



A STUDY ON IMPACT OF COVID-19 PANDEMIC ON UNEMPLOYMENT IN INDIA

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ABSTRACT

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Unemployment is a serious problem which is being experienced by most of the countries throughout the globe. Unemployment is like a giraffe which is easier to make out than to describe. The crisis of unemployment has been in existence for a long time. Nevertheless, in the developed nations it was experienced in its severe form at the time of the great depression (1930's) while in the developing nations it was after the Second World War (1945). The past few years, there has been a slowdown in the growth of employment in India despite the boost in the economic sector. At the same time due to this COVID-19 pandemic lockdown, there had been a devastating effect on the unemployment rate in India as most of the private companies have fired their employees. The main sufferers of this lockdown are the informal sector employees as the majority of them started losing jobs since construction works were closed. With no capital, thousands of people deserted cities, marching to their homelands for several hundreds of miles away in the absence of government transportation, which showed their intensity of anguish. This paper aims to delineate the impact of COVID-19 on unemployment in our study area. For analyzing this research we mostly relied on secondary data collected through books, journals, newspapers, authentic internet sources, etc The outcome of this research will be helpful for academicians, researchers, and policymakers in related studies.

KEYWORDS: *Unemployment, COVID-19, lockdown, employees, informal sector*

INTRODUCTION

RNA viruses with an envelope that measures between 60 nm and with a diameter of 140 nm and the crown-like shape seen in mammals, particularly in humans and birds, it's known that they carry coronaviruses.

respiratory, intestinal, hepatic, and other disease-causing mutations and recombination including neurological conditions. The first COVID-19 epidemic happened in Wuhan, in the province of Hubei.

where multiple people with viral pneumonia were discovered at the beginning of December 2019 at the seafood market in Huanan, according to epidemiological evidence in Wuhan. In this market,

wild animals are famously sold, along with others. Prior to that, non-aquatic animals like birds and rabbits were also for sale before infection. Organization for World Health on January 30, 2020 (WHO) designated a public health emergency of international scope and an outbreak

Concern (PHEIC), and the WHO formally identified this outbreak in February 2020. a condition caused by a coronavirus, such as COVID-19, where CO stands for corona, VI for the virus, D for disease, and 2019 represents the year. occurred the primary causative agent of COVID-19 is the severe acute respiratory syndrome coronavirus 2 (SARS-CoV 2). SARS-CoV-2 possesses 79.6%

Severe acute respiratory syndrome (SARS)-like coronavirus (SARS-CoV) and the sequence is

96% identical. Due to its outbreak, the global economy collapses and causes a significant amount of unemployment as a result of mass layoffs. The majority of nations on the globe struggle with a genuine problem called unemployment.

globe. The concept of unemployment is not new. However, industrialized nations experienced this and developing nations during the Great Depression (the 1930s), when it was particularly severe

After World War II (1945). The pace of growth has decreased recently.

METHODOLOGY

The research is a literature-based study investigating the current issue. Parallely we also relied on secondary data from various books, journals, and authentic websites. For analyzing our data we used Microsoft Excel 2010 and Statistical Package for the Social Sciences (SPSS).

DISCUSSION

The most serious problem the country is facing today is the problem of unemployment, as the planners have been much concerned about this and in each plan the emphasis has been put forward to remove unemployment by increasing the growth rate. Most of the planners argue that a higher growth rate can clear the backlog of unemployment and provide employment to the people, but unfortunately till now this argument had not proved so far (Dobriyal, K. 1970, January 01). Although India is ranked among, the first eight industrially advanced countries of the world, it remains by and large, underdeveloped (Giri, V. (1973, January 01).

