

IMPACT OF GLOBAL ISSUES ON POST-PANDEMIC INDIAN ECONOMY

Dr. Kavita Yadav*

ABSTRACT

When the nation is gradually coming out of the deadly corona crisis, the Indian economy is believed to be on the recovery path, and as per IMF and other International financial reports, the GDP of India is estimated at around 8%, the financial impact of global issues and crisis is bound to have an ostensible impact on the Indian economy. The research can not happen in a vacuum as the invasion of Russia into Ukraine, Sri Lanka economic crisis, China's resurgence of corona cases, and Australia's visits are a few incidents that have a phenomenal impact on Indian financial and economic performance. The Atmanirbhar Bharat and timely geopolitical and economic decisions are said to be a savior in post-pandemic times. Reserve Bank of India engages in the merger and acquisition of financial institutions and has been working for digitalization after the demonetization since 2016. The severe impact of COVID-19 on the health sector is apparently, on the road to further improvement. Although technologies are incorporated almost in every sector be it business, trade, education, agriculture, or production yet there is sufficient scope for the advancements. The upcoming paper is designed to examine the impact of the global crisis on the performance of the Indian economy. The paper will assess the extent of the implications of current international events and happenings on the self-reliant Indian economy. The said consequences will be measured on the basis of economic factors like inflation, debt sustainability, and price index amid the Vocal for Local slogan. The western European countries and south Asian countries have set their respective manifestations and geopolitical agenda to look after. The information from secondary sources, books, journals on digital platforms, and websites shall be referred to. The economic and financial aspect of every economy has certain considerations which are vital to go through for an unbiased outcome. The surge in the international prices of crude oil is a significant cause of inflation in the Indian economy as discussed by professionals and subject experts. The outcome of the paper shall conclude with the economic implications on the Indian economy in light of a series of global incidents after the pandemic has entered its third year.

Keywords: Global Issues, Indian Economy, Atmanirbhar Bharat, Digitalization.

Introduction

In the twenty-first century, economies are mutually interdependent and are objectively dependent on each other for trade, commerce, education, pharma, and other similar requirements. Geographic boundaries are blurred with the advancements in trade, communications, aviation, and

* Associate Professor, Department of Commerce, Shaheed Bhagat Singh Evening College, University of Delhi, Delhi, India.

transport facilities. With the mutual growing relations and dependence on each other, the developed countries are behaving in a responsible manner with sustainable practices in their affairs. After the struggle with a pandemic, the Indian economy is set to curtail with another issue in terms of inflation. Although, economists predict a rise in GDP as a result of Atmanirbhar Bharat, with vocal for locals in mission mode. The events which are occurring globally have a consequential impact on the Indian economy. In this, the brutal and grave Russian invasion in Ukraine is set to catch the eyeballs, with Sri-Lanka's worst-hit economic crisis and continuous efforts of world leaders and bureaucrats towards the stabilization of the international peace, prices, and harmony is essential to mention here.

Paper Design

The theoretical paper is designed to put focus on the prevailing conditions in an international arena. It is undeniable that the economies are well dependent on trade, oil, manufacturing- raw material, medicines, and exchange of technologies in developed countries. The economies rich in specific raw materials and food products look for the consumers in outside economies and hence export conditions are laid down. For arranging the much-needed finance, the stock market does its best. Although private currencies are coming in, bitcoins, eutherians, etc. are not too common owing to deregulation.

Objectives

- To enumerate the occurrences of international poignant events
- To assess the impact of global economic conditions after two years of the pandemic phase
- To examine the impact of global issues on the Indian economy
- To assess the self-reliance, a safety net after the crisis

Methodology

For the paper, political affairs are being studied for understanding the crux of global events in the Indian economy, where self-reliant practices are at the forefront of every scheme and policy of the Government of India and all its ministries and departments. Study material available in digital media and journals is referred to for the information in the paper.

