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The Impact of COVID – 19 on Pakistan’s Export Oriented Economic Growth

Nawaz Hina¹, Nabyonga Barbra², Nawaz Hassan³

¹ School of Economics and Management, Nanjing University of Science and Technology, 210094 Nanjing, China

² School of Economics and Management, Nanjing University of Science and Technology, 210094 Nanjing, China

³ National University of Modern Languages, 44000 Islamabad, Pakistan

Correspondence: Nawaz Hina. Tel: +92 335 1584140, Email: hina.nawaz46@gmail.com

Abstract

This study focuses on the Impact of COVID-19 on export-oriented economic growths of countries. We had tried to get the adjacent picture of the main affected areas of the world and their effects on economic growth. Pakistan also faced the harmful effects of this pandemic. The situation got worst when it was controlled with lockdown policies. It destabilized the vulnerable economy and economy shrinks down due to COVID-19. A mixed approach was conducted for this research study. As I have to see that to what degree the pandemic has affected the Pakistan’s economy and economic growth. The research aims to discover the impacts of COVID-19 on the export-oriented economic growth of Pakistan. The research methodology is based on a descriptive approach and a quantitative data analysis technique will be used to analyze the data. Other than human tragedy, the COVID – 19 has been an unpredicted shock for world economy Global Output estimated by IMF fallen by 3.5% in 2020 and all developed, undeveloped and under developing countries are hit by this wave hardly.

Keywords: COVID – 19, Economy, Economic Growth, Financial Crises, Global Recession, Public Health, House Hold Income, Global Economy, Exports

1. INTRODUCTION

This study discusses about the impacts that COVID-19 has caused over the exports and economic growth of Pakistan. The countries all over the globe are imposing strict laws regarding the safety and controlling the spread of coronavirus. Due to this every economy shuts down by lockdowns, closed borders and zero trades, leading to a great negative impact on economic growth.

We are witnessing our world passing through a critical situation of its history by an invisible enemy in shape of COVID-19 pandemic (Novel. Coronavirus) has wreaked havoc in almost 218 countries, killing around +1.6 Million people and affecting over 72 million people and this figure is increasing day by day and now the second

wave of this virus is also expecting to be more disastrous than previous. Due to the severity of this disease on March 11, 2020, the World Health Organization (WHO) announced that COVID-19 as a global pandemic, indicating consequential global spread of an infectious disease. Pakistan's already fragile economy had only just been moving towards stability when the health crisis struck it in the middle. Experts fear that the pandemic's economic fallout will considerably derail the country's recovery process.

The public health system of Pakistan is already under pressure with a ratio of only 1 doctor to 963 people and one hospital bed to 1,608 people. The country is facing a dreadful shortage of more than 200,000 doctors and 1.4 million nurses. The absence of Universal Health Coverage (UHC) further heightens the risk of the country's population to the health, economic and social fallouts of this pandemic.

Pakistan, the 6th most populous country in the world, ranks amongst the medium human development countries on the 2019 Human Development Index (HDI), at 152 out of 189 countries. Gender disparities continue, and female labor force participation was only 26.5 percent in 2018. Nationwide, 78 percent of non-agricultural jobs are in the informal economy. Approximately 22 million people occupy these roles, with most of them being women. The majority of an estimated 8.5 million domestic workers are also women. Real gross domestic product (RGDP) growth slowdown from 5.5% in FY18 to 3.3% in FY19 as measures were executed to address unsustainable fiscal and external imbalances, with support from a \$6 billion IMF (International Monetary Fund) Extended Fund Facility arrangement. Prior to the pandemic outbreak of COVID-19, the economy was expected to increase slowly, on the back of structural reforms. Over the medium to long term, in order to recover from the impacts of COVID-19 and continue its route towards an upper-middle-income country, Pakistan needs to dual increase its private investment rate and investment in human capital, raise more revenue, simplify the business regulatory system, integrate with global value chains, and sustainably manage its natural funding.

