

Influence of the Pandemic on the Socio-economic Situation in the World

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Abstract: The article examines the state of the modern post-pandemic economy. The consequences of the COVID-19 pandemic and its impact on the socio-economic situation in the world are described. It was revealed that the distinguishing feature of the COVID-19 pandemic from other pandemics in history is that its consequence will be the modernization of the economy and taxation. Also, a distinctive feature is the acceleration of the process of digitalization of the economy. A number of consequences of the pandemic in the global economy are presented, as well as data on damages in various sectors of the economy. The analysis of the scientific discussion of the authors, who directed all their research to the study of the consequences of the pandemic and the formation of the post-pandemic economy as a driver of the modern economic crisis. Revealed the need to develop effective measures of post form state policy to restore the domestic economy and improve the level and quality of life of people.

1 INTRODUCTION


Currently, the problem facing all countries of the world, COVID-19, is considered an unpredictable threat. But let's think, is it really so? Over the past decades, people have experienced many different types of epidemics, and the current one is no exception. Today, the pandemic poses a threat not only to the health of the country's citizens, but also to its economic environment (Vakhobova and Saralinova, 2020).


The COVID-19 pandemic has accelerated the technological order and marked the beginning of a new economic cycle. All this means future transformation in the global socio-economic space.


The pandemic has far-reaching consequences, because it has caused severe damage not only to the health of a huge number of people, but also to the socio-economic sphere. Although the pandemic began in China, it quickly expanded globally in terms

of open borders and free movement (Andronova et al., 2020.). The media have given a definition of the impact and consequences of coronavirus infection - "coronavirus crisis".

Nevertheless, pandemics have been characteristic of the entire history of mankind, and the peculiarities of COVID 19 are that the consequence of the so-called "coronacrisis", like the previous deadly infections, will be the modernization of the economy and taxation (Pogorletsky, 2020). Due to the pandemic, incomes of the population have decreased, and some citizens have completely lost their jobs. This negatively affected the retail, aviation and restaurant business. The pandemic has had this impact on the service sector in most countries, including Russia and the United States. Without exaggeration, the current situation in the world community is still threatened by the new COVID-19 virus, and the unpredictable financial and economic crisis has alarmed all countries and caused many

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social problems (Saidov and Nazar, 2021). The tourism industry has entered a crisis due to the Global Coronavirus Panic, the duration and extent of which is still unknown (Yushaeva, Edilkhanova, Saralinova, 2020). In conditions of uncertainty about the further development of the tourism industry in world practice, it is difficult to determine the vector of its development (Oshkordina and Chikurova, 2020).

International trade, small and medium-sized enterprises have faced a number of difficulties after the closure of borders, the collapse of global supply chains of goods, an increase in the percentage of unemployed, as well as inefficient use of human resources (Gributskaya, 2020).

In the first stage of its emergence, the pandemic had a local impact on Chinese exchanges, where trading volumes began to decline from 01.21.

According to the analysis over the past year, there was a decrease in the level of GDP by 4-7% in most countries. The announcement of the pandemic has accelerated the process of the global economic crisis, which has affected the value of shares and assets of many companies.

Here are some of the consequences of the pandemic in the global economy:

1. Decrease in forecast indicators - a decrease in forecasts of world banks and financial organizations regarding the growth of the world economy.

2. Decrease in production assets - production activity has declined at a record, for example, in China, this figure was 40.3. It had the same impact on Vietnam, Singapore and South Korea. It is worth noting that scores less than 50 indicate a reduction.

3. A shrinking service sector - a decline in household incomes and an active rise in unemployment had a negative impact on retail trade, aviation and the restaurant business.

4. Decrease in the cost of oil - the demand for oil and oil products decreased, which, as a result, led to a decrease in prices for it. It should be noted that the decline in oil prices began even before the pandemic, but under its influence the indicators became negative.

5. Decline in prices in the stock market - problems in the stock market appeared against the background of investors' fears related to the pandemic, as a result of which there was a sharp decline in the prices of shares of large companies. The influence on the stock market is expressed in 3 main directions: decrease in business activity; decreased activity in the local market; stress in financial markets.

6. Decrease in bond yields - for example, in America, bond yields fell less than 1% in 7 days and amounted to 0.3% on 10-year securities.

7. Reduction of world tourism - about 10% of the working-age population is involved in the field of recreation and tourism, and it is this sector that has suffered the greatest losses in connection with the development of the COVID-19 coronavirus pandemic. A significant decrease was observed against the backdrop of transport restrictions and travel cancellations. Also, there were cancellations of all types of public events, business conferences. As a result, service consumers were withdrawing reservations from hotels and all types of tickets. At this level, not only travel companies were affected, but also transport companies.

