



## THE IMPACT OF COVID-19 ON ECONOMIC SITUATION OF PAKISTAN: A STORY OF LOSERS AND WINNERS

*O impacto do Covid-19 na situação econômica do Paquistão:  
uma história de perdedores e vencedores*

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### ABSTRACT

COVID-19 was declared a pandemic with no apparent treatment of this virus in late 2019. It was recommended to observe the social distance, quarantine the infected patient, and follow good hygiene practices. Further, some strategies were adopted to control the spread of COVID-19, including social distancing, use of face masks, forced lockdown, and closure of borders. Many developing countries like Pakistan are facing severe crises and economic recession. Most people affected by this pandemic are women, children, elderly, and people with immune deficiencies. Zoom has become the counter-piece of life during this pandemic because people use it for job, education and socializing. This pandemic resulted in high earnings in the IT sector. Pakistan's e-commerce market size has witnessed a new high. The growth of e-commerce and mobile phone banking market size increased rapidly. Further government can help transition the businesses towards online mode, which can help retain jobs and economic growth stability.

**Keywords:** new norm, transition, digital economy

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## O IMPACTO DO COVID-19 NA SITUAÇÃO ECONÔMICA DO PAQUISTÃO: UMA HISTÓRIA DE PERDEDORES E VENCEDORES

*The impact of covid-19 on economic situation of Pakistan: a story of losers and winners*

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### RESUMO

A COVID-19 foi declarada pandemia sem tratamento aparente desse vírus no final de 2019. Foi recomendado observar o distanciamento social, colocar em quarentena o paciente infectado e seguir boas práticas de higiene. Além disso, algumas estratégias foram adotadas para controlar a disseminação do COVID-19, incluindo distanciamento social, uso de máscaras faciais, bloqueio forçado e fechamento de fronteiras. Muitos países em desenvolvimento, como o Paquistão, estão enfrentando graves crises e recessão econômica. A maioria das pessoas afetadas por essa pandemia são mulheres, crianças, idosos e pessoas com deficiências imunológicas. O zoom se tornou a contraparte da vida durante essa pandemia porque as pessoas o usam para trabalho, educação e socialização. Essa pandemia resultou em altos ganhos no setor de TI. O tamanho do mercado de comércio eletrônico do Paquistão testemunhou um novo recorde. O crescimento do tamanho do mercado de e-commerce e mobile banking aumentou rapidamente. Além disso, o governo pode ajudar na transição dos negócios para o modo online, o que pode ajudar a manter os empregos e a estabilidade do crescimento econômico.

**Palavras-chave:** nova norma, transição, economia digital

## INTRODUCTION

Towards the end of 2019, a severe respiratory infection caused by severe acute respiratory syndrome coronavirus-2 was reported for the first time in Wuhan, China. World Health Organization informed us about the spread of this virus on 4<sup>th</sup> of January, 2020. World health organization named this virus "COVID-19 Pandemic" on 11<sup>th</sup> of March, 2020. This virus belongs to the family of viruses that causes mild cold symptoms to severe respiratory infections and results in a high mortality rate among elderly and individuals that are immune-compromised.

This disease has spread in almost 219 countries. Now worldwide, confirmed coronavirus cases are 93,194,922, along with a death toll of 2,014,729. (World Health Organization, 2021). All countries are using different measures to prevent this virus, and they are using different strategies to control the spread of COVID-19. These measures include social distancing, use of face masks, lockdown, and closure of borders. As there is no treatment for this virus, it is recommended to quarantine the infected patient and follow good hygiene practices. Women and young individuals are mostly affected by COVID-19 by the economic crisis in Australia and other countries. Most women and young individuals in Australia lost their jobs due to COVID-19 (Kalb & Mekees, 2020).

Although more than two hundred countries face a crisis, this situation is even worse in developing countries. Many developing countries like Pakistan are facing severe crises and economic recession. First case of COVID-19 was reported in Pakistan on 26<sup>th</sup> of February, 2020. According to the 2020 statistics, Pakistan is the 5<sup>th</sup> most populous country with a population of 222,903,998 and a growth rate of 2.0%. Pakistan is an underdeveloped country, and its 24% population lives below the poverty line. COVID-19 affected the people of Pakistan and pushed them into extreme poverty. Most people affected by this pandemic are women, children, elderly and people with immune deficiencies. These people were suffering from malnutrition, and now the restricted food access during lockdown has aggravated their health is at risk.

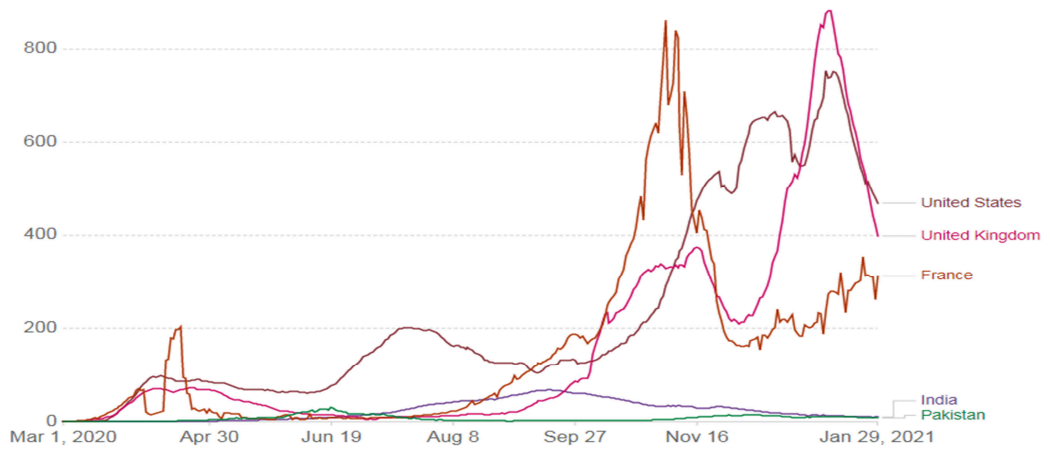
Total number of confirmed cases in Pakistan are 528,891 and 11,204 deaths (World Health Organization, 2021). According to Ministry of Health, the Government of Punjab, major factors causing the death in Pakistan due to COVID-19 are deficiency of iron and vitamin A and D. It is more dangerous for those already suffering from cardiovascular and respiratory diseases. (Specialized Healthcare and Medical Department, 2020). Most patients infected with COVID-19 experienced low Hb, deficiency of zinc and vitamin A and D. Recovery rate is high for the age group of 25 years to 40 years. Most of them recovered on 15<sup>th</sup> day with a negative report (Zia, 2020).