In response to COVID-19 outbreaks, all major global economies have executed precautionary measures like flight abrogation, online purchasing, and social distancing to control and prevent the local public from coronavirus. However, the execution of these policies has directly affected the restaurants and cafe businesses. A negative supply shock incurred because of interruption in flexible chains universally. However, this flexible shock is of a unique sort as it influenced various areas lopsidedly. In the perspective of buying behavior, customers have shifted their purchasing attitude towards the substitutes of the products and ventures. In every situation, it is affirmed that, purchasing power of the customers is rapidly decreasing due to the expansion of COVID-19 at large extents. Therefore, due to the widespread of pandemic people are losing their interest towards shopping and trying to maintain social distance to avoid any misfortune (khan, 2020). Another major reason in low purchasing is low income, as every sector is affected with this pandemic situation so people's earning is almost zero as compared to the previous income before this situation. As people do not have much income so they try not to spend too much on the unnecessary things instead they prefer to save to spend in coming months.

There are some great impacts on Pakistan's economy due to the pandemic situation. The trade deficit expanded marginally by US\$ 115 million to US\$ 5.8 Billion during the 1st quarter of the current FY. During this period imports grew from US\$ 11.2 Billion last FY to US\$ 11.2 Billion during the current FY 1st quarter. On the other hand, exports declined from US\$ 5.51 Billion to US\$ 5.46 Billion.

1.1. Research Gap

Pakistan's external balance has been significantly affected by COVID-19 in five different ways such as, decreasing exports, foreign investment and remittances, reducing import duties and expanding external liabilities. All these consequences are the results of slow economic growth due to the outbreak of the pandemic COVID-19. A decrease in global demand and supply has strongly affected the global endeavoring economies. The export performance of every economy depends upon the foreign demand, because it is the major determinant of international export. Due to large contraction of export from the largest export market is devastatingly affecting the economic growth of the Pakistan. Generally, international trade orders are booked in advance; therefore, the actual impact of COVID-19 will be determined in next up coming months. However, due to heavy disruption in local supply chains, the export

growth was declined in April 2020. Moreover, economy of Pakistan has been anticipated to decrease by 1.5% in the Fiscal year 2020, the small size of export surplus will affect the export's capability of Pakistan (Barro, 2020)

1.2. Research Problem

As foreign demand is a major determinant of a country's export performance, a deceleration in economic growth in Pakistan's top export destinations is likely to cast its shadow on the export revenue.

1.3. Research Objectives

Generally, the objectives of this study are to examine the impact of COVID – 19 on Pakistan's export-oriented growth by comparing the relationship of dependent and independent variables. The contribution of this study is: i) to analyze the significant impacts caused by COVID – 19 on Pakistan's exports ii) impacts of COVID – 19 on export trade business in economic growth of Pakistan iii) determining the shock volume of the COVID-19 impact on the international exports that, how it stops the country from increasing its economic growth iv) to determine the level of household income that is being affected by the economy due to COVID-19. The situation of the world prior to COVID – 19 is much more different than now. Economies around the globe were affected in shocking manner. The pandemic is not over yet and economies are still struggling with this.

1.4. Research Questions

This research is conducted to search out the answers to the several questions which may arise for the role of COVID – 19 over the economies such as: how much COVID-19 has affected the exports rate of Pakistan? To what extent, exports play its role in the economic development of the Pakistan? How much exports play its role in the economic development of the Pakistan? To what extent, international exports help to increase the gross development product of the economy? How much household income of the Pakistani society is affected by COVID-19? This research studies the consequences of COVID – 19 pandemics not only in Pakistan but to the other countries of the world also. The research describes the long-run and short-run estimated effects regarding economic growth, exports, imports etc. The effect is negative in nature due to the vast sectors of life effected b this pandemic. The process of recovery in every field will not be completed and there will be need to do something more. The favorable impact of pandemic was observed in every study.

1.5. Methodology Used

In this study I will use a mix approach of qualitative and quantitative methods for data analysis. As I have to see that to what degree the pandemic has affected the Pakistan's economy and economic growth.

