

The Impact of Covid-19 on the Economic System of South Asian Countries

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Abstract:

The COVID-19 epidemic has posed a serious threat to human health, disrupted daily life, and caused widespread economic and social upheaval worldwide. Its far-reaching impact has triggered significant global trade and commerce disruptions, pushing the world economy toward an unprecedented recession. The highly interconnected nature of global supply chains has amplified these challenges. South Asian countries, however, face unique vulnerabilities due to their large populations, fragile healthcare systems, and limited social protection frameworks. Challenges such as inadequate access to water, sanitation, and overcrowded living conditions have further complicated efforts to contain the virus. This study explores the multifaceted impacts and risks posed by COVID-19 on key sectors in South Asia, covering rural life, agriculture, tourism, migration, and informal enterprises. According to the findings, the pandemic will probably raise the risks of macroeconomic instability, limit economic development, and widen budget deficits. Moreover, it has led to a decline in migration, remittances, and tourism revenue and significant challenges for micro, small, and medium enterprises. These effects are expected to exacerbate poverty, unemployment, hunger, and food insecurity, potentially reinforcing existing inequalities and creating social discord.

Keywords:

COVID-19, Socio-economic effect, Public well-being, Poverty and disparity, South Asia.