



## COVID 19 IMPACT ON POVERTY AND UNEMPLOYMENT LEVELS: A CASE PAKISTAN

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### Abstract

The COVID-19 and two other pandemics had a severe impact on advance and emerging markets and developing economies, leaving the huge adverse effects on labor productivity. During this pandemic world's poverty and unemployment increased along with other socio-economic crises. The current world faced three major shocks Locusts, Oil prices shock, and COVID-19 within fifteen months. About one million people lost their jobs in two weeks with 33 million people entered the shelter of poverty. The aim of this paper to investigate the impact of Covid-19 on poverty and unemployment on how COVID damage the social economy of the world. This study adopted an In-Depth approach for investigation and the result indicates that there is a positive association of poverty and unemployment with Covid-19 and it causes increasing suicides rate, and crime rate, also other social problems. During Covid-19, the world's productivity low due to lockdown, stay at home policy, oil shock, and locusts. Several novel people entered in poverty and unemployment worldwide. The poverty and unemployment rate are increasing in both the advance and emerging markets and developing economies. Thus, socio-economic problems are not will affect the single status of a state or society, but also collapse every sphere of the world. The long-term consequences of these two evils are more dangerous in short term. This study recommends that to compose new policies for social economy sustainability and increasing job ratio in this situation. We argue from economic phenomena that when the government of state increases employment rate on the domestic level then other social problems decrease. This study suggests to policymakers that increase the employment level in the COVID-19 situation. This leads people to make better political decisions on their own which further helps to strengthen democracy.

### Keywords

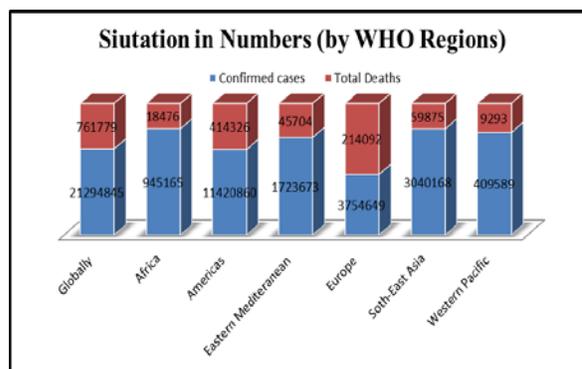
Poverty, Unemployment, recession, depression, Covid-19



## 1. Introduction

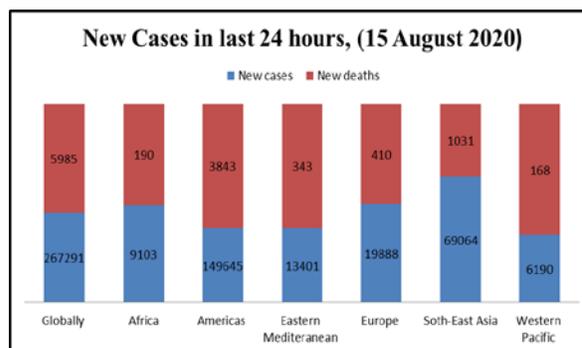
The Covid-19 is one of the deadliest and costliest fourteenth channel pandemics in the previous 2,000 years. Diseases, pandemics, poverty, and crimes all existed with the existence of human life. According to modern history, about 3,500 years ago, a pandemic happened in Egypt (Holy Bible) (Wale-Awe, 2020). Human civilization exists about a million years ago. The human's history has eye-witnessed, lots of diseases, and pandemics (Ito, 1997). Similarly, about 4000 years ago human beings faced the first famines inland of Ethiopia (Devereux, 2000). Prior pandemics SARA-COV (2002-2003), Avian Influenza (H5NI 2004-2006), and MERS-COV (2012) mostly affected macroeconomics variables i.e. labor Market, services sectors, and income level in infected countries in the rest of the world. Asia and Africa are the epicenters of almost roughly 90% of the epidemics and pandemics since the treaty of Westphalia (Fearnley, L2013). Surprisingly, over 90% of financial crises occurred in the West.

Figure 1 indicates shows the total confirm cases and casualties globally and regionally. The World Health Organization revealed a report on 16 August 2020, the total 21,944, 845 confirmed cases worldwide with 7, 61, 779 deaths. America is one of the most affected regions of the pandemic. The 11, 420, 680 cases confirmed within 6 months as well as demised 4, 14, 326 persons. Therefore, Europe and the Eastern Mediterranean are also affected form the Pandemic.