Foreign direct investment is a major source of financing country's current account deficit (CAD). Pakistan is receiving very slow cash inflows from FDI for the last few years. Almost half of the finances are generated from China under China-Pakistan Economic Corridor (CPEC). However, a surge in FDI inflows has been seen in the current fiscal year. Last year, USD 905 million were received in the half year of 2019, and USD 1.66 billion were received in full. In contrast, around USD 2.14 billion were received in FDI during the current fiscal year of 2020.

The vast majority of analysis will encounter a drop in the GDP and losses in work and income resulting in high level of poverty, food uncertainty and healthiness. Simultaneously, limits and assets shift over the world to control this pandemic and its interlaced wellbeing, social and financial effects.

1.6. Structure of Remaining Paper

The first chapter of the research will provide introductory details of the study, the second chapter will be based on detailed literature review and relative theoretical studies, the third chapter would be the most significant part of the study that consists of methodology, data analysis and results will be provided. The fourth chapter, which is last

chapter would contain detailed discussions based on deduced results, and at the end of the study, conclusion with adequate recommendations will be provided for improvement and betterment of the economic growth.

2. LITERATURE REVIEW & RELATIVE THEORIES

(Noreen, 2020) explains that, irrespective of significant proportions of legislative duty by the government, the continuous COVID-19 plagues have revealed significant obstructions and discoloration in the crisis and welfare structure of Pakistan, with respect to the control of chronic viruses. Three regions need quick actions, coordinated responses among government and regions, brought together acquirement of Personal Protective Equipment (PPE) and clinical gear like ventilators, respirators and so on., it is responsibility of the media to avoid spread of outbreak and shielding of our forefront laborers and medical practitioners, and proficient execution of information development for contact following. A response to COVID-19 can deplete country's medical care framework with a devastating impact on economy. Various investigations attempted to envision the monetary losses from a pandemic.

For instance, (Jonung & Roeger, 2006) gauged that, a hypothetical global outbreak would prompt 1.6 percent drop in GDP for the European Union (EU) because of two major facts including demand and supply. Various other researches have recognized the affects with a chronicled correlation. For instance, 'how the death rate might during the 1918 Spanish Influenza pandemic transpires at the current stage.

(Barro, 2020) describes that, holding everything else steady, the 2.1 percent demise rate during the Spanish Influenza pandemic in 1918-1920 would mean approximately 150 million casualties around the world (contrasted with the total populace of 7.5 billion out of 2020) during COVID-19 pandemic. On average the 2.1 percent passing rate leads to 6 percent decrease in GDP and 8 percent fall in private utilization.

(Boissay & Rungcharoenkitkul, 2020) States that, as compared to past pandemics, COVID19 disproportionately affects the old from a well-being point of view. The lockdown measures, nevertheless, are more global in growth and size than their archetypes, and they have upset global flexibility chains along with total demand and utilization manners. This thusly has prompted elevated monetary market choppiness and intensified the financial stun. Also, more high lending and higher borrowing levels among firms and families during this time make the momentary stun more intense as compared with past pandemics.

(Carlsson-Szlezak, et al., 2020) and (Carlsson-Szlezak, et al., 2020) describes that, there are three fundamental transmission channels. The first is the immediate effect, which is identified with the decreased utilization of products and ventures. Drawn out lengths of the pandemic and the social dissociation measures may decrease buyer's certainty by keeping customers at home, careful about optional spending and negative about the expected monetary possibilities. The subsequent one is the aberrant effect working through monetary market stuns and their impacts on the economy. Household income will probably fall, reserve funds will increase, and utilization expenditures will diminish further. The third comprises of flexibly side interruptions; as COVID-19 keeps decreasing the economic development, it will contrarily affect supply chains, work requests, and business, driving to prolonged times of layoffs and increasing joblessness.