Limitations

The paper is descriptive in nature and has elaborately covered the geopolitical international relationship in post-pandemic in India. While GDP is discussed, the performance of financial markets, banks, and stock exchanges are commutatively engaged in working in coordination to put a rest on the inflation and mark the far-reaching serious impact that occurred from the

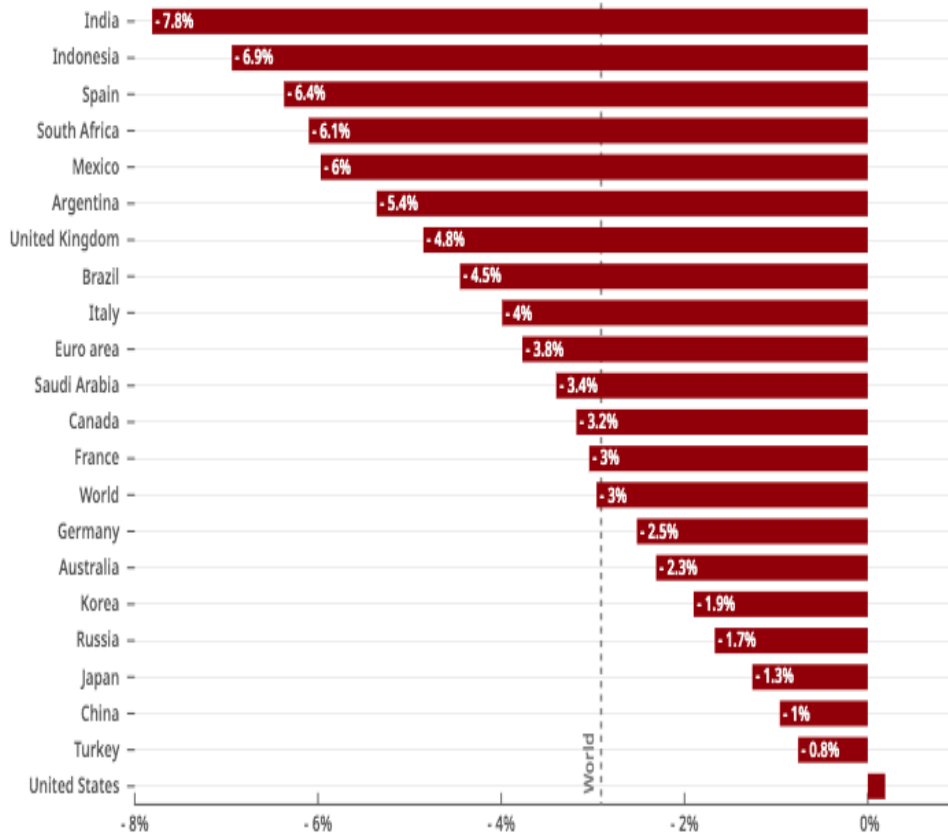
Indian Economy in Post-Pandemic

On the call of Atmanirbhar Bharat in 2020, in order to encounter the then newly pandemic was shown a light to the developing economies. Later in 2022, looking back on the strategy to counter the pandemic with planning and due preparations, the nation got accolades and appreciation from every corner for its systematic approach. At the 75th General council meeting of the World Health Organization, announced the Global leader felicitation award to the ASHA women volunteers for their incredible contribution and care in the health sector, patients were looked after with care, patience, and rightly and timely diagnosed and treated helped in minimizing the fatality and medical-casualty.

Test & Treat planned medical policy brought fruitful results. Numerous accolades and appreciation have been received by India from across the nations for its vision, plans, and strategies to combat the worldwide coronavirus and medical crisis. Inventions, vaccinations and other medical equipment, and supplementary devices made India, a manufacturing hub in medical equipment at this time, which not only contributed to providing employment and health to the citizens but also brought the nation into a global diaspora. In an epiphany of ideas, self-independence in producing and manufacturing helped the nation in establishing the industrial ecosystem with sustainable practices in its industries in accordance with its commitment to the G-7 nation's treaties for climate and environment protection to save the mother earth and to give the message of universal brotherhood to the world at large.

