic operations have constrained investment on oil-derived commodities, specifically in the situation of slightly elevated petroleum diesel and fuel.

Figure 8: Impact of COVID-19 on Oil and Gas sector in the form of Adverse, non-significant and favorable percentage



3.7. Power Sector

There was tremendous improvement in the electrical industry everywhere across the globe just before the eruption of COVID-19, though this is valid in Pakistan. As a consequence of the epidemic, the international consumer electronic enterprise and power sector have had simultaneous repercussions, the first of which is impact on power production and the other of which is an impact on power distribution:

Electrical components manufacturing plants have been suspended due to practical

difficulties and a shrinking of workforce. On the other extreme, numerous e-commerce sites have stopped delivering consumable goods, including electrical equipment, machines and devices (Raza & Lin 2022). This apparently started to even have an impression on the power industry. The postponement of new power production unit schedules, and had significant economic potential consequences for Pakistan, which was a major adverse effect due to networking equipment limitations and unexpected postponements in shipments (Karim et al., 2022).

3.8 Textile Sector

Pakistan's textile manufacturing sector saw an upswing in foreign demand whenever the outbreak reportedly dented China in December 2019. Pakistan's garment industry was functioning at full potential and strength by January 2020, partly in response to the avoidance of administrative regulations and restrictions but predominantly to an upsurge in contracts from worldwide textile and clothing purchasers or customers. According to exchange confederate representatives, more than a million clothing and garment industrial workers in Pakistan were destined to lose their positions as a direct consequence of the corona virus catastrophe, and most would obtain no income support to manage their expenses (Abbass et al., 2022). Due to declining patterns of consumption and the closure of industries that used intermediate goods or imported commodities for manufacturing, Pakistan's consumption for imports also diminished substantially as shown in figure 9. Exports and imports of goods knocked down in

the first month of COVID-19, and the severity of the decline worsened and intensified with each subsequent month until May 2020 (Mohsin, Ammara & Qamar, 2022).

Figure 9: Overall Exports of Textile sector in Pakistan on different types garments

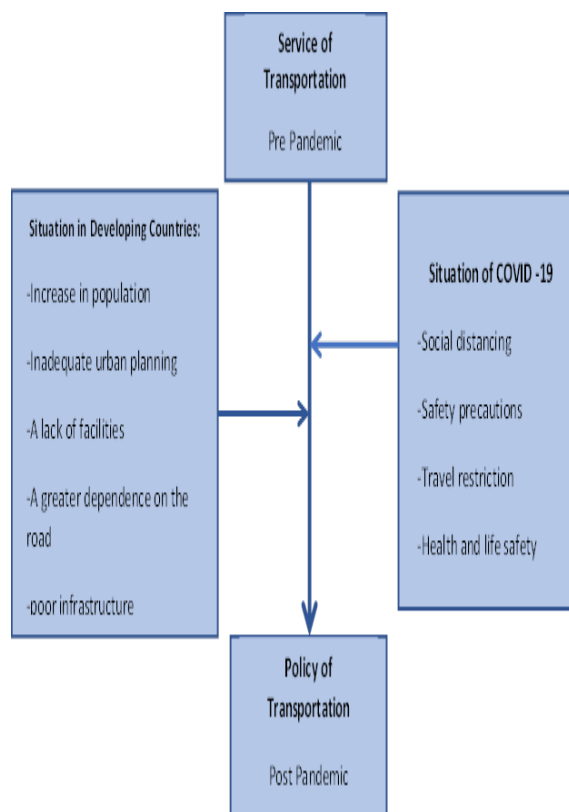


3.9 Transportation Sector

States across the world had to implement enormous prohibitions on local and public mass transit or transportation since the commencement of the COVID-19 outbreak in order to minimize highly contagious dissemination and sustain the secure transit of essential personnel during the case of emergency operations (Abdullah et al., 2021b). Several other countries, particularly Pakistan, have resorted on socioeconomic consultation and work-from-home systems to retain inhabitants' lives and employees stay afloat when they were unavailable to move and relocate. Due to the widespread prohibition of both national and foreign flights operations, airline services such as Pakistan International

Airlines (PIA) and the Pakistan Civil Aviation Authority (CAA) have experienced great losses in the billions of dollars throughout the preceding two months (Leach et al., 2021). Pakistan Railways also prohibited and restricted all travelers' movement until additional notice as a step to avoid the virus from replicating throughout the nationwide railway system platform's affiliated areas in figure 10.