**Figure 1** shows the total confirm cases and casualties globally and regionally Sources: WHO 2020

Figure 2, also related to pandemic cases and casualties. In the last 24 hours, on 15 August 2020, confirmed 2, 67, 291 cases globally due to died 5, 985 persons. The individual day confirmed cases and deaths described, the virus has been severely affecting the world since January 2020.



**Figure 2**, also related to pandemic cases and casualties Sources: WHO, 2020

The nature of current unemployment and poverty are different from the past unemployment and poverty (Parolin & Wimer 2020); people of every sphere suffer from this current pandemic (Khetrapal & Bhatia 2020; RAB & KETTLER 2020). ‘Stay-at-Home’ order or policy

dramatically sore unemployment (Coibion et al, 2020); the pattern of family income is changed. Still finale the pandemic, we do not measure the accurate statistics of poverty and unemployment rate, the estimated value too much high. Besides, many people lost a job in one sector finding a job in another sector. So, it is also a serious phenomenon by reason we do not find the exact number at regional and international levels. (Costa Dias et al, 2020)

From 2013 to 2014, In West Africa during the Ebola virus, “government revenues declined across the board, including direct taxes on companies, VAT receipts, and indirect taxes; additionally, a decline in private and foreign investors' confidence led to financing gaps of more than the US\$600 million over the two years. These impacts cut across many sectors and undoubtedly have long-term consequences” (Hout & Cumberworth, 2020)”

In 2003, the SARS outbreak in China and neighbors' borders, over 8000 infected, and 800 lost lives (Wilder-Smith<sup>2020</sup>). likewise, the world economy lost about \$40 billion due to the virus (Ayittey et al 2020). Too much impacted on consumer fears, the virus easy transmissibility in the public sphere from gathering. In 1988, the Nipah outbreak in Malaysia and lost about US\$582 million (Dimmock, Easton & Leppard, 2016). Domestic and internationally state authority varying the investment would also pay the huge payment for the control of the pandemics. There is a significant fact that the third world countries will fight to feed its rising

population due to the poverty trap of transmittable virus. (Molyneux et al, 2005; Hotez et al, 2019)

Reports, surveys, and consensus of each country predicated the possible economic and social impact of the coronavirus. On industrial production and labor productivity of countries can show through three probable circumstances, the labor's productivity shock, key impacts labor incapable to perform their work, and 1.4% labor productivity decline an average in 2020. The low labor productivity world GDP declined by 1% (Buheji et al, 2020). As a result, labor productivity reduced the impacts of trade activities among the countries. According to data from the European Trade Union Confederation (ETUC),” at least one million people lost their jobs in two weeks”.

Pakistan is a developing country which is survives lots of internal and external problems. Except the current pandemic three major problems, political instability, neighbor insurgencies and income inequality. The income inequality is the root causes of poverty and unemployment and other social problems. The per capita income is never exceed 2,000\$ since 1947. Therefore, Pakistan budget is always deficit. (Khan et al 2020) When Imran khan came to power in 2018, Pakistan's GDP growth was around 5.8%, which is decline into -4.98% (Real GDP growth is estimated to have declined from 1, 9% in Fiscal year 2019 to -1.5% in fiscal year 2020). (World Bank 2020, Economic Survey of Pakistan, 2020)

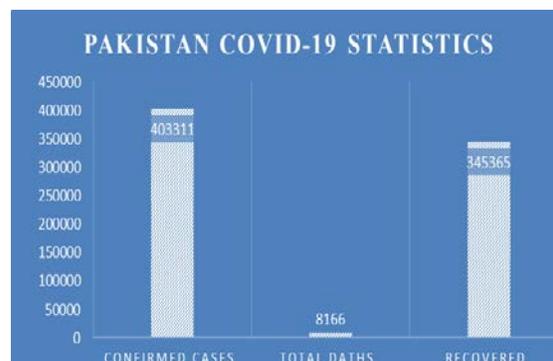
Figure 4 shows Pakistan GDP growth rate in Percent and annual change in percent 1961 to 2020. There are huge gaps between these two variables. The ups and downs show instability of economic activities. During 1971, 1979 and 1994 shows worsen economic growth of the country due to political instability along with other problems. But after one our two years recover economic growth. Now this single event change world economic and developing countries included Pakistan pushed recession and stagflation.