### Situation of COVID-19 Pandemic in Pakistan

Here the situation of COVID-19 in Pakistan is presented. Figure 1 presents the position of Pakistan in terms of new COVID-19 cases compared to other countries. These are expressed in a rolling 7-days average. This graph is based on the daily reported cases of COVID-19.

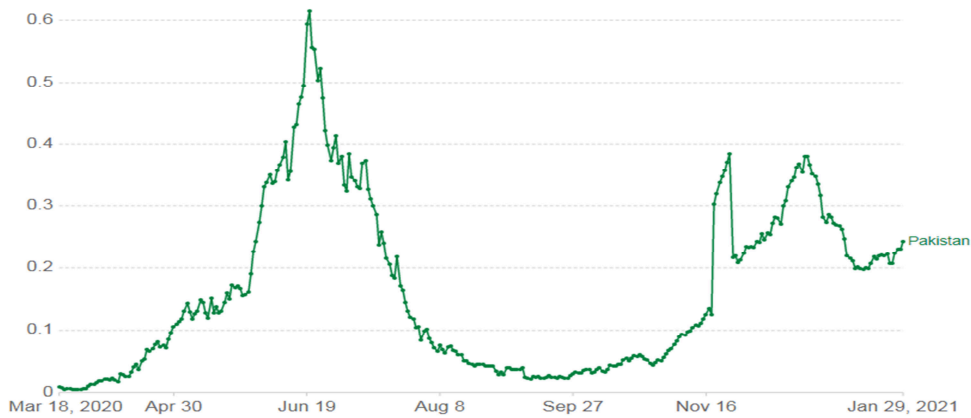
Figure 2 presents the daily confirmed death of COVID-19 on a rolling 7-days average in Pakistan. Actual deaths from COVID-19 may be different from reported deaths because of limited testing and challenges in attributing the cause of death. Figure 3 presents the daily reported confirmed cases of COVID-19 and daily confirmed deaths in Pakistan. While the cumulative test performed and confirmed deaths per million in Pakistan are presented in figure 4.

Figure 1 - New confirmed COVID-19 cases per million people



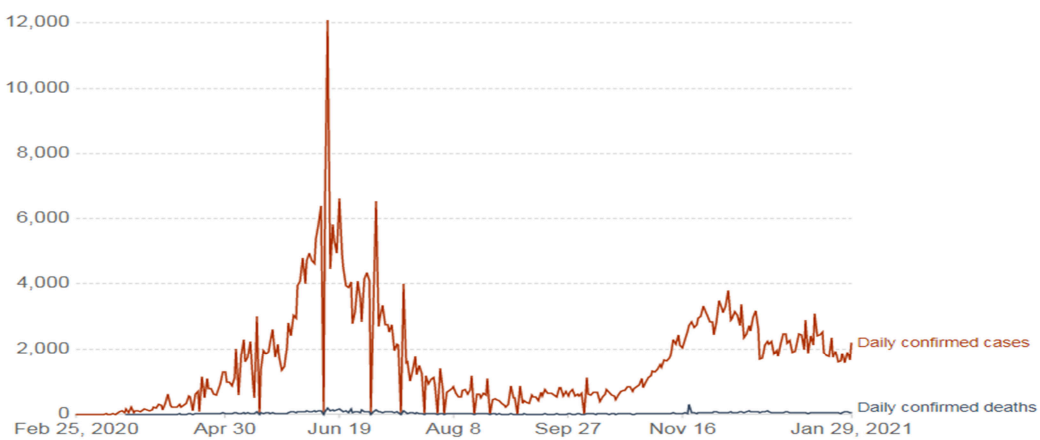
Source: Johns Hopkins University CSSE COVID-19 Data

Figure 2 - New confirmed COVID-19 deaths per million people

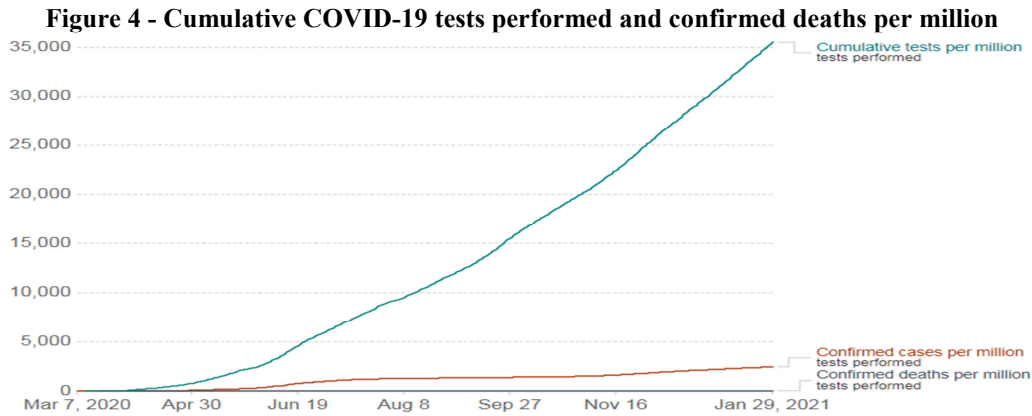


Source: Johns Hopkins University CSSE COVID-19 Data

Figure 3 - Daily reported Confirmed COVID-19 cases and deaths since First day in Pakistan