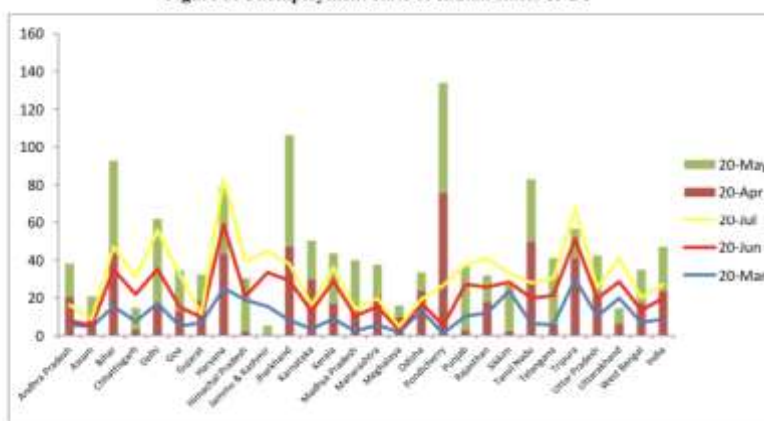
Table 1. Unemployment rate of India July, 2019- June 2020 Month Jul-20 Jun-20 May-20 Apr-20 Mar-20 Feb-20 Jan-20 Dec-19 Nov-19 Oct-19 Sep-19 Aug-19
Unemployment Rate % India

2. Unemployment Rate - 30 day moving average

Date	India	Urban	Rural
9-Aug-20	7.86	9.72	6.99
8-Aug-20	7.65	9.67	6.72
7-Aug-20	7.64	9.74	6.67
6-Aug-20	7.67	9.69	6.73
5-Aug-20	7.63	9.64	6.71
4-Aug-20	7.73	9.74	6.82
3-Aug-20	7.75	9.7	6.86
2-Aug-20	7.72	9.74	6.8
1-Aug-20	7.64	9.7	6.71
31-Jul-20	7.59	9.76	6.6
30-Jul-20	7.54	9.7	6.55
29-Jul-20	7.57	9.79	6.56
28-Jul-20	7.69	9.85	6.72
27-Jul-20	7.78	10	6.77
26-Jul-20	7.97	10.39	6.87
25-Jul-20	8.02	10.38	6.96
24-Jul-20	7.79	10.4	6.6
23-Jul-20	7.88	10.47	6.7
22-Jul-20	7.84	10.53	6.62
21-Jul-20	7.9	10.62	6.66
20-Jul-20	7.94	10.69	6.68
19-Jul-20	7.95	10.81	6.64
18-Jul-20	8.09	10.79	6.83
17-Jul-20	8.29	10.76	7.14

Source: Centre for Monitoring Indian Economy Pvt. Ltd.

Figure 3. Unemployment Rate of Indian states & UT



India's unemployment rate rose to 23.5 per cent in the month of April amid coronavirus lockdown (table 3). The rate of unemployment in urban India stands higher at 24.95 per cent as against rural 22.89 per cent (Table 1). During the last week of April and in the first two weeks of May, the unemployment rate hovered around 23.48 -23.52 per cent (table 1).

The fluctuations were small and jointly indicated that the unemployment rate has actually increased to about 24 per cent since the lockdown (table 3).

The rate of unemployment in urban India is also shocking. The unemployment rate in urban India increased to 30 and 31 percent, respectively, in the first and second weeks of the lockout. "However, over the next two weeks, it dropped quite dramatically to 23 and 25 per cent. It is a quite drastic decline in the unemployment rate in urban India, while it is still rather high (table 1, 2, 3). Meanwhile, the unemployment rate was 8.74% in March, the highest since the demonetization occurred in August 2016, according to a recent survey by CMIE. The unemployment rate was 9.59% in August 2016 (Bussinesstoday.2020, April 03).

This degree of unemployment, at a period when the Indian economy was rising at a decent rate, indicates that there was something intrinsically wrong with the policies as well as the whole structure. That went incorrect was this: inequalities grew because fast inflation implied just that the wealthy got richer and the poor get poorer.

PROBLEM STATEMENT

Most nations around the world are currently dealing with the major issue of unemployment. Similar to a giraffe, unemployment is more difficult to convey than to see. For a very long period, there has been a severe unemployment crisis. However, it was experienced in wealthy countries in its most severe form during the Great Depression (1930s), whereas it occurred in underdeveloped countries following the Second World War (1945). Despite the expansion of the economy, there has been a slowdown in

employment growth in India over the previous few years. The COVID-19 pandemic lockdown has also had a severe impact on India's unemployment rate, as the majority of private enterprises have laid off workers. Since the majority of them began losing jobs once construction activity was halted, the informal sectors of employees are the ones that suffer the most from this lockout. Without a capital, tens of thousands of people fled cities, marching hundreds of miles to their homes in order to escape the intense suffering they were experiencing. The purpose of this essay is to outline how COVID-19 has affected unemployment in the area under consideration. We mostly used secondary material from books, journals, newspapers, reputable websites, and other sources to analyze our research. Academics, researchers, and politicians working on relevant subjects will find the findings of this study useful.