COVID-19 is one of several emerging infectious disease outbreaks in recent decades with significant public health and economic impacts. The last of these was the influenza pandemics in 1957 and 1968, each killing more than a million people around the world. The current epidemic of coronavirus (COVID-19) continues to have an influence on the lives of the people in Pakistan. The country has observed a significant rise in its confirmed cases from the initial two cases on 26th February 2020 to approximately 458,968 as of 22nd December 2020. In addition to the risk imposed by the virus on human lives, there is a risk approaching to the social and economic lives of Pakistanis. The COVID-19 pandemic is expected to revert some of the gains Pakistan has made in poverty reduction and towards social indicators. The poverty rate declined during the last two decades by 40% to 24.3 percent in 2015, helping more than 23 million people to come out of poverty. However, current estimates by IMF suggest a visible rise in poverty rates, i.e., up to 40%. The real GDP growth is also likely to slow down by around 3% for FY 2019-20, primarily through the decrease in the services and manufacturing sectors. The agriculture sector will also be

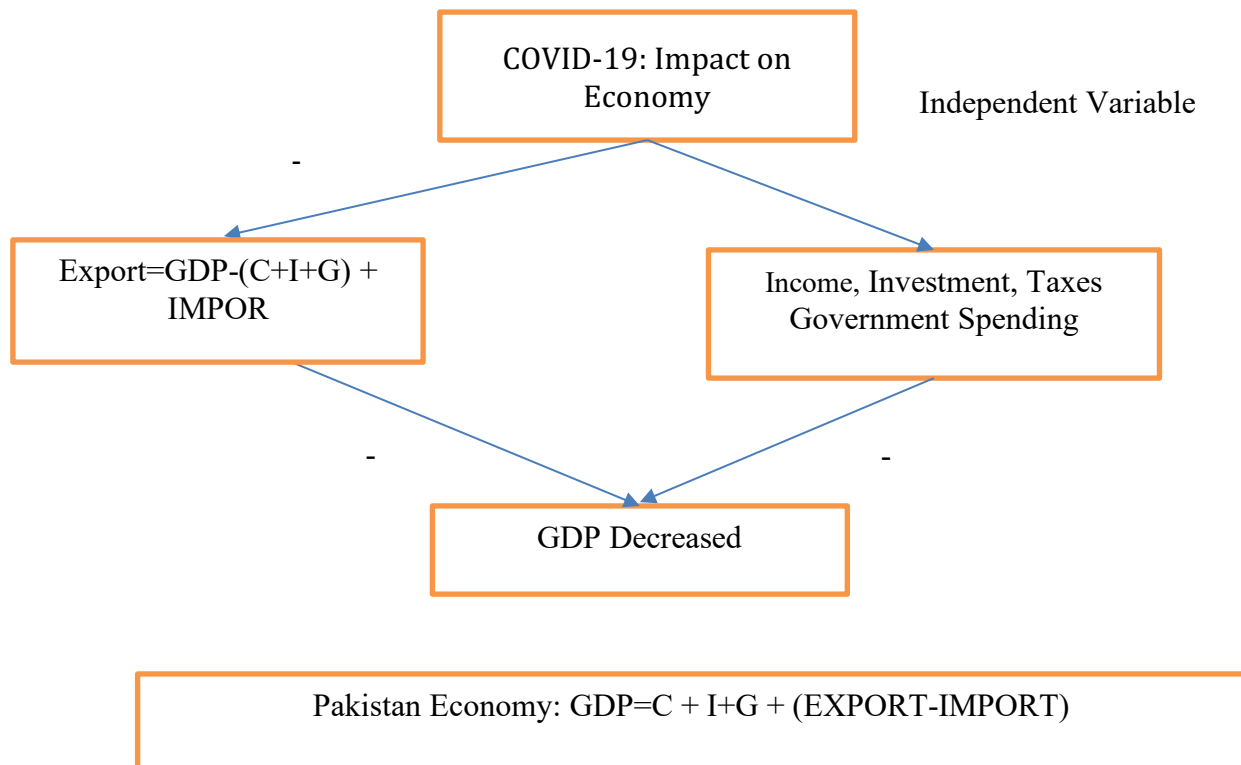
impacted in case the lockdown continues and disrupts the transportation, logistical support, labor for harvest and transport, and access to inputs for the next planting season. As the country is emerging from a macroeconomic crisis, the government has limited fiscal buffers to actively respond to the pandemic.