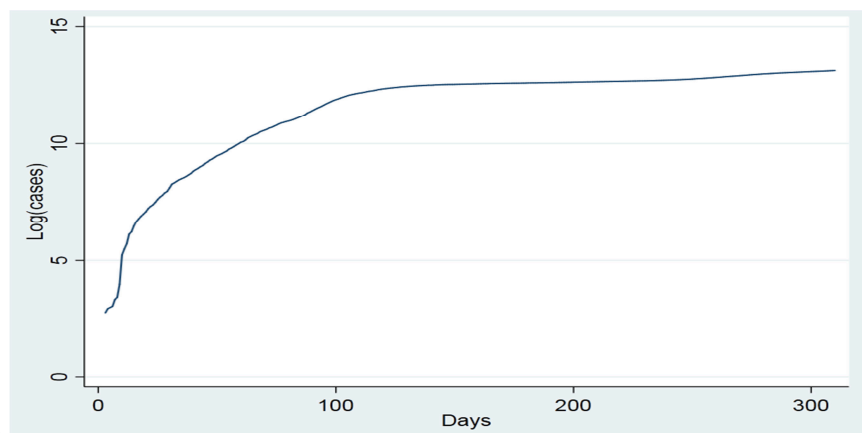


Source: Johns Hopkins University CSSE COVID-19 Data



In Pakistan, COVID-19 cases showed an increase in the first wave. Figure 5 presents the situation of COVID-19 cases in Pakistan. It shows the log incidence curve of COVID-19 cases in Pakistan from March 2020 to December 2020. This curve indicates that cases of COVID-19 increase rapidly in starting months. After May, 2020 it started bending and flattening (Arshed et al., 2020).

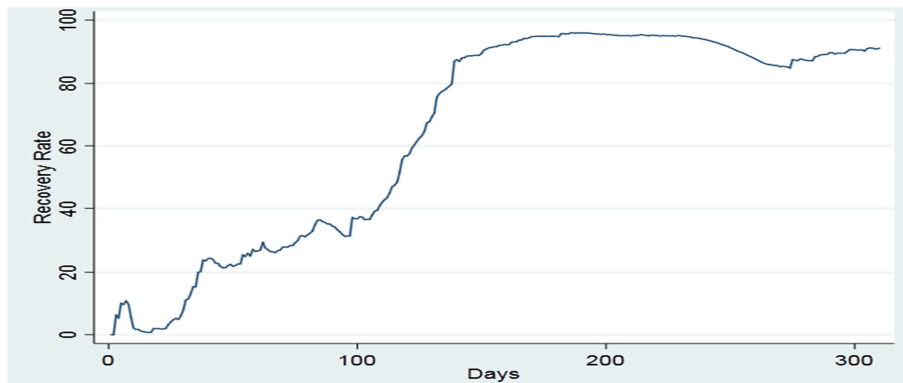
**Figure 5 - log of Confirmed COVID-19 cases in Pakistan**



Data source: National Institute of Health (2021) (Author's own calculations)

Figure 6 reports the recovery rate in Pakistan. It is computed by dividing the number of recovered people over the number of reported cases and multiplying the sum by a hundred. It is showing that the recovery rate was slow during early days because it took time to develop herd immunity among the masses.

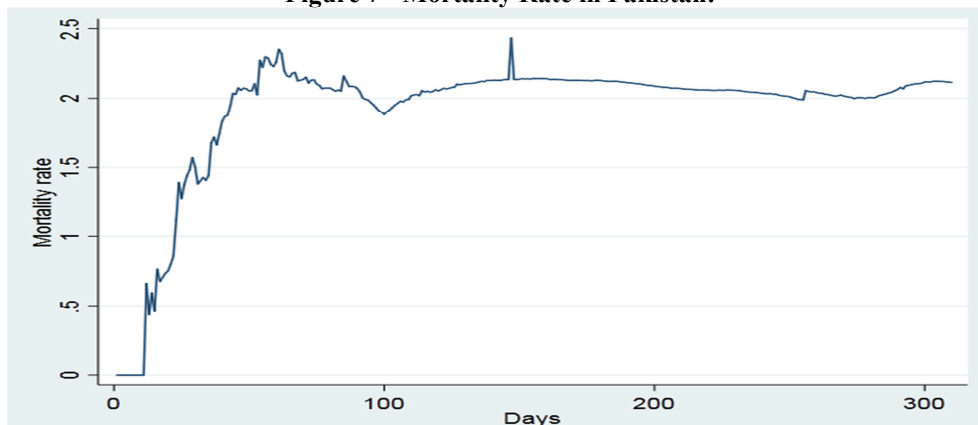
Figure 6 - Recovery rate in Pakistan:



Data source: National Institute of Health (2021) (Author's own calculations)

Figure 7 is presenting the mortality rate in Pakistan. It is calculated by dividing the daily reported deaths over reported cases and multiplying the sum by a hundred. These facts show the government's performance in stemming the flow of virus among the masses. Further, few steps were taken by the government of Pakistan to tackle this problem are as follows:

Figure 7 - Mortality Rate in Pakistan:

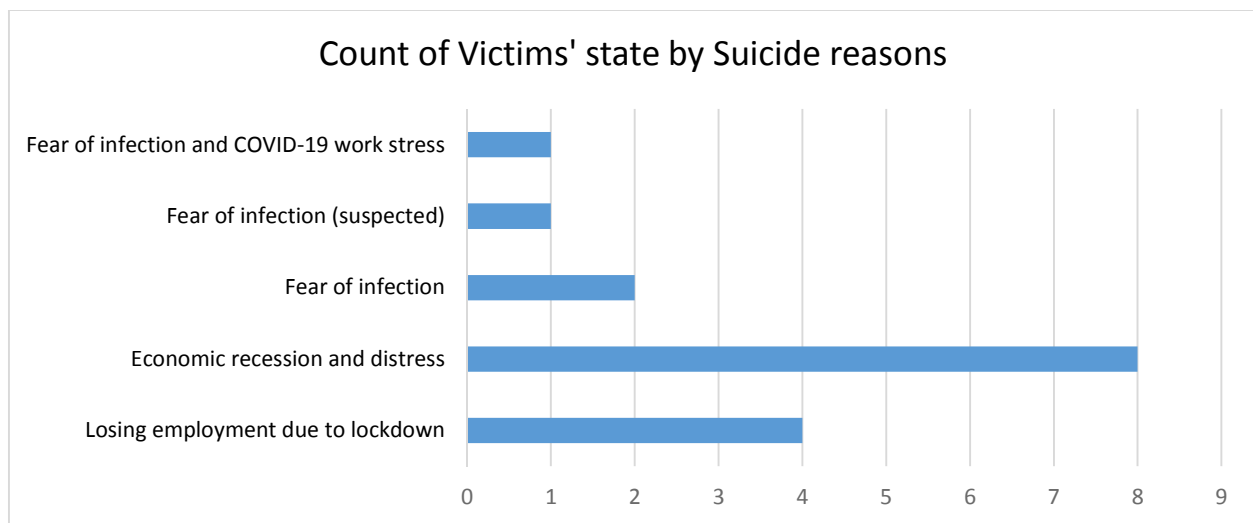


Data source: National Institute of health (2021) (Author's own calculations)

### Nation-wide lockdown

Due to increased cases of COVID-19 in Pakistan, the country was put under nationwide lockdown from April 1<sup>st</sup>, 2020. It is extended twice until 9<sup>th</sup> of May. Due to this lockdown and social distance between people, there was a reduction in cases of COVID-19 in Pakistan, but it also reduced economic activities in the country (Arshed et al., 2020; Yasmin & Sohail, 2020). The whole nation suffered from this pandemic. Many people faced economic and financial crises because of their inability to adapt to the new norm. 16 cases of suicide are reported between the time periods of 18<sup>th</sup> of March, 2020 to 27<sup>th</sup> of April, 2020. This was the time period of national lockdown in the country. The major reason for this suicide was economic recession and distress shown in figure 8 (Mamoon & Ullah, 2020).

Figure 8 - COVID-19 and Suicides in Pakistan



Data source: Mamoon and Ullah (2020)

COVID-19 affected the workforce, supply chain and transportation system of the country. This virus also affected the lives of geographically isolated people. Before this virus caused health issues in these communities, they faced crises in the form of a shortage of food because of the lockdown in the country. During this time, it was hard to get food locally because economic activities were badly affected from this virus. The most at-risk people were already struggling with poverty, hunger, and health.

### Government of Pakistan's "Ehsaas Program"

By considering the condition of poor society, the government designed the "Ehsaas program" to help those suffering from COVID-19. "Ehsaas Emergency Cash Fund" is designed to help those facing hardship and unable to buy rations. This program covered 15 million families, 12000 per family. Government of Pakistan started "Ehsaas Roshan portal" to establish the link between civil society and poor society. Civil society reaches the most vulnerable deserving beneficiaries through this program and provides them Roshan (ration) packs or cash equivalent in the wake of COVID-19 crisis. Prime minister of Pakistan inaugurated the "Ehsaas Nashonuma" program in August, 2020 in 9 districts of Pakistan. This program is designed for the health and nutrition of children under 23 months of ages (Poverty Alleviation and Social Safety Division, 2021).

### COVID-19 Vaccine in Pakistan

Pakistan is a densely populated area with poor health facilities. That is why the chances of spread of virus are higher in Pakistan. Many people have lost their lives due to this virus. Government of Pakistan is providing free vaccines for its population, but many people resist using this vaccine due to fear of the reaction of vaccine. Pakistan has received 14.5 million vaccines. Government has allocated \$1.1 billion budget to purchase the vaccine (Ministry of Finance, 2021). Government should urge the people to get the vaccine. This vaccine is the only hope that current pandemic situation will be over soon.

### Objectives of the study

This study is set to compare the factual information describing the economic status of Pakistan before and after COVID19. This study helps to understand what are the costs and gains and how this economy will be transitioning towards the new normal.

## 1 LITERATURE REVIEW

Pakistan is a developing nation. This pandemic has severely affected the livelihood of most of its people. They are facing many types of crises. Many scholars investigated the impact of COVID-19 in Pakistan by using different measures.

Asghar, Batool, Farooq and Rehman (2020) investigated the impact of COVID-19 pandemic on the economy of Pakistan by observing the supply side and demand side shocks. COVID-19 pandemic interrupted the supply chain of domestic and international businesses, affected the demand for goods and services, and resulted in poverty. Khalid and Ali (2020) investigated the health issues caused by COVID-19 in Pakistan. Number of cases in Pakistan increased due to the limited resources of government. People violated the lockdown and did not follow proper SOP's.

Ali et al. (2020) investigated the impact of COVID-19 on the rural people of Pakistan that are located on separate regions like the mountains in Gilgit-Baltistan. COVID-19 also affected the lives of people who are living in separate regions. Results of this study indicate high infected cases from the virus during the ease of lockdown in the country. Few major challenges that the community living in the mountains, face are loss of employment, financial crises, insecurity about the supply of food, and decreased income. Major reasons that increase the cases of infected patients are lack of awareness about the severity of infection from the virus, lack of cooperation with the government and insufficient testing kits in these regions.

Mohsin, Liu and Ren (2020) investigated the impact of COVID-19 pandemic on micro, small and medium sized enterprises operating in Pakistan. They collected the data from 184 Pakistani's MSME's by conducting an online questionnaire. Their results indicated that most of MSME's were severely affected by COVID-19. They faced several financial issues, supply chain disruption, decrease in demand, sales and profit. Out of these Pakistani's, 83% were not mentally prepared for this situation. More than two-third of participants responded that they could not survive if lockdown lasted more than two months.

Ghaffar et al. (2020) investigated the impact of COVID-19 in Pakistan. As lockdown is the only option to control this situation, but it resulted in severe economic crises. This situation can be tackled by following the smart approach. Evidence based approach is used to check the short and long run effects. Smart lockdown should be implemented in the regions that have high cases. In the short run number of cases are increasing in three populous provinces, i.e. Punjab, Sindh and KPK.