OBJECTIVE

In this essay, the impacts of COVID-19, a global pandemic that began in China in December 2019, will be studied. The new coronavirus pandemic is seen as a natural disaster that has a profound impact on people's psychological well-being. Therefore, it may be said that the pandemic is significantly affecting unemployment. Therefore, the study aims to shed light on how the COVID-19 epidemic has affected unemployment. Additionally, this study will serve as a foundation for future research.

RESULTS AND DISCUSSION

Despite the economic sector's recovery, there is a decline in employment in India. Additionally, because of COVID-19.

The pandemic lockdown has significantly lowered jobless rates in India, like most other countries. Employees were laid off by private companies. The informal sector is the primary victim of this lock-in.

employees, like the majority of them, began to lose their jobs when construction projects were completed. With no hundreds of people fled the

capital, trekking many hundred miles to their home country

They could not get anywhere without using government transportation, which showed how anxious they were. In India, unemployment is the most critical socioeconomic component, which cannot be a strain on the unemployed and could only be minimally reduced unless it is quickly eliminated. by proper planning In India, especially among the educated unemployed, unemployment is seen as a scourge on economic growth. In India, each worker puts in roughly 8 hours each day over 273 days every year.

according to a conventional person-year basis, is regarded as employed. A person who is not employed during this time is referred to as an unemployed person. The number of work prospects in a country mostly depends on its educational level of progress, i.e., when a nation advances and its output increases, The number of available jobs will rise. 22 and 2022–2023 will be considerably less than 2019–2020. There will be severe economic misery in the future, therefore politics and policymaking must collaborate to overcome it.

According to a research by the International Labor Organization (ILO), over 2.5 million jobs have been lost since 2000.

The novel coronavirus has expanded globally, posing a hazard to humans. It was observed that approximately 81% of the world's 3,3 billion individuals, or four out of five, were male.

affected by the partial or total closure of their places of employment. The United Kingdom, The United States, Canada, and numerous European and Asian nations suffered catastrophic losses.

Their lack of jobs deepens their unemployment. The problem of unemployment is the most severe issue facing the country today. Economic planners were highly concerned about it, and it was emphasized in every plan to eradicate unemployment by raising the pace of growth. The majority of planners assert that a faster growth rate may eliminate accumulated unemployment and give work opportunities, although this thesis has not yet been demonstrated.

Although India is one of the world's top eight industrialized nations, it remains undeveloped overall.

SUGGESTIONS

It has been determined that the small-scale industry, which comprises the cottage and village sectors, is the most effective way to address the rising unemployment issue. The best way to end unemployment is through self-employment, so higher education institutions should accept it as they would other forms of employment. There should be a radical overhaul of the educational model. Higher education should be made available to students who have expressed an interest in it in colleges and universities. The importance of vocational education must be emphasized. Engineers who are qualified should

launch their own small businesses (Mehta, P. (n.d.). The vast majority of individuals in India work for themselves. They work in small-scale manufacturing, agriculture, cottage industries, and trade. Such folks need to be helped financially and with raw resources. county's employment policies' main objective The county's employment policy should priorities increasing labor productivity and job opportunities. Government should adopt a strategy that produces work for everyone. To increase employment, the agricultural and manufacturing sectors must produce more. As a result, it encourages the development of cottage and small industries. Five-year plans ought to place more emphasis on education. People would have better work thanks to initiatives like irrigation, roads, flood control, power, agriculture, and rural electrification. Decentralizing industrial output is crucial for lowering unemployment. There will be fewer job prospects in underdeveloped areas if industrial operations are concentrated in one location. Therefore, the government should adopt measures that promote the decentralization of economic activity. Population growth needs to be examined to find a solution to the unemployment issue. Family planning laws should be applied consistently and effectively.

CONCLUSION

India is a developing country, moving on the path of Progression. It is necessary, in this process that available resources should be used to the full extent possible. Unemployment is a grave problem for any economy. This has adverse consequences for the unemployed because they become unemployed and suffer from poor prospects for seeking new employment and those who are working feel less confident in future to keep their employment. Covid-19 pandemic has affected many people's lives and livelihoods in our country, and around the world. While all

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