2.1. Theoretical Framework

While some countries are treating the reported cases effectively but still world is clueless about when and how new cases will emerge. Everyday new cases are being reported and almost 213 countries are facing this issue. Initially, cases were filed and got high up in China, but now are falling in China and increasing and spreading in all other countries. World Health Organization (WHO) has already declared an emergency around the world. The pandemic not only cause fear, anxiety, stress and depression for people along with spread of disease and deaths, but it also played important role in economic disturbance. As China is one of the major supplier's countries around, and due to the situation China faced severe lockdowns which results in decreased manufacturing of almost all types of products ranging from agriculture to heavy industries. Due to this millions of people lost their jobs, face financial problems resulting in negative growth rate for the year 2020.

There are some great impacts on Pakistan's economy due to the pandemic situation. The trade deficit expanded marginally by US\$ 115 million to US\$ 5.8 Billion during the 1st quarter of the current FY. During this period imports grew from US\$ 11.2 Billion last FY to US\$ 11.2 Billion during the current FY 1st quarter. On the other hand, exports declined from US\$ 5.51 Billion to US\$ 5.46 Billion.

The theoretical framework of this study will explain the COVID-19 as an independent variable as it does affect every other aspect of economy. While exports, GDP, Income and the overall economy of Pakistan become dependent variables. Due to partial or full lockdown situation in this pandemic era it causes a panic situation and drops down in almost every sector of life including agricultural, industrial sector and mostly common life.



2.2. Hypothesis

In this research we have anticipated three hypotheses on the basis of literature review: The first hypothesis is, **“Covid-19 has strongly affected the Exports of Pakistan.”** The second hypothesis of this study is, **“There is a positive relationship between exports and economic development.”** The third hypothesis of this research is, **“GDP growth depends upon the growth of international exports.”** The fourth hypothesis states as, **“A large proportion of Pakistan’s household income has been decreased due to Covid-19.”**

3. METHODOLOGY & DATA ANALYSIS

This is a quantitative study because, the key purpose of the study is to analyze the relationship between independent variables with dependent variables exports, household, economy, and economic growth of Pakistan. The research aims to discover the impacts of COVID-19 on the export-oriented economic growth of Pakistan. The research methodology is based on descriptive approach and a quantitative data analysis technique will be used to analyze the data. I will use secondary data for analysis on the basis of data availability. The source of data will be taken from Pakistan Bureau of Statistics, Ministry of Economic Affairs, Economic Affairs Division, the World Development Indicators of the World Bank, States Bank of Pakistan, World Health Organization (WHO).

Different data generating techniques will be used to get the final data analysis methods. Some methods used will be as follow: population, sapling, sampling design, sampling size, Instrument of Measurement (Questionnaire), Data collection method, Technique of Data Analysis, Justification of methodology.

3.1. Empirical Studies

As mixed method approach has been used in the present study where qualitative and quantitative analysis has been conducted to get the results. For analysis purposes, Pakistan’s data and financial records 2019, 2020 and 2021 have been used. The statistical data of the economy of Pakistan has been taken from the previous sources and GDP reports of 2019 and 2020.

3.2. Qualitative Analysis

According to the State Bank of Pakistan, the government raised PKR 74.89 billion through the auction of 5-Year Ijara Sukuk (Islamic Bonds). During the week ending Sep 11, the reserves held by the SBP increased by US\$ 12.6 million to reach US\$ 12.82 Billion. Foreign exchange reserves held by the State Bank of Pakistan declined 1.7% on a weekly basis from US\$ 12.35 Billion to US\$ 12.15 Billion, a downward slide of US\$ 205 million. This net decrease comes following external debt repayments of US\$ 580 million and official inflows including US\$ 300 million from the Asian Development Bank. Looking at Pakistan's limited financial capacity to bear the costs of the pandemic, experts warn that the country may in the future require assistance from not only the IMF and the World Bank but also from strategic allies like China and Saudi Arabia.