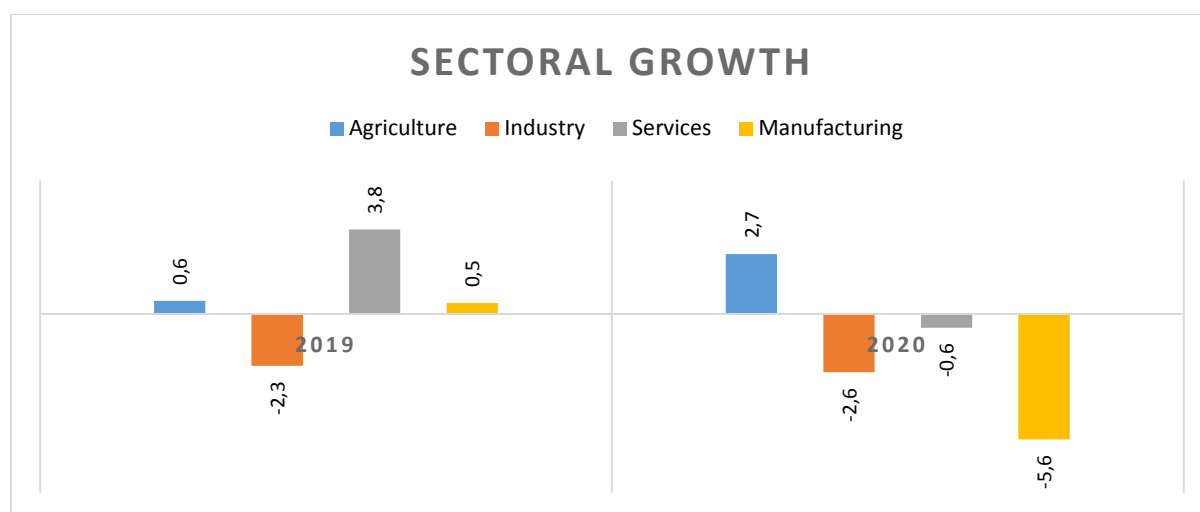
Besides financial crises, COVID-19 pandemic is affecting the mental health of people. Shaukat, Ali, and Razzak (2020) used Arksey O'Malley framework to conduct scoping review to investigate the impact of COVID-19 on the physical and mental health of health care workers. Because, these healthcare workers are at risk of physical and mental health issues due to their direct contact with patients. The main identified risk factors were working in the high risk department, diagnosed family members, inadequate hygiene, long working hours and close contact with patients. Mamoon and Ullah (2020) investigated the number of cases of suicide in Pakistan because of fear of infection and economic crisis during the period of national lockdown in Pakistan. Total of 16 people in Pakistan attempted suicide during this period. Main reasons were economic recession, fear of infection and loss of employment. Rabbani et al. (2020) conducted an online survey to investigate the psychological impact of COVID-19 on people. Results of this study indicate that women experienced the impact of the psychological and social burden of pandemic compared to men. Women perceived this disease as fatal and were adopting preventive measures as compared to men.

## 2 IMPACT OF COVID-19 ON ECONOMY OF PAKISTAN

COVID-19 badly impacted the economy of Pakistan, even at low incidence rates as compared to the rest of the world. Negative shocks of COVID-19 affected the growth rate of major sectors of the economy. Except for the agriculture sector, all sectors experienced negative growth. Figure 9 shows that the growth of the agriculture sector increased from 0.6% in 2019 to 2.7% in 2020 while industry, services, and manufacturing sectors experienced a sharp fall in their growth from the previous year.



Figure 9 - Growth in Major Sectors of Economy (Percentage)



Source: PBS, SBP

Table 1 provides the details of the macroeconomic indicators of the economy compared to the previous year. Column 3 of this table provides information about macroeconomic indicators' projected values for fiscal year 2020. Here it is seen that before COVID-19 after COVID-19 has a sharp fall in these values because the economy could not achieve its targets due to a severe economic crisis. Column 4 provides information about the actual values that are achieved in 2020. There is a sharp fall in major sectors of economy, i.e. industry, services, manufacturing, wholesale and trade (Pakistan Bureau of Statistics, Government of Pakistan, p. 2021).

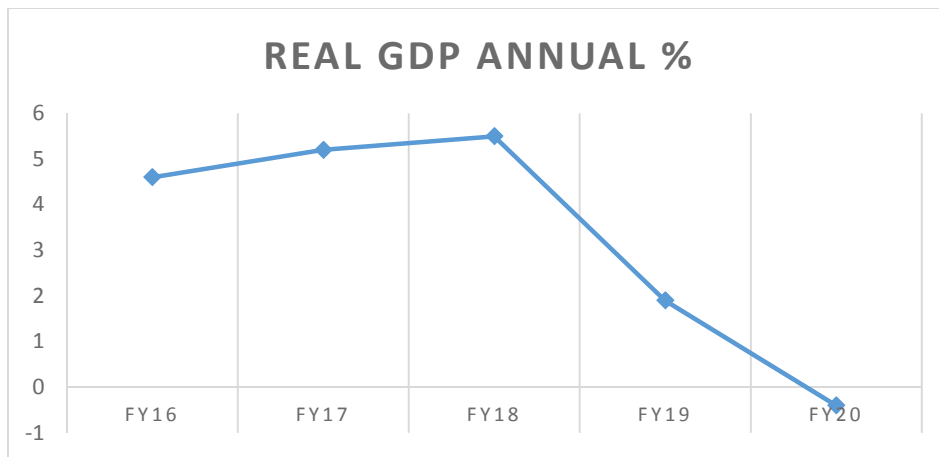
Due to COVID-19 pandemic, in terms of real GDP growth in Pakistan, all major economic sectors are badly affected by this pandemic. Real GDP growth was 5.5 % in 2018. This growth rate decreases to 1.9 % in 2019 and -0.4% in 2020.