Figure 10: Services of transportation in pre-pandemic era and governmental policies in post-pandemic era



3.10 Tourism Sector

Pakistan is renowned for a multitude range of natural and environmental attractions and ancient and religious tourist destinations that capture a tremendous proportion of national

and foreign travelers each and every year (Alonso et al., 2022). In 2020, meanwhile, the COVID-19 epidemic inflicted destruction on Pakistan's tourism industry. Considering restrictions attributable to global pandemic immigration the astonishing inflow of international visitors shrank, leisurely travelers helped in strengthening the local tourism economy this year, with millions of national visitors gravitating to the country's picturesque north and northwest during summertime. Regardless of the extraordinary confinement, tour service companies were struggling due to withdrawals of group registrations (Armutlu et al., 2021). Tourist amenities and civil locations (playgrounds, cinemas, and retail stores) throughout the nation were suspended in mid-March. Pakistan's Civil Aviation Authority (CAA) announced an estimated loss of approximately \$18 million in March 2020, and Pakistan International Airlines (PIA) may very well be obligated to dispatch its workforce on compensated sabbatical on a transitional basis. Apparently the only unpredicted consequence of the outbreak is that countryside and wildlife creatures will be permitted to decompress from the constraints of tourism destinations (Foo et al., 2021).

4. Results and Discussions

4.1 COVID-19 and the Current Situation in Pakistan

COVID-19 could very well become an endemic chronic condition, with the propensity for further and newer versions to originate. The epidemiological mechanism is exacerbated by the fact that infection preventive resistance generated from immunizations and infectious

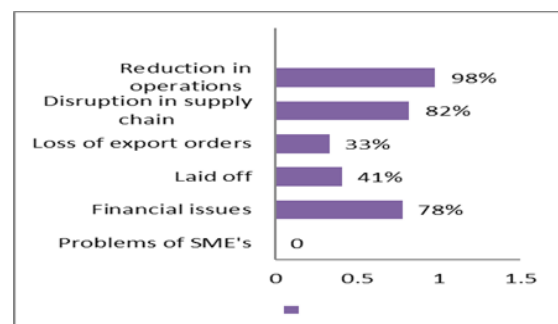
diseases would progressively deteriorate. Later in 2022, steadily declining resistance and winter seasonality would culminate in at least a winter increment. Furthermore, the billions of viruses and infections that occur throughout the globe will allow for the formation of new varieties of virus. To begin preparing for upcoming COVID-19 different versions, regions should prevent furtive behavior and evaluate for the occurrence of new different versions, proceed to endorse vaccination, which would include third party concentrations, enlarged access to appropriate antimicrobial drugs, and to provide assistance to slightly elevated communities about how to use the face mask and sustain social spacing if and when a revamped version catastrophic such as the Omicron hits and persists. Perhaps the occurrence of a latest deformation with increased disease than Omicron should not necessitate a recovery to pandemic-era legislation with these precautions in position.

- Everyday infectious diseases surged from 2,371,700 to 3,922,110 each day on general. The highest hourly intensive care occupancy has expanded from 5,120 to 12,120.
- Nearly every day documented incidences surged from 1,410 to 4,200 each day on aggregate.
- COVID-19-related mortality soared to 5 per day on general, slightly higher compared from 4.
- COVID-19-related fatalities escalated to 86 per day on total, up from 75 the preceding day. COVID-19 has now become Pakistan's 13th greatest reason of illness and death.

4.2 Key Challenges Faced by SMEs in Pakistan

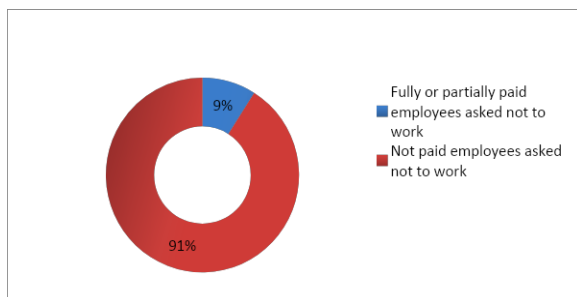
Business expansion, including SME operations, is associated with an increased risk of COVID-19 transmission. Moreover, the growth of the industry can lead to the spread of infectious diseases, most SMEs cannot meet their financial needs, which is a warning because SMEs are the key to business growth, innovation, revenue generation, and employment for modern employees in a wide range of areas of business development, including manufacturing, service, and marketing. As COVID-19 spread, SMEs in Pakistan were facing more financial and institutional challenges. Those they have already dealt with including the lack of new products, high investment in government security, high price fluctuations, no market interest planning, accounting, and other documents, insufficient resources to use based on security, lack of funds knowledge, limited new ones or new ways to speak of consumerism, political instability, power violence, lack of infrastructure, rising unemployment and lack of new technology in figure 11.