Around, the Pakistan’s exports dropped out by 4% in 2019 and the 2019 exports ratio only had 105 of total GDP of Pakistan. In the middle of 2020, the exports rate was 13.67% and in the last, due to complete lockdown and less international trade, the exports rate decreased by 2%. Similarly, the growth rate was calculated at the rate of 0.13% and 1.68% during March-July 2020 Fiscal year. Therefore, a major drop down in the exports has been recognized in the month of March that is the starting point when exports rate declined and even the domestic trade got slowed down. The manufacture, textile and agriculture infrastructure got affected which caused a decline in annual GDP. In contrast, 64% drop down was recorded in the export’s development during the end of 2020 (Bethune & Korinek, 2020)

3.3. Quantitative Analysis

Table 1: Proportion of C+G+I+X+M in GDP of Pakistan

Expenditure Category	Proportions	Components	Proportions	Direction	Reason
Consumption (C)	82%	Food and Beverages	40%	Decrease	lockdown offset by stimulus
		Housing / Utilities	20%	Constant	continued use
		Transport	8%	Decrease	Lockdown
		Health	4%	Increase	Sickness
		Communication	2%	Increase	Use in confinement
		Recreation & Culture	2%	Decrease	Facilities Closed
		Education	4%	Decrease	Schools Closed
		Restaurants & Hotels	6%	Decrease	Shuttered Business
		Other Discretionary	14%	Decrease	Lockdown
		<i>*Unemployment</i>		Increase	Job losses / lockdown
		Subtotal (C)	100%	Decrease	Lockdown
Government (G)	14%	Debt Servicing	33%	Decrease	Renegotiation / Clemency
		Corona Stimulus	15%	Increase	Government initiative
		Others	52%	Increase	Development expenses
		<i>*Revenue Collection</i>		Decrease	Falling consumption
		Subtotal (G)	100%	increase	Corona Stimulus
Investment (I)	14%	Private Investment	71%	Decrease	falling demand / uncertainty
		Public Investment	29%	Increase	stimulus measures
		Subtotal (I)	100%	Decrease	falling demand / uncertainty
Exports (X)	10%	Textiles	55%	Decrease	order cancellations / falling demand
		Food Group	18%	Constant	continued use
		Other	27%	Decrease	order cancellations / falling demand
		<i>*Remittance</i>		Decrease	Job losses overseas
		Subtotal (X)	100%	Decrease	order cancellations / falling demand
Imports (M)	-20%	Machinery Group	13%	Decrease	decreasing capex
		Petroleum Group	27%	Decrease	price collapse
		Textile Group	7%	Decrease	falling end user demand
		Food Group	9%	Constant	continued use
		Other Imports	44%	Decrease	falling end user demand
		<i>*Currency</i>		Decrease	flight to USD
Subtotal (M)	100%	Decrease	commodity prices / falling demand.		
GDP by Expenditure	100%				

**items not included in expenditure models*

4. DISCUSSION

4.1. Consumption

When COVID-19 lockdown was put in Pakistan in 2019, employment rate dropped down and the consumption of Pakistan's government increased. The above table is showing that ratio of consumption in other divisions of GDP is the highest. There are many areas in consumption category such as food, health, housing, transport, recreation, education and utilities etc. the increase or decrease in the expenditures and consumption in these areas got disrupted during COVID-19 pandemic (Tas, et al., 2021). As above table is showing that consumption of government's finance increased for health and communication due to COVID-19 health-related issues and decreased in food, beverages and transport due to lockdown. Pakistan implemented a complete lockdown in 2019 which caused decreased consumption in education and hotels and restaurants (Nabila, et al., 2020). The prices of goods and services were increasing and the consumption structure got highly disturbed. The 82% proportion of consumption has resulted into unemployment and price inflation.

4.2. Government Expenditures

The pandemic did hit the working and poor class hard as lockdown caused shut down of jobs and businesses. During this time, Pakistan started relief package of 1.2 trillion to manage and compensate the financial loss to the poor economy class of Pakistan. During 2019 and 2020, the transfer payments which include pensions and salaries declined and most of the government expenditures were used for Corona virus treatment and prohibition (Chohan, 2020). To ensure Universal Health Coverage (UHC), the federal and provisional government of Pakistan's expenditures on health and medical treatment increased by 2 billion (41 billion in 2018 and 43 billion by 2019 and 2020). The health expenditures took only 1.2% of GDP due to an already decrease in GDP during pandemic. In 2020, Public Sector Development Program was started by government of Pakistan to improve the sustainable financial and public sector developmental process.