Table 1 - Macroeconomic overview of Economy (Percentage)

	2019	2020 (projected) Before COVID- 19	2020 (Actual) After COVID- 19
<b>Agriculture</b>	0.6	3.0	2.7
<b>Industry</b>	-2.3	0.7	-2.6
<b>Services</b>	3.8	4.2	-0.6
<b>Manufacturing</b>	-0.7	0.5	-5.6
<b>Livestock</b>	3.8	3.2	2.6
<b>Wholesale and trade</b>	1.1	3.2	-3.4
<b>Financial Businesses</b>	5.0	4.7	0.8
<b>Nominal GDP Growth</b>	10.5	15.4	8.6
<b>Inflation (GDP Deflator)</b>	8.4	11.8	9.1
<b>Investment (% of GDP)</b>	15.6	15.6	15.4
<b>Fixed Investment</b>	14.0	14.0	13.8
<b>Public Investment</b>	3.7	3.7	3.8
<b>Private Investment</b>	10.3	10.2	10.0
<b>National saving</b>	10.8	13.4	13.9
<b>Domestic Saving</b>	4.1	6.4	6.8
<b>Foreign Saving (incl. Official transfers)</b>	4.8	2.2	1.5

Source: PBS

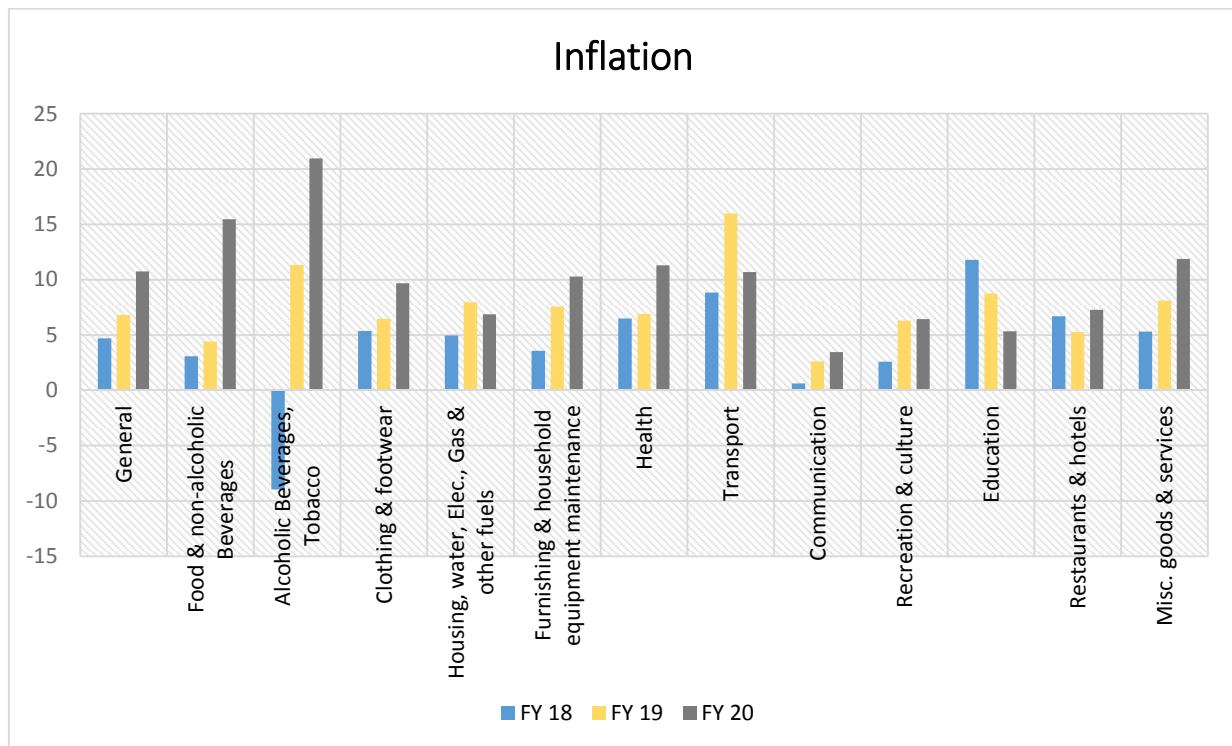
Figure 10 - Real GDP Growth in Pakistan:



Source: PBS, SBP

Inflation in Pakistan has been increased over the period, mainly in beverages and health, as shown in Figure 11. Demand for health facilities has increased, leading to an increase in their prices. Moreover, the lockdown has put pressure on the supply of goods and services, leading to their shortages and causing an increase in prices.

Figure 11 - Inflation in Pakistan



Source: PBS, SBP

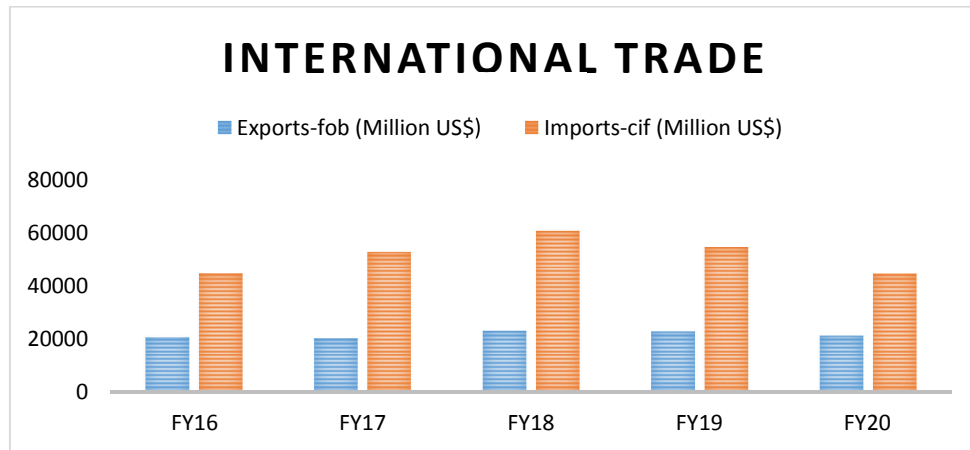
International trade is badly affected by COVID-19 pandemic. In the case of Pakistan, both exports and imports declined in 2020 as compared to 2019. There is a sharp fall in imports from 54,763 million\$ in 2019 to 44,553 million\$ in 2020. The reason is that the major importer countries, i.e. United States, China and European

Union are badly affected from this virus. Exports in those countries declined in the first quarter of 2020, but trade in goods and services declined sharply in second quarter of 2020 (UNCTAD, 2020).

