



THE NEGATIVE INFLUENCE OF THE CORONAVIRUS PANDEMIC ON SECTORS OF THE ECONOMY

Zafar Haydarov

Manager of the sector
“Assistance on the information and consulting”,
Kashkadarya Regional Department of
the Chamber of Commerce and Industry,
Uzbekistan

ANNOTATION

This article clarifies one of the current pressing issues, that is, the impact of coronavirus pandemic on the economic sectors of the states. Moreover, the article highlights the unemployment rate, structural changes in the economy to ensure food security, agricultural production and rational use of land resources, development of agro-industrial complex and solving problems of social protection in the conditions of coronavirus pandemic.

KEYWORDS: coronavirus pandemic, economy, stability, unemployment rate, food security, agricultural production, rational application, land resources

INTRODUCTION

In spite of the fact that humankind has experienced many disasters in the history, and there have been several diverse crises in the world countries, it is admitting that such a situation has not been observed as nowadays.

According to The World Health Organization (WHO) and the International Monetary Fund (IMF), the deep-rooted and profound social and economic consequences of the global pandemic that is covering the whole world are worsening day by day.

Nowadays, the COVID-19 coronavirus pandemic is influencing nearly in all real sectors of the global economy, including industry, agriculture, trade, construction, transport, tourism and other services, as a consequence, the unemployment rate is rising.

LITERATURE REVIEW

In the history, economic crises have been largely occurred, and to a certain extent have also had a negative impact on social life. Today's crisis is being assessed in socio-economic terms accordingly.

International experts are estimating that world trade will fall by 30% by the end of the year, and there is a possibility of more than 40 million people becoming unemployed. While the EU unemployment rate averaged 6.2 percent in early 2020, the figure is expected to rise to an average of

12 percent in countries such as Spain, Italy, France and Greece.

It is said that unemployment rate has risen sharply since May in the United States.

According to the basic forecasts of the International Monetary Fund in the first half of this year, the world economy is expected to shrink by 3% in 2020. The economic downturn could be 6.1% in developed countries (including 5.9 % in the United States and 7.5 % in the European countries), 5 percent in developing countries, 5.5 % in Russia and 2.5 % in Kazakhstan.

Such a tragic situation in the world also affects Uzbekistan. In the first quarter of this year, the economic growth rate in the country decreased by 1.6% compared to the same period last year.¹

In addition, the volume of planned investments has decreased significantly. This was stated in the report of the Ministry of Economic Development and Poverty Reduction on the current state of the Uzbek economy and expected trends.

In the second quarter of 2020, the economic growth rate was 4.1%, a decrease of 1.6% compared to the same period last year (5.7%).

¹ UZA Mamayunus Pardaev, Professor of Samarkand Institute of Economics and Service, Doctor of Economics; Alisher Eshtaev, Vice-Rector of Samarkand State University, Doctor of Economics, Associate Professor



In line with the information of The World Bank, the coronavirus poses a threat to food security in Central Asian countries, and it states that there is a need to actively develop agriculture and expand cooperation in order to rectify the situation.

According to World Bank experts, economic growth will resume in 2021. This will be facilitated by the gradual recovery of commodity prices in world markets and global trade chains, increasing domestic demand for goods and services in the economies of countries. However, the negative impact of a number of factors on the implementation of this forecast remains high. These include factors such as the second wave of coronavirus infection, the longer-term depression in financing and investment, and the unexpected increase in economic recession due to the sharp decline in remittances.

In 2021, economic growth in Europe and Central Asia is expected to average 3.6 percent as a result of the pandemic's impact on the economy diminishing and trade and investment gradually recovering.²

In an online briefing for the regional media and the expert community, Sergiy Zorya, the World Bank's senior economist for agriculture, said that in the next three months - the countries of the region will face certain challenges, food in Central Asia will account for 40-60% of the population's expenditures, which makes people more vulnerable to rising prices than in other parts of the world". In particular, according to the World Bank, in the next six months, demand for food is expected to decline due to economic problems in the region, including a drop in the income of labor migrants and their inability to send money to their families³.

RESEARCH METHODOLOGY

Unemployment is one of the main problems in Uzbekistan, as in many other countries. What causes the unemployment problem?

- Most of the enterprises have temporarily ceased operations;
- The need for new jobs for thousands of able-bodied people every year;
- Due to the return of citizens who have left the country in search of work abroad.

The process of unemployment of employees in our country has led to the almost cessation of activities in almost all sectors.

In particular, the problem of food security is one of the problems in our country as a result of the impact of the coronavirus pandemic.

While this is resulted from the relative cessation of all production and service activities during the quarantine period, another problem is related to the disruption of international relations, the disruption of import-export relations due to border closures, declining transportation services, disruptions in logistics services, exchange of goods and services.

In a number of countries, the epidemiological situation and quarantine have led to restrictions on the organization of agricultural work. Many countries around the world are imposing administrative and economic restrictions to ensure food security. Accordingly, the significant economic and negative impacts of partner countries on the sale of products to us or the purchase of Uzbek products have been demonstrated.

CONCLUSION

In conclusion, all countries have begun to develop measures to tackle with the problems of food security.

What should Uzbekistan do in such conditions? What can be done to solve these problems ?! What else can be organized? These questions are becoming a topical issue.

One of the ways to solve the problems of unemployment and food security is through self-employment of the population, effective use of land, not only themselves, but also citizens, as a result of ongoing reforms to become entrepreneurs and export their products to domestic and foreign markets. In addition, it is necessary to increase exports in foreign markets. During the pandemic, health care, as well as economic development, today the government has allocated 350 billion soums from the state budget for the implementation of new projects in the field.

Practical measures have been taken to double the volume of fruit and vegetable and livestock production, to establish a family business in cattle breeding, to provide each family with a subsidy of 500,000 soums for the period of poultry farming.

Today, the focus on the development of agriculture, increasing the income of the population in our country, ensuring their employment, eliminating food insecurity, as well as the export of fruits and vegetables to foreign countries, opens up great opportunities.

² <https://review.uz> June 19. 2020 y - Quarantine measures introduced as a result of the COVID-19 pandemic and the fight against coronavirus have led to a significant reduction in domestic demand for goods and services in the economies of countries in Europe and Central Asia.

³ central.asia-news.com



REFERENCES

1. *UZA Mamayunus Pardaev, Professor of Samarkand Institute of Economics and Service, Doctor of Economics; Alisher Eshtaev, Vice-Rector of Samarkand State University, Doctor of Economics, Associate Professor*
2. *<https://review.uz> June 19. 2020 y - Quarantine measures introduced as a result of the COVID-19 pandemic and the fight against coronavirus have led to a significant reduction in domestic demand for goods and services in the economies of countries in Europe and Central Asia.*
3. *central.asia-news.com*