4.3. Expenditure on GDP of Pakistan 2020

EXPENDITURE CATEGORIES	PROPORTIONS
Expenditures of government (Government)	14%
Gross fixed capital formation (Investment)	14%
Household consumption (Consumption)	82%
Imports of services and goods (Imports)	-20%
Exports of services and goods (Exports)	10%
GDP by expenditures	100%

The above table shows the division of government expenditures and their proportion in the GDP of Pakistan. This financial record is showing that during lockdown, Pakistan's imports expenditures increased and exports expenditures decreased. This caused a decrease in the annual GDP of Pakistan in 2019 and 2020. The ratio of household consumption remained on top which affected the economy negatively (Chohan, 2020). According to State Bank of Pakistan, Pakistan paid \$11.88 billion during 2019-2020 as external debt (Dawn, 2021), However, the surplus of \$425 million in FY21 will help the government to improve foreign exchange reserves. The interest rate and tax on debt and imports also increased which affected the economic infrastructure by 3X as compared to 2017 and 2018 (Chohan, 2020).

4.4. Investments

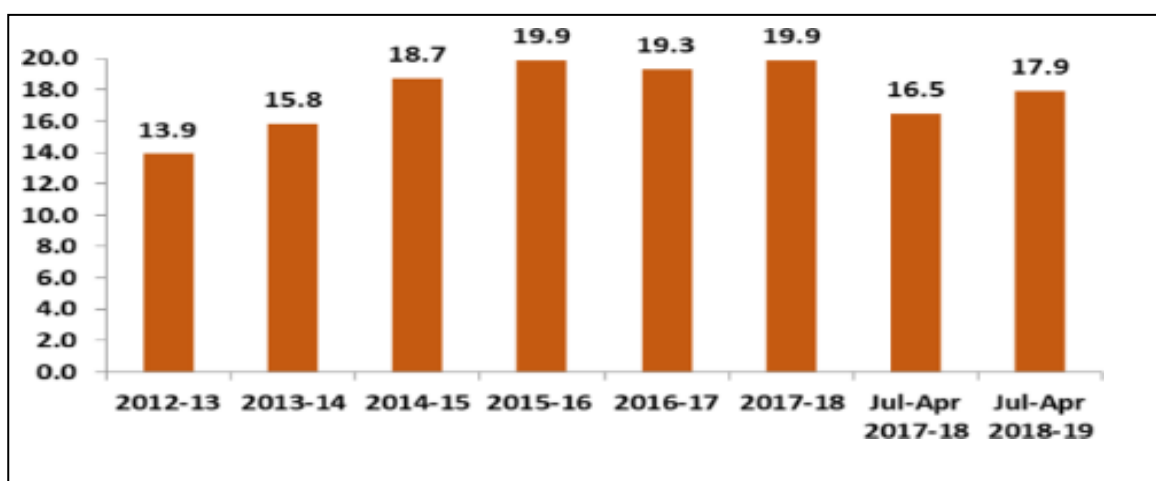
The investment in exports also declined the whole 2020, especially from February 2020 to the middle of the year (Sareen, 2020). The lockdown, business shutdown, and death rates have significant negative relationship with Imports of Pakistan during COVID-19. The low investment also caused price inflation and price inflation caused decrease in international trade and exports. The shortage of gas, oil and electricity in Pakistani companies also played significant role in slowing down the process of foreign investment and exports (Sareen, 2020). During COVID-19 period of 2019-2020, the development in machinery and advance production process also fell down. From 14% of investment in exports goods and services, 10% is private investment and 4% is for public investment. The investment in international contracts like CPEC also declined in 2020, as compared to 2017-2018. The industrial sector is the biggest source of exports and it faced immense loss during 2019-2020.