Figure 13 shows the balance of payment account in the last three fiscal years. Both financial and current account balances decreased as compared to last years. There is a sharp fall in these values.

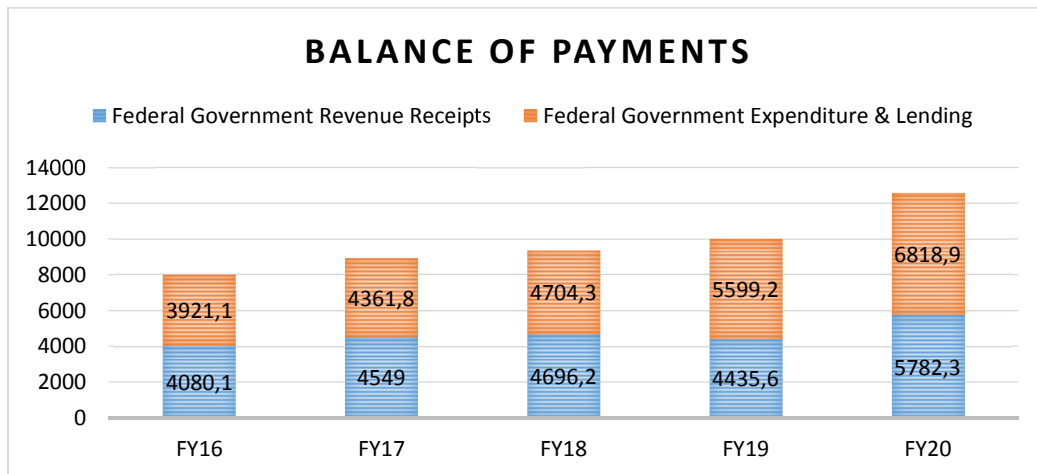
There is a large increase in Government expenditures than its total receipts in 2020. As compared to fiscal year 2018 (State Bank of Pakistan, 2021). In the year 2018, there was a minor difference between the federal government expenditures and revenue receipts, while in 2020 the government experienced the increased gap between federal government revenues and expenditures.

Figure 12 - International Trade



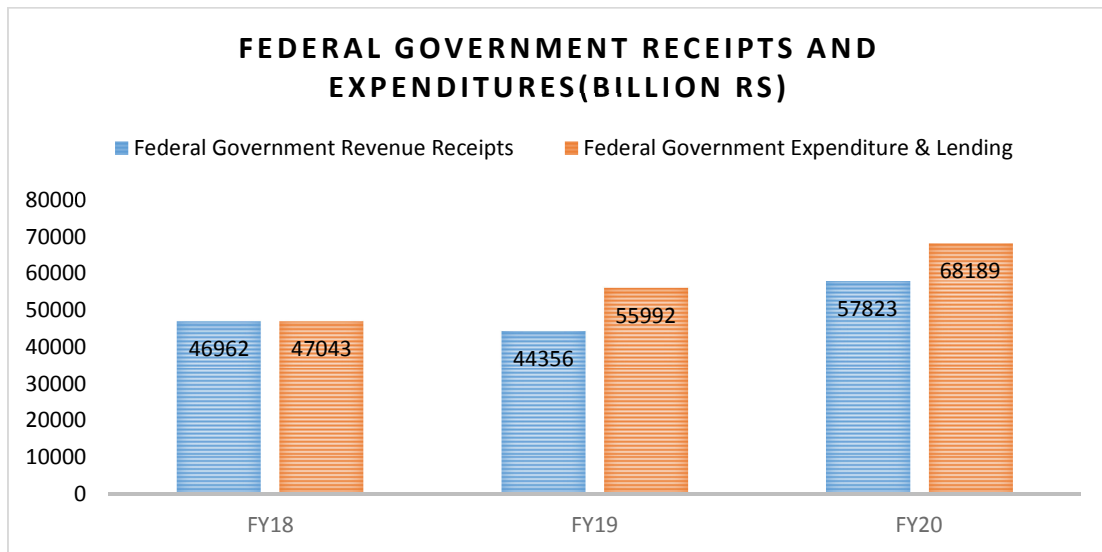
Source: PBS, SBP

Figure 13 - Balance of Payment



Source: PBS, SBP

Figure 14 – Federal Government Receipts and Government Expenditures

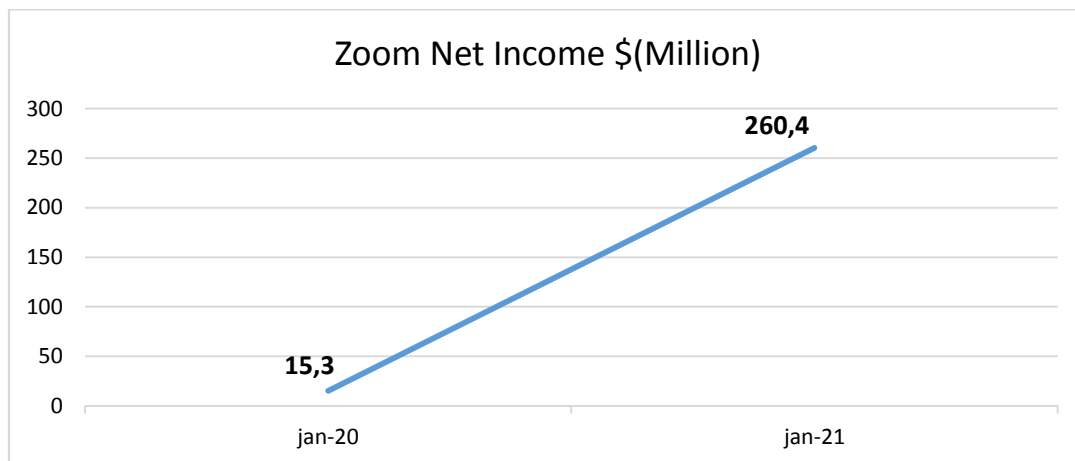


Source: PBS, SBP

### 3 IMPACT OF COVID-19 ON THE DIGITAL ECONOMY

The digital economy in Pakistan is growing rapidly. The annual report of Pakistan Telecommunication Authority for 2020 indicates positive growth in Pakistan’s digital economy. This report indicates that about 90 million users (42.2% of population) are benefiting from broadband services. The education system suffered a lot due to coronavirus. Many institutions started online learning process through video conferencing via zoom. Zoom has become the counter-piece of life during this pandemic because use it for job, education and socializing. In January 2021, total revenues generated by zoom were \$882.5 million, with a total increase of 369 percent from the same period of last year, and net income was \$260.4 million as compared to \$15.3 million in the last year (Business Recorder, 2021).