**Figure: 4** Pakistan GDP Growth Rate in % & Annual Change in % 1961-2020

Pakistan authorities deducted first case of this pandemic on 26 February 2020. Pakistan worst affected on Covid-19 in included worst countries of the world. Pakistan economic performance is not well but the pandemic virtually pushed it to the brink of bankruptcy. In first phase Pakistan imposes full lockdown and the adopted ‘Smart Lockdown Policy’. Then Almost countries of the world adopted ‘Pakistan Smart lockdown policy’ which is affective economic activities due to low capital and human losses. In 2018, The Imran Khan came into office, the economic activities fall with growth coupled. Thus, gap between

demand and supply existed due to prices of prices of food increased. Poverty and unemployment also increased about 10 percent population living below poverty line. According to Dr. Pasha, approximately eight million people (about 4 percent of the Pakistan population) fell below the poverty line in fiscal year 2019. Due to this pandemic 10 million additional people (five percent of the total Pakistan population) in fiscal year 2020. Estimated 87 million Pakistani will be living below poverty line by 2021.



**Figure: 3** Pakistan Covid-19 statistics

Figure 3, shows the Pakistan covid-19 statistics. Pakistan severe suffered from covid-19. On 31 November 2020 total confirmed cases 4, 03, 311 along with 8,166 deaths. The ratio is low as compared to other developing and advanced countries like India and Russia and US. On the same data, In India total confirmed cases 9,499,710 with total deaths 138,159. Similarly, 2,322,056 and 13,234,551 Confirmed Cases and 40,464 and 264,808 people lost their lives in Russia and US respectively.

Table 1 estimates short term economic losses of COVID-19. The global trade fell by 13% to 32. The situation shows two scenarios industries shut down due to production fell and illness and social

distance affected labor productivity. Another survey estimated 10.5% of jobs fell in the second quarter of 2020 due to this pandemic, about 309 million of labor lost full-time jobs. Therefore, in two months unemployment in the US increased from 14.7% to 26.5%, which is greater than the

depression in 1930. The world GDP reduced by about 2% to 2.4%, as well as the GDP of developing economies 2.5% and industrial economies' GDP declined 1.8%. So the fact and figure are showing the world suffer from the pandemic.

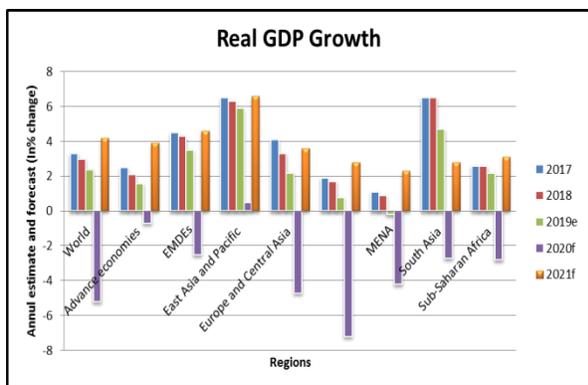
**Table 1:** Short Term Economic Losses of COVID-19

Short Term Economic losses of Covid-19	
Studies and methods	Short Term Economic losses
James at el, (7August 2020)	Global trade fall by 13% to 32%
(I.L.O, 2020)	Estimated 10.5% job fall 2 <sup>nd</sup> quarter 2020 due to Covid-19 (About loss 309 million fulltime jobs)
(Beirne at el, 2020)	about6, 00,000 job losses and around 4, 00,000 families Disposable Income fall by more 20 per cent in Ireland
(Fairlie at el, 2020),	Less than 2 months unemployment rate jump 14.7% in US National unemployment rate is 26.5%, greater than Great Depression in 1930
(Maliszewska at el, 2020)	World GDP decline 2% below the baseline
Standard Global Computable	developing economies' GDP decline 2.5%
General Equilibrium Model	Industrial economies' GDP decline 1.8% Employment decline 3% under the baseline.

Within 8 months, this pandemic paralyzed the world economy in different ways, declining global GDP, reduced consumption, closed world trade, and transaction. With reference 3% to 6% declined world economic growth; means a \$90 trillion world economy suffers from this pandemic (Mohajan, 2020; Ibrahim 2020).