4.5. Exports of Pakistan during COVID-19

There are some great impacts on Pakistani economy due to pandemic situation. Trade deficit expanded marginally by US\$ 115 million to US\$ 5.8 Billion during the 1st quarter of the current FY. During this period imports grew from US\$ 11.2 Billion last FY to US\$ 11.2 Billion during the current FY 1st quarter. On the other hand, exports declined from US\$ 5.51 Billion to US\$ 5.46 Billion. The orders for exports are booked, where a country signs a deal of exports with any other country, but the lockdown and rapid spread of virus cancelled many of the already signed orders (Nabila, et al., 2020). Many countries, including USA, Saudi Arabia and Italy cancelled garments, agriculture and sports related exports from Pakistan due to COVID-19 outbreak. The cancellation of exports orders not only affected the economy of the country but millions of workers also suffered immense economic crisis. Most of the industries didn't pay the workers as the mills were closed and companies were not getting any profit. Around 4 million workers faced unemployment as they were employed in garments industries in Pakistan. The garments industry covers the 13% of total GDP and decreased export directly affected 13% of GDP (Sareen, 2020)

An important mention, about exports of Pakistan during 2019 and 2020, is that the "exports of labor" played an important role to compensate the continuously falling economy of Pakistan. A vast number of overseas Pakistani are working in other countries and Pakistan is roughly getting \$1 billion annual remittance from abroad because of exported labor. Many of the overseas Pakistani labor were sent back to country when the COVID-19 outbreak started (Chohan, 2020). The following graph is showing the ratio of "export labor" of Pakistan, from 2012-2019:

4.6. Model of Forecast Decline in GDP of Pakistan during COVID-19



2020 Forecast		2021 Forecast				
Q4	Total	Q1	Q2	Q3	Q4	Total
-7%	-2.5%	-1%	0%	2%	4%	5%
-7%	-2.5%	-3%	-1%	0%	2%	-2%
-7%	-2.5%	-3%	-2%	-2%	0%	-7%

Source: (Chohan, 2020)

5. CONCLUSION

The conclusion of this research article discusses that how COVID – 19 Pandemic has affected the economic growth of whole world including Pakistan. The pandemic situation brings different opportunities in various sectors. Pakistan's economy shrinks down by \$15.12 billion. No doubt this situation declines the growth in every sector dropping down the Gross Domestic Product (GDP) and results a negative growth in its initial time period i.e., FY 2019-2020. But then due to smart policies Pakistan's economy starts rising up and stabilized in FY 2020-2021. But as this situation is unpredictable, we still have to face many challenges in order to increase the economic growth. There are some great impacts on Pakistan economy due to pandemic situation. Trade deficit expanded marginally by US\$ 115 million to US\$ 5.8 Billion during the 1st quarter of the current FY. During this period imports grew from US\$ 11.2 Billion last FY to US\$ 11.2 Billion during the current FY 1st quarter. On the other hand, exports declined from US\$ 5.51 Billion to US\$ 5.46 Billion. We can use this study for future analysis of impacts of COVID – 19 on other sectors of life.

Sr No.	Limitations	Future Directions
1	Scope and generalizability of research	Further research can use IRP, ANP, AHP, other MCMD techniques.
2	Limited data and limited scope of analysis	TISM may be used which explains both nodes and links in a digraph or Fuzzy ISM/TISM which has greater interpretability
3	ISM method only identifies but not quantify the relationships	SEM, PCA, AHP, ANP, TOPSIS, GRA or some other weighing method may be used for future research to quantify the relationships
4	Key factors only from experts' judgment/literature hence may be biased/some factors might have been overlooked	Factors may be explored by using other techniques like PCA or rather thorough literature review can be conducted to: <ol style="list-style-type: none"> 1. Find other relevant factors/variables 2. Further explore the current factors using both inductive and deductive methods 3. Explore other related interesting issues
5	The research was conducted in the context of Pakistan since there are varying cultural, social, technological and political systems therefore generalization of results is limited	The research may be replicated in different contexts/countries/sectors to enhance the frontiers of theoretical contribution
6	The model statistically not tested and validated	Future researches may statistically validate the model using other statistical techniques like SEM (co-variance based or PLS based) which can enhance utility of the model
7	Few stakeholders	Extensive research may be conducted taking inputs from other stakeholders

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