Figure 11: Problems and Challenges of small medium enterprises in Pakistan



The problem of poverty is one of the biggest problems in Pakistan as many people belong to low income and while COVID-19 is ubiquitous, they cannot afford the long closing time, which is dangerous for their personal life and for their families. In Pakistan, it is a traditional matter that one person provides for the whole family, which is why it is often not possible to close the business for even one day. Therefore, these small entrepreneurs are facing the biggest threat due to COVID-19. In addition to government measures to reduce transmission, such as a special hospital, clinic, isolation facility or any knowledge of minority support and closure meant to ensure, health check of passengers by abroad, it is important that measures should be taken to support SMEs.

Figure 12: Percentage of paid and not paid employees who were asked not to work in COVID-19 outbreak



The economic downturn is defined by a slowdown in the economy, which lowers the stock market measures by all. Gross domestic product (GDP) and unemployment are the prices of each country in figure 12. Every change in the manufacturing industry leads to a change in GDP as well as the unemployment rate. To confirm that the damage is lower GDP and rising unemployment in the country and vice versa.

Unemployment as well the increase in unemployment has a huge impact on the human psychology and some studies show the relationship between financial loss and suicide rates.

In this paper, we learnt how the corona virus outbreak is affecting the global economy. Also, we have discussed the economic development of Pakistan in 2019-2020. How other countries have stabilized their economies during the pandemic, and what policies have they enacted about their countries and businesses. How small and large businesses affect GDP growth during the pandemic, the data we have discussed in this article is analyzed through descriptive statistics. The results showed that the majority of participating businesses were severely affected, facing financial, supply chain disruptions, declining demand, and declining sales and profits. We'll also learn how online businesses are working during COVID 19. Additionally, we have examined how the education sector has been impacted by the COVID 19 pandemic, and what are the strategic plans implemented to stabilize the education system during the outbreak. Pakistan should transform the calamitous COVID-19 dilemma into a possible chance to strengthen its economic system, democracy, and international and defense strategies. If something doesn't eventuate, the growth of the economy would rapidly deteriorate. Enhanced disparities and deprivation will heighten governmental and socioeconomic dissatisfaction, eventually undermining the administration and compromising Pakistan's representative democracy achievements.

5. Conclusion

The international repercussions of the pandemic Covid-19 continue to be somewhat unpredictable. The nations are endeavoring to alleviate the repercussions on their sectors of the economy. It has had an imprint on industrial production, transportation, and quality of daily existence. The widespread catastrophe of the Corona virus has devastated approximately 5 million fatalities and immobilized the world's economy. This predicament is anticipated to have a substantial economic repercussion on emerging nations. This paper analyzes the economic implications of producer and consumer fluctuation caused by the Covid-19 plague in Pakistan. On the supply side, the outbreak has thrown the regional and multinational distribution networks to a pause, culminating in a complete absence of resources and commodities. Decreasing native and foreign consumption has culminated in humongous redundancies and starvation predictions on the supplier side. The authorities and the State Bank of Pakistan have released numerous compensation arrangements and schemes to help stabilize the circumstance, but the people will remain susceptible to healthcare and monetary adversity and struggles due to poor health systems facilities and a lack of social assistance. In these extraordinary economic circumstances, administrative interventions must be undertaken promptly in order protect hundreds of thousands of people from the infection and impoverishment.

Although desperation is the mother of innovative ideas, the adaptation to Covid-19 utilizing technological media would be nothing short of expected. As a direct consequence,

organizations throughout the country are transforming their products, procedures, and marketing strategies. While social and institutional disruptions pose a threat to our current position, they also hold enormous potential and present a plethora of opportunities. Due to socioeconomic limitations, valuation conflicts, confinement, closings and blackouts, FDI is anticipated to collapse in Tangible Tourist sector, Leisure, Trade, Aviation, Agriculture, Transportation, Oil and Gas, and Automotive. Food manufacturing, household commodities, transportation & telecommunications, monetary operations, internet marketing, textiles, and tourism, on the contrary extreme, represent development possibilities. Pakistan demands intervention policies and practices in addition to avoiding some of the detrimental consequences of COVID-19 on development and communications.

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