Figure 3 shows, real GDP growth of the world along with the regional economy. The world real GDP growth is 3.3% which is estimated by -5.6% in 2020 and 4.2 in 2021; the highest real GDP growth in East Asia and the Pacific in the same period. In the 2017 growth rate in percent is

6.5%, when world real GPD decline with advanced economies, the region real GDP growth is positive. Besides, the lowest real GDP growth was recorded by 1.1% of the Middle East and North Africa (MENA). The current pandemic most affecting Latin America and the Caribbean region; real GDP growth estimates -7.2% which highest as compared to other all regions of the world.



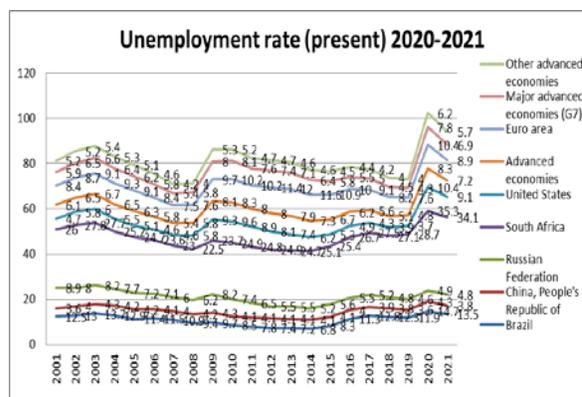
**Figure 3:** Shows, real GDP growth of the world along with the regional economy

## 2. Estimating unemployment pre-19

In the first decade in 20th, The West divided into two blocs and the world had entered uni-polarity to multi-polarity. This dilemma created World War I in 1914 and four years later the world faced an epidemic in 1918. Due to two the shocks world Gross Domestic Product and Consumption respectively decline by 6% and 8%. The world manufacturing activities roughly 18% to 22% in declined per year (Barro at el, 2020). About 13% to 17% of world labor lost full-time jobs. After these two shocks, German and Austria faced world ruthless hyperinflation with many other Western countries. All these conditions push the world into a Great Depression. On 24 October 1929 (also called Black Thursday) world economy collapsed. During 1932-1937, merely 15 million Americans lost jobs (Hout et al, 2020) and nearly 30% output fell (Cole & Ohanian 2020). The World suffered from the Great Depression.

During World War II Europe lost economic power. From 1930 to 1950, the world faced 6 famines worldwide (Devereux, 2020). The world

experienced brutal poverty and unemployment in the whole era. In 2003, pandemic SARS occurred in the land of China. Between 20% and 70% service sector (Lionello. L, 2017) reduced with approximately 4% to 9% job lost people from infected countries. In 2007, The West once again faced another Great Recession. In the fourth quarter of 2007, the unemployment rate is 4.8% (estimated about 4.5%) and 10.6% in the same quarter in 2009. Approximately 8.4 million people lost full-time jobs roughly 26 months (Elsby et al, 2020). The same scenario occurred in the 38 months recession in the early 1980s. Between 1977 and 2001, happened 4 recessions, labor were unemployed an average of 2.1 months at the deepness of the recession. In 2010, the average is 4.9 months. Then long term unemployment consequences and affect for exceeding than short term (Katz, 2015). Merely in 8 months, world unemployment is doubled due to COVID-19. World poverty could boost intended for the record since 1990 (Sumner et al, 2020). Figure 4 shows the regional unemployment rate from 2001-2021.



**Figure 4:** Shows the regional unemployment rate from 2001-2021. Sources: IMF 2020



**Figure 5:** Pakistan Unemployment rate 1991-2020

Figure 5, shows the Pakistan unemployment rate and annual change 1991-2020. Since 1991 to 2011, no big change existed. In 2012, the jumped unemployment rate started a large gap. In previous four years the gap is too much. Now the pandemic will push this gap.