Figure 15 - Net Income of Zoom



Source: Business Recorder

Many people lost their jobs during COVID-19 pandemic, and this pandemic benefited other people through its impact on e-commerce. Worldwide, e-commerce revenues increased sharply. Amazon is the most popular retail website that experienced high traffic during this period. The reported earnings of Amazon.com

were \$125.56 billion in sales in the fourth quarter of 2020. During this time, it earned largest revenues of all times (CNBC, 2021). Due to increased demand this company increased the 250,000 jobs in the third quarter and 100,000 jobs in the first month of the fourth quarter (Helmcore, 2020).

Government of Pakistan is trying hard to digitalize the economy of Pakistan. In this regard ministry of commerce were working with Amazon since last year to convince them to approve Pakistani sellers in the list of its approved sellers. Amazon approved Pakistani sellers to sell on Amazon. This step will generate new employment in Pakistan. This initiative will generate revenues and stabilize the economic condition of Pakistan (Aslam, 2021).

Pakistan's approval in the list of Amazon's sellers will provide the platform to the exporters to sell their products. It will promote businesses and foreign buyers can access the Pakistani brands through this platform. Before this approval, Pakistani companies sold their products on this website by registering from their offices located outside this country. Many companies were engaged in producing the goods for other brands that are available on Amazon. This step opened the door for the companies to promote their own brand on this popular retail website.

Due to an increased number of free users, zoom's pricing decreased from 500.11 US \$ to 337.43 US dollar in March 2021. Increased demand for Zoom's video conferencing decreased its gross profit from the analyst's estimation of 72.1 to 66.7 percent.

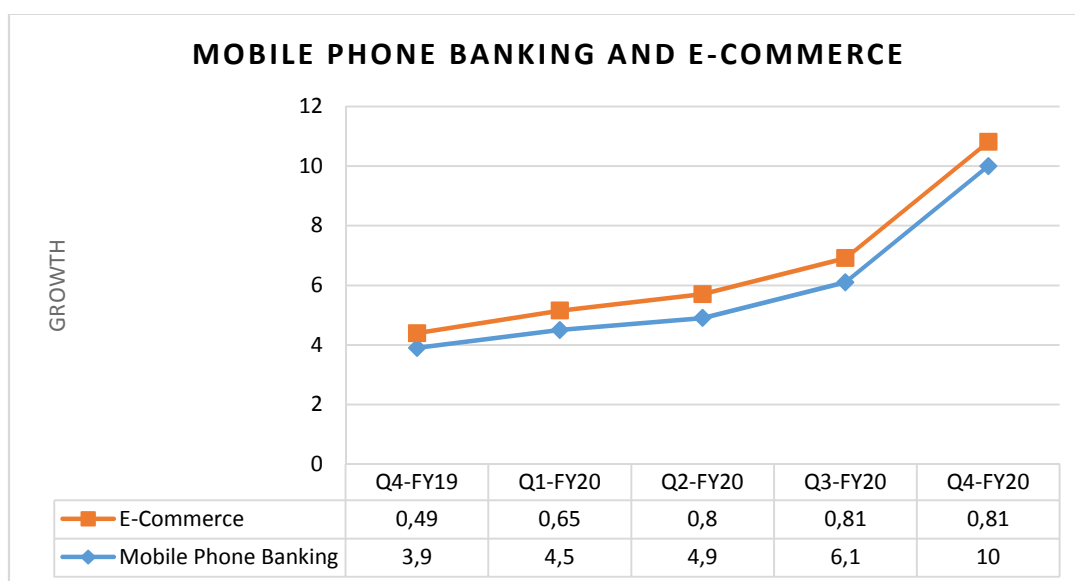
Pakistan is the 46<sup>th</sup> largest e-commerce market placing it ahead of Peru and behind Greece. (EcommerceDB, 2021). Its revenues in 2020 were US\$ 4billions. Pakistan's e-commerce market size is increasing day by day due to social distancing and lockdown in the nation. Over 35 percent e-commerce market growth is experienced in the first quarter of fiscal year 2021 that is 96 billion as compared to 71 billion from the same period of last year (Ministry of Commerce, 2021). During the last 12 months E-commerce merchants increased 1,410 to 2,164. (National E-commerce Council, 2021)

Figure 16 - Price of Zoom shares traded on Nasdaq Stock Market in 2020 and 2021 (US dollars)



Source: (Liu, 2021)

Figure 17 - Mobile Phone Banking and E-Commerce



Source: State Bank of Pakistan

Pakistan is among the countries where e-commerce businesses are growing rapidly. Due to COVID-19 people prefer contactless shopping. Number of e-commerce merchants has significantly increased over the last year. E-commerce revenue increased from a 2.3 billion to 9.6 billion in the fourth quarter of fiscal year 2020. Annual revenues reached to Rs 34.8 billion rupees (SBP, 2021).

COVID-19 pushed people to buy online. The effect of COVID-19 was not uniform for all the products. Demand increases for medicines and food items, while demand decreases for sports items, travel bags, suitcase, and formal and bridal dresses (OECD, 2020).

To avoid contact with each other, people shifted towards online shopping. Instead of bulk buying they started using online resources. Metro online is the top grocery website that earned total revenue of 1 million with growth of 98.7 percent. Figure 18 shows the top online food and beverage websites during the year 2020.

Due to pandemic situation and lockdown online store experienced a sharp rise in their revenues. Below presented table is showing the revenues of top 9 online stores. Among these, Gul Ahmed has the largest share in total revenues (figure 19).

Figure 18 - Food and Beverages