According to experts' forecasts, the global economy is expected to decline by \$ 5 trillion in the coming years. Analysts agree that the recession will happen rather quickly, but it will take a long time to recover.

In modern conditions, the national economy is undergoing a shock transformation of all socio-economic processes caused by the coronavirus pandemic. She made it clear that changes are taking place at all levels of social development, both nationally and globally. The pandemic has led the world community to the need to format the methods and principles of socio-economic policy at the long-term level. After all, no one can say for sure when the pandemic will end and all spheres of society will return to their previous mode of operation (Manyakhina, 2021).

2 METHODS

In carrying out this study, we used systemic, institutional and functional approaches, statistical and econometric methods for analyzing economic information. Methods of comparison, summary and grouping and analysis of information were used. In the course of the study, the works of Semenov V.E., Chernoiyanova A.S. were analyzed. "Ideological reflections in Russia in the context of the coronavirus infection pandemic"; Asalieva A.M., Stepanova A.A., Oborina M.S., Gordeeva E.V. "Anti-crisis measures to support the Russian economy in a pandemic: compromises between government and business"; Balashova N.A. Experience in applying the principles of unconditional basic income before and during the COVID-19 pandemic. The information base for the study was also used information posted on the official websites of the UN and Rosstat.

A significant number of foreign publications are mainly devoted to the impact of COVID-19 on the

socio-economic development of national economies, which are divided into a number of groups:

1. Risks and uncertainty in the economy, negatively affecting the adoption of effective decisions;
2. Prompt response of the authorities and effective mechanisms to support business and the population;
3. Analysis of the state of labor markets and the prospects for remote management in various sectors of the economy.

3 RESULTS AND DISCUSSION.

The massive spread of the Covid-19 coronavirus infection in the world has become a challenge for the authorities, measures to counter the disease have created serious problems for business (Dakaev and Yushaeva, 2020). All modern research, both domestic and foreign, is aimed at studying the consequences of a pandemic and the emergence of a post-pandemic economy as a driver of the modern economic crisis as a new great depression.

Russian practice already has problems of ensuring economic security in the context of a long-term viral pandemic. State policy is aimed at minimizing the negative consequences of the pandemic, its impact on the digitalization process.

It should be noted that in the course of the "self-isolation" of the economy, a wide range of non-market processes emerged, which had a negative impact on the rates of economic development of the regions. In the context of the "second wave" and the projected duration of the pandemic, there is a need for methodological substantiation of the transformation of institutions of socio-economic policy, which requires both scientific and practical justification to identify the vector of the correct development of the economy and regions, and the state, and on the world stage.

The modern stage of scientific and technological progress is characterized by the emergence of completely new areas and technologies that are developing so rapidly that they set the success of the state as a whole. At the present stage of technology development, e-commerce, unmanned vehicles, big data technologies are the realities of our time.

The main positions that give us an understanding of some kind of vulnerability during a pandemic and post-pandemic period:

1. The accelerated development of digital processes and the potential for online work in a certain range of areas have shown the unpreparedness of others, for example, the sphere of consumer

services, transport, leisure and tourism, for this kind of transformation;

2. The increase in unemployment in a number of familiar areas of activity and the formation of new online professions have led to a resonance in the labor market;

3. Global unemployment and insolvency of the population have led to a narrowing of the small business segment in a number of areas that are not vital.

These and other factors have led to the need for enhanced government regulation, control and support for socio-economic responses. However, there are a number of problems for regulation at this level.

The research problem is due to the underdevelopment of the process of functioning of small business and entrepreneurship in the context of the digitalization of the economy, the lack of a unified regulatory and legal framework, the lack of a unified platform for the functioning of small businesses in the regions and in the country as a whole (Vakhobova, and Yushaeva, 2019).

In the process of globalization, a characteristic feature is the formation of value chains, which is primarily associated with the deepening of the international division of labor and the development of trade and economic relations. There are a number of conditions necessary for the sustainable functioning and inclusive economic development of value chains:

1. Accelerating trade and investment reforms and improving interconnection between states;
2. Conducting an open and predictable economic policy;
3. Strengthening social protection and environmental protection, guaranteeing the sharing and conservation of benefits.

The challenge of the century for the economy is the coronavirus pandemic, which affects value chains along three main channels:

1. The pandemic has a huge impact on transport systems, and in some cases completely overlaps the logistics of supplies. A large number of multinational companies have moved parts of their production processes to different industry locations in order to maximize profits.