Real GDP in Q4 2021

% change from pre-pandemic projections



Note: Pre-pandemic projections refer to November 2019 projections. • Source: OECD (2021), *OECD Economic Outlook, Interim Report March 2021*. © OECD Terms and conditions

Atmanirbhar Bharat & Digitalisation

Amidst the pandemic and subsequent national lockdown at several intervals, the obvious effect on the industries and national and international movement of goods and services brought the business activities to a standstill. To overcome this issue and with the intention to keep the economy going, with the futuristic proposal the Atmanirbhar Bharat slogan was given, and accordingly, policies were formulated. The purpose to make the economy self-reliant with combative structure in any such future event, vocal for local came into force, got the equal support from producers and consumers, undeniably. Digitization is looking ahead with harmony among international relations and competence. Technological shifts and advancements are highly needed to overcome the drastic outcome and usual breaks in the economy. The digital scenario happened during this time and a major shift in the digital portal was welcomed. It not only boosts the economy in production and industries but the other sector like education, health, and distribution. Supply chain and block-chain in distribution, financial, and medical records, treatments, and placements are newly entrants in the system of record-keeping.

Economic and Financial Recovery

With the arrival of 2022 and vaccinated people of every age, the endemic has its own impact still in certain ways. The post-pandemic health issues are reportedly resurfaced. The scientific mutation of the virus has been reported with changed/advanced variants in the environment. The complete reopening of

the economy made the citizens satisfied and fear-free movements helped in several ways to economic recovery by re-installing the faith in the economic and financial activities. In order to bring back the economy on track, numerous measures have been announced during the annual union budget in February 2022. With the opening of international boundaries, the exchange of goods and services and respecting the treaties and dialogues, such import-export among nations have been kicked off after a hiatus of around two years, bringing joy to the people, workers, vendors, industrialists, investors, etc.

Global Issues

As the paper is planned to dissect the impact of global issues on the performance of the Indian economy while it is struggling with the pandemic, and for any such developing nation, with a diverse and dense population becomes pertinent to keep an eye on the unfolding of the global issues with their influence on the Asian countries, especially on India. In modern economies, it is far more to expect such changes in close interrelated economies.

- **Russian Invasion In Ukraine**

The inhuman, brutal war waged by Russia on Ukraine, from February 2022, hob the headlines, whereby the world seemed to be partitioned in pros and cons of such invasion and wars. But in the end, war can never be a substitute for peace. NATO treaties and submissions are capturing the limelight for the loss of lives, civilians left injured, wounded -militants, and inhuman treatment of residents, resulting in worldwide inflation, after the surge and deficiency in crude oil prices.

- **Surge in Corona Cases in China and Other European Countries**

Shanghai and other cities in China had reported a considerable surge in corona cases in early 2022. Lockdown and confinement came into force as a resultant measure and remedy to the pandemic. This also gives a threat to the neighboring countries as they may be seen as a potential recipient of this virus. China's production and export of electronics worldwide give birth to uncertainty, particularly in the Asian and European countries. China's boundaries were closed as a remedial measure which is enough to have a major impact on not only China's economy but the economies that are dependent on China for their products and their industries. The threat is a resurgence of the cases that made the economies vulnerable and have to give a thought before coming forward for their business plans to execute.

- **Sri-Lankan Economic Crisis**

India as a neighboring country to this island State, unarguably has a direct impact on any of the economic changes. A favorable environment brings spring and cheers to the faces of people of both nations. Our southern nations are closely associated with Sri Lanka for their fisheries and watery activities. The friendly environment boosts the local trade and interaction among the citizens, which further helps in boosting the ties of both nations. The sudden economic, financial and political crisis forced India to think about its own safety while the neighboring country is facing several unprecedented challenges. Southern India is not untouchable with the booming crisis which includes an unexpected surge in oil prices, shortage of food, edible oil, and health facilities. Earlier also, India helped the nation in combating the corona crisis, with medical equipment and vaccination on Maitreyi grounds. India has committed to assisting its neighbors with every little help in times of crisis. The ongoing crisis is seen as a challenge for India too as India's people have good relations with this country. They exchange pleasantries on several occasions.

- **International Political and Bureaucratic Mutual Visits and Dialogues**

International visits and dialogues on the lifting of the lockdown, are efforts seen in the direction to revive the lost economies and explore the opportunities by young entrepreneurs to take the lead while a favorable business environment is expected to occur with the efforts of international communities. All the concerted efforts and plans are being directed to provide a dignified life to the people.