### 3. Estimating Poverty pre-19

Health conditions are also misery and more than 20 percent of people living below poverty. In 2003-05 agriculture contribution of China declined 9% and 11 percent in South Korea during 2004-05. Food prices health due to the low supply of goods and services. About 2.3% to 3% of people entered in poverty worldwide. Therefore, according to the United Nations Poverty report, “the escalating poverty is a factual and serious threat for the United Nations anti-poverty program Sustainable Development Goals (SDGs) for ending poverty by 2030.” (OZDEN & Chinedu 2017). About 1.4 billion people are attentive in extreme poverty and inhabit in third world countries. (IFAD, 2011)

In 2009, the World Health Organization reported, “about 25% of children are living in absolute

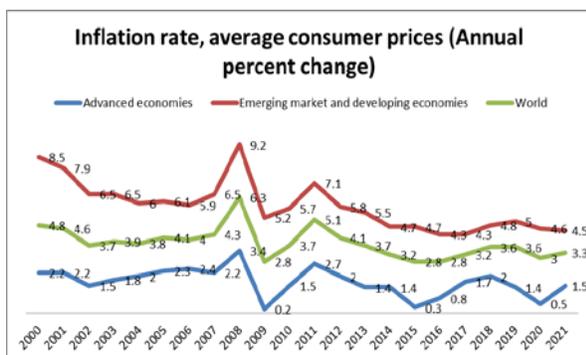
poverty in Southeastern Europe (Bradshaw, & Richardson 2009). The rate of poverty or social exclusion reached the lowest point in Europe in the year 2005.” Nevertheless, in the year 2017, about 22.4% of the number 113 million people of the European Union were in danger of acute poverty and social exclusion (Atkinson, et al, 2020; Ponthieux, 2020). According to the World Bank, under the poverty line \$1.90 a day, Sub-Saharan Africa poverty declined 54.5% to 41% from 1990 to 2013 (Lepore, & Kliever, 2013), while world poverty increased 276 million to 388.7 million people in the same period. Over 82% poor population living in a rural area, agricultural is the source of survival (DeSantis et al 2013) In the current situation agricultural is suffering from climate change, locust’s attacks and lack of water availability, etc. poverty and unemployment simultaneously increasing in agricultural countries like Pakistan, India, and African countries.

Figure 5 estimates the inflation rate,<sup>1</sup> average consumer prices on annual percent change. The inflation rate is the proportionate change in the general price level. According to Andrew B. Abel, “The percentage increase in the average level of prices over a year is called the inflation rate.” The ‘t’ refers to the current year and t-1 the previous year. The term Inflation derived from the Latin Inflate and its meaning ‘To blow up or inflate. The term was first used in 1838 in the

<sup>1</sup>  

$$\text{Inflation rate} = \frac{\text{Current year's price level} - \text{Last year's price level}}{\text{Last year's price level}} = \frac{CPI_t - CPI_{t-1}}{CPI_{t-1}} \times 100$$

context of inflation of the current and used by Neo-classical economists. According to Neo-classical economist Coulborn “inflation is a situation of “too much money chases too few goods”. According to Milton “inflation is always and everywhere a monetary phenomenon”. The average consumer prices during the 2008 Global Financial Crisis increased worldwide. Inflation rate of advanced economies reached 0.2%, 0.3% and 0.5% repetitively in 2009, 2015 and 2020. In the same period the emerging market and developing economies inflation rate reached 5.2%, 4.7%, and 4.6. Besides, in 2020, the world average inflation rate, average consumer prices are 3%, and an estimated 3.3% in 2021 as well, 4.5% estimated in emerging market and developing economies and 1.5% advance economies in the same period.



**Figure 5:** estimates the inflation rate,<sup>2</sup> average consumer prices on annual percent change.

Sources: IMF, 2020

#### 4. Coronavirus outbreak and impacts 2019

The nature of Covid-19 is entirely different from

previous all pandemics. Because, the Covid-19 not only affects one or two markets, sector, or country but also affecting every sphere of life. It deadly affects the services sector along with labor demand and supply. Over 150 countries of the globe faced severe lockdown; about 90% of industries closed worldwide (Roy, 2020; Zhara et al., 2020). Since the virus spread globally, lots of countries have taken action to control the spreads, through segregation policies, closed education, and official institutions and imposed stay at home policy.