2. The pandemic affects production processes in a negative way due to the closure of jobs and the transition to a remote service system.

3. The pandemic has severely affected demand. It is worth noting that in January and February 2020, when only China was the epicenter, this point was not so clear. However, the growth of the pandemic in the world played a large and not positive role, the number

of orders decreased, there was a temporary cancellation or refusal on an ongoing basis.

The epidemiological situation in the world has transformed the work of value chains in three main directions: globalization, migration and localization.

Experts note that in the post-pandemic period, automation and digitalization will become vectors of restoration of global value chains for the following reasons:

1. Digital technologies have played a large role in the global fight against COVID-19. During this period, a large number of new types of services appeared, existing ones disappeared, there was a partial transformation of the service sector: remote tracking, robotic cleaning in hospitals, the sphere of all kinds of deliveries, the active development of e-commerce, online education, online entertainment, etc. Technology has changed our way of life, including but not limited to food, education, communication, transportation, entertainment, and healthcare (Mentsiev et al., 2020).

2. New promising industries have emerged in global value chains due to the high demand during a pandemic of various services and their rapid adaptation in the post-pandemic period.

3. The fallout from the pandemic and the trade war has pushed the business environment towards more productive systems and supply chains.

It should be noted that the domestic economy experienced the deepest recession since the default. The Russian oil market is currently experiencing the largest drop in demand in all modern history, affecting the world markets that are places for the export of Russian goods. Another problem is social distancing, both forced and voluntary. Thus, the Russian market faced such challenges as the deterioration of foreign trade relations and the contraction of business activity along with restrictions aimed at preventing the spread of coronavirus infection.

4 CONCLUSION

Global restrictive measures, reduced business activity, shocks in the markets and disruption of global chains have had a strong impact on both the domestic economy and the global one. However, a number of directions have been identified in which one needs to work to maintain it:

1. Within the framework of information assistance of the state, it is necessary to diversify sales and supply markets by establishing new international cooperation ties.

2. Improving the quality of products in the context of a pandemic as a tool to increase demand for domestic goods, and, consequently, export them in large quantities.

3. Development of platform solutions for companies and business digitalization.

4. Formation and development of industries with a short business cycle.

5. Optimization of the control system of production stocks of parts and components.

6. Expanding sales markets for goods, including export industries, by introducing new products to the markets.

7. Increasing the saturation of the grocery basket.

8. Development of competitive and export-oriented small and medium-sized businesses.

In Russian practice, it is necessary to develop effective measures of post-image state policy to restore the domestic economy, taking into account the above directions.

In 2020, amid a pandemic, the world economy contracted by 4.3%, which is 2.5 times more than during the 2009 global financial crisis. The released United Nations World Report says the moderate recovery of 4.7% barely compensates for the previous year's losses. The report also noted that recovery from the pandemic should focus not only on stimulating package volumes, but also on the quality and effectiveness of measures to make the world economy more resilient to future shocks. United Nations Secretary-General António Guterres at the World Economic Forum in Davos, held online due to global restrictions, noted that "we are now experiencing the worst crisis in the world health and economy in the last 90 years. Despite the sorrow for those who left this world, we must remember that the choices we make today will determine our common future tomorrow. Investments now need to be directed to health and a sustainable future, where a person will become the center of the entire socio-economic paradigm of the modern world".

The United Nations Department of Economic and Social Affairs reported in its report that an additional 131 million people were below the poverty line amid the pandemic, most of them women, children and the most vulnerable. Women make up about 50% of the labor force in volatile sectors of the economy, such as the hotel and restaurant business, retail trade, which have been hit hardest during the global restraint. The Great Depression, according to United Nations experts, was averted by \$ 12.7 trillion, which was directed to emergency measures to stimulate the world economy. At the same time, they note that the difference in the amount of economic assistance in

developed and developing economies will put them on different recovery paths.

It is worth noting that the 2020 crisis saw the deepest recession in the economy since the default. However, Christine Lagarde, Director of the International Monetary Fund, noted that today's economy is ready for a crisis and is able to cope with it. Christine Lagarde believes that the main method of combating coronavirus infection is to limit its spread, and the large-scale development and level of employment of the working-age population will help to cope with the situation on the world stage.

The unprecedented crisis that has killed more than two million people, which has doomed the world community to poverty, income inequality, disrupted international trade and paralyzed the global economy, requires the world to take emergency recovery measures, and tomorrow and the standard of living depend on these measures future generations.

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