The stock markets are reportedly on the road to recovery as the demand is being raised by the industries and households. Financial markets are performing invariably well after the hiatus of two years of pandemic and subsequent lockdown. Investors are seeming interested to demand IPOs. In India, around a hundred unicorns are performing well wherewith digital assistance, and demand for their product is fulfilled by e-commerce.

- **Insertion of Private Currency in International Business**

Bitcoins and Ethereum have gained prominence when it comes to private currency. Although talks have their way of regularization these currencies, they are quite a favorite among youngsters and social media users. Supply chain and blockchain are the concepts where the digital record of all the

transactions is made for reference and note of overlapping. Immediate gains with the digital record are sufficiently made the transactions famous among the netizens. Internationally ties are made to invest and arrange finances for the new business units in a short time with a not too complicated process. There is always a threat of misusing these channels to extort money or investing in anti-national/terrorism activities bringing defame to the electronic currency. The Indian government in its Union Budget has mentioned this currency by levying 30% taxation on the transactions. It is evidently indicating researchers, investors, and banking officials to initiate discourse on the future of this digital currency and economies.

Consequences from the Prism of Economic Practices

When the whole world is struggling to return to normalcy after the worst hit of all the economies in terms of production, manufacturing, and other similar commercial activities which are pivotal to running the economies and generating employment for the people. Digital services, although are considerably being seen as the replacement of the physical work culture, which was prevalent in the economies in pre-pandemic time. Online transactions which already took baby steps in pre-pandemic times have shown a boom in holding financial nature transactions, especially when an advisory has been issued to discourage physical touch in combatting the corona crisis as a preventive measure. Shifting the economy to the digital mode with respect to not only commerce and trade but also essential services in the education and health sector is nothing less than an opportunity in disguise.

Progression Vs Hurdles

The onset of economies had been structurally shifted to progressiveness in several other ways. The corporate behavior had been open to WFH (Work from Home) and later to WFA (Work from Anywhere), which is a welcome move by wanderers and influencers who are said to be keen to explore the world and have their bags packed for another journey. Multinational Corporations have come up with newer Leadership styles and recruitment processes. Other managerial and routine affairs are informed to have in more open and digital ways, like on metaverse, AI, ML, Robotics, etc. Zeal to learn and move ahead has been displayed by the young aspirants in their own ways to adopt the online culture.

Impact on Indian Economy in Totalitarian

As the world is a family and cannot move in a vacuum, hence interrelation with external economies is mandatory. Global issues always have an impact on each other in one or another way. In India, inflation, and increased import costs of substances and products from other countries are the results of the economic and geopolitical international crises and issues. The international policy of togetherness and brotherhoods bring the motivating outcome where the needy ones always get support and assistance in their times of crisis from India at the earliest. The mechanism and protocols make it convenient to reach to the needy nation not sooner than later.

Road to Reliance

The chapter for sure is understood by the country is to make it self-reliant and self-sustainable. All the efforts are directed towards not only fulfilling the requirements but to making sustainable choices to cope with the other external economies. More than a hundred unicorns till May 2022, proved the commitment of India and told more about its ecosystem where, fair opportunities, skills, and sources are shared for fair growth and scale.

Summary and Conclusion

The paper summaries on the optimistic front where the focus and point of locus are in consonance with the theme and commitment of the United Nations for universal growth, peace, and transnational security and assistance. The nations are well-knit in modern times of the digital era. This closeness can only be strengthened when all feel safe, secure and opportunities to progress together with ease and humane. The harmonious and humanitarian efforts in international economic and financial activities can take the world towards the growth of mankind and equal distribution of income. The prosperity and peace are no longer different from a surge in the cult status of any nation. The discourse and dialogue are only the basis of taking the world in the same direction. Pandemic has taught us to live peacefully with nature and do no harm to living creatures. Simplicity and minimalism are other lessons taught to the people. No bloodshed and undue competition with each other take us to growth. For numeric growth and development also, human emotions and behavioral considerations are vital to learning for all nations.

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