In 2009, the poverty rate increased in Europe due to the 2008 global financial crisis. Over 33 million people, about 29.8 of all masses in jeopardy of poverty and social exclusion were suffered by one or more degrees of poverty in the same period; The rate of poverty started to rise in the year 2009 caused by the 2008 economic crisis. More than 33 million people, 29.8% of all people at risk of poverty or social exclusion were affected by one or more forms of poverty at the same time; in the interim 7 millions of people were exaggerated by all three degrees of poverty (European Union, 2019)

#### 5. Unemployment and COVID-19

As a result, millions of people have lost their jobs due to severe lockdown. It is a grim condition for the labor market after the Great Depression in 1930. Thus, massive unemployment would lead to shrinking income. When income reduces the demand for goods and services also decreases, therefore decreased in all economic activities in productive fields. The diminishing prices and

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$$\text{Inflation rate} = \frac{\text{Current year's price level} - \text{Last year's price level}}{\text{Last year's price level}} = \frac{CPI_t - CPI_{t-1}}{CPI_{t-1}} \times 100$$

dwindle productive capacities are brought economize in all industries. Consequently, decreasing prices are generating stagnation conditions everywhere. Thus poverty exists in a society along with a high crime rate. Besides, the productive capacity of a state down, trade between and among the states also down. The scenario reduces trade and employment opportunities. The studies show there is a positive

relationship between unemployment and poverty (Šileika, A., & Bekerytė, J. 2013; Powers, E. T. 1995; Osinubi, T. S. 2005). Similarly, unemployment is a root cause of crimes (Ajaegbu, O. O. 2012; Gillani et al, 2009). There are positive relations among macroeconomic and macro-social variable poverty, unemployment, and crime rate. Table 2 summarized the relations among the variables.

**Table 2:** Relationship between unemployment, Poverty

Year	Study and method	Relationship (-ve 'Negative, +ve 'Positive)
2013	(Šileika & Bekerytė) Theoretical study	+ve among unemployment, poverty, crimes rate
2009	(Gillani et al) Time series data (1975-2007) Augmented Dickey-Fuller (ADF)	+ve among unemployment, poverty, crimes rate
2012	(Ajaegbu) Used Deprivation Theory	+ve among unemployment, poverty, crimes rate

International Labor Organization estimates 9 to 35 million people will be entre in new working poor class (Poverty line \$3.20 per day) in developing economies due to Covid-19 (Buheji et al, 2020) About more than 60% of emerging economies belong to Asia. Surprisingly, after the medieval age, almost all pandemics occurred in Asia (Beeson & Bisley, 2020).

One of the key consequences of this pandemic increased the price of basic needs worldwide. The increased prices will create a recession. Either not controls the end of the 2020 or mid-2021; it will adopt the shape of the Great Depression. It is also predicated, few economic easily control increases

mid-2022 and recover recession. The unemployment rate (The unemployment rate that exists when Real GDP equals potential GDP and the GDP gap is zero) estimated 10% in 2020 as compared to 5.2% in 2019 (Buheji et al, 2020).

## 6. Poverty and Covid-19

In the first quarter in 2020, Asia and world GDP declined about 2 percent and increase poverty under the poverty line of US\$1.90 by between 14 to 22million people (Sumner et al, 2020). The virus affecting many plans like Belt Road Initiative, UN Sustainable Development Goal zero poverty in 2030. Because the relative and absolute poverty increase as compared to 1990.

Another side, COVID-19 is the last nail in the poverty reduction coffin. The world advance states also facing grim and fatal conditions. It reduced poverty, health, and other developmental funds. Due to affect projects in Sub Saharan Africa, the war-torn region the Middle East, North Africa and emerging Asia. Therefore, Covid-19 is the bitter reality of our time. It is pushing the world economic recession and another great depression. Peace and Prosperity of the world replacing violence and poverty and unemployment driving a great famine. The foregoing factors are pushing the world into a third world war. The COVID-19 is a major cause of the coming famine. By the end of the year 12, 000 people per day could die from hunger. It is more than will die from the disease itself. The World Food Programme estimated that the number of people crisis level hunger will rise 270 million before the year as a result of the pandemic. There are no crevices between conflicts and food insecurity. Two-third of the world is facing internal and external conflicts. These conflicts divided people into myriad classes. But rising of China and Covid-19 changed the world order. The world's people wait for the implementation of a new world order. The 90s world order changed the entire world's politics and financial structure. The world is facing this crisis from the previous world order. In the current scenario, Yemen is experiencing the worse humanitarian and food insecurity crisis in the world. More than the half population of Africa is living below absolute poverty. The

current virus is creating more severe conditions in the African continent, food insecurity, health conditions, and massive unemployment. In eight months more than the third quarter faced two extreme shocks Coronavirus and Oil prices. Also, most African and Asia countries faced three shocks in the previous 15 months aforementioned two and Locusts. Several regions of the globe, the negative impact of the virus could go back to the poverty and unemployment levels like those recorded 30 and 40 years ago. Under the current scenario, about 20% of income consumption declined. Approximately 160 million (from 420 to 580 million) of people entered extreme poverty. The International Bank Reconstruction and Development defines poverty, as "achieve a minimum standard of living" (World Bank, 2018). The UN observes poverty as the "state of deprivation reflected in the low consumption of food and low health conditions and educational level and lack of access to it and low housing conditions". UN (2020) According to the definition, several people around the world are losing a variety of magnitude for at least a standard of living. The pandemic is now speeding it globally. Obviously, in those countries where there are many people with no official contract, or daily wages and self-employment, most suffering from pandemic's lockdown or curfews. Therefore, Europe 2020 indicators of poverty and the exclusion described the current scenario, "One in five people in the EU experienced at least one of the following three forms of poverty: monetary poverty, severe material deprivation or

very low work intensity of their household” (EUROSTAT, Europe 2020 indicators-poverty, and social exclusion). The current studies forecasts, about 33 million people entered in poverty shelter within the previous few months. Therefore, another calculation show, we should support, approximately 49 million people pushed into extreme poverty in 2020. The novel pandemic is root causing vary in 2020 of a Global Poverty rates of 0.7% point (Daniel et al., 2020). The situation did not control the end of 2020; more than 100 million novel individuals will enter the poverty line.

### **7. Psychotically Disease and Covid-19**

Poverty and unemployment directly affect the nature of humans when both or single crises existed in society. Suicide is a psychological disease. Either poverty or unemployment, or both existed simultaneously the suicide risk increases in society mostly infected areas. International Labor Organization released a press on March 18, 2020, about COVID-19 and the estimated unemployment rate, in 2020, about 24.7 million jobs decline as a high situation. In this situation, the global unemployment rate would augment from 4.936% to 5.644%; will increase suicides roughly 5,670 per year. Therefore, about 5.3 million jobs as a low scenario, the unemployment rate increases 5.644% and numbers of suicides 2, 135 (Hodžić et al, 2020). Hence, unemployment cases of poverty and poverty cause of suicides. So there is a positive relationship between poverty, unemployment, and suicide. Like poverty and unemployment and crime rates.

World Health Organization also described the scenario, millions of people entered from relative poverty to absolute poverty, unemployment, and other psychological diseases due to the current pandemic. For this reason, the suicide rate will increase in worldwide societies.

### **8. Policy Recommendations**

Nowadays the whole world fighting a worsen war against a single pandemic. Almost every institution wants a proper solution of this pandemic. State authorizes adopted different policies.

1. Government implements a smart lockdown and industry and other sectors but also implement strict SOPs rule.
2. Utility all available resources to awareness for people.

### **9. Conclusion**

The COVID-19 and two other pandemics had a severe impact on advance and emerging markets and developing economies, leaving the huge adverse effects on labor productivity. During this pandemic world’s poverty and unemployment increased along with other socio-economic crises. The current world faced three major shocks Locusts, Oil prices shock, and COVID-19 within 15 months. About 1 million people lost their jobs in 2 weeks with 33 million people entered the shelter of poverty. The aim of this paper to investigate the impact of Covid-19 on poverty and unemployment on how COVID damage the social economy of the world. This study adopted the In-Depth approach for investigation and the result indicates that there is a positive association

of poverty and unemployment with Covid-19 and it causes of increasing suicides rate, and crime rate, also causes of other social problems. During Covid-19, the world's productivity low due to lockdown, stay at home policy, oil shock, and locusts. Several novel people entered in poverty and unemployment worldwide. The poverty and unemployment rate are increasing in both the advance and emerging markets and developing economies. Thus, socio-economic problems are not will affect the single status of a state or society, but also collapse every sphere of the world. The long-term consequences of these two evils are more dangerous in short term. This study recommends that to compose new policies for social economy sustainability and increasing job ratio in this situation. We argue from economic phenomena that when the government of state increases the employment rate on the domestic level then other social problems decrease. This study suggests to policymakers that increase the employment level in the COVID-19 situation because unemployment will decline poverty and other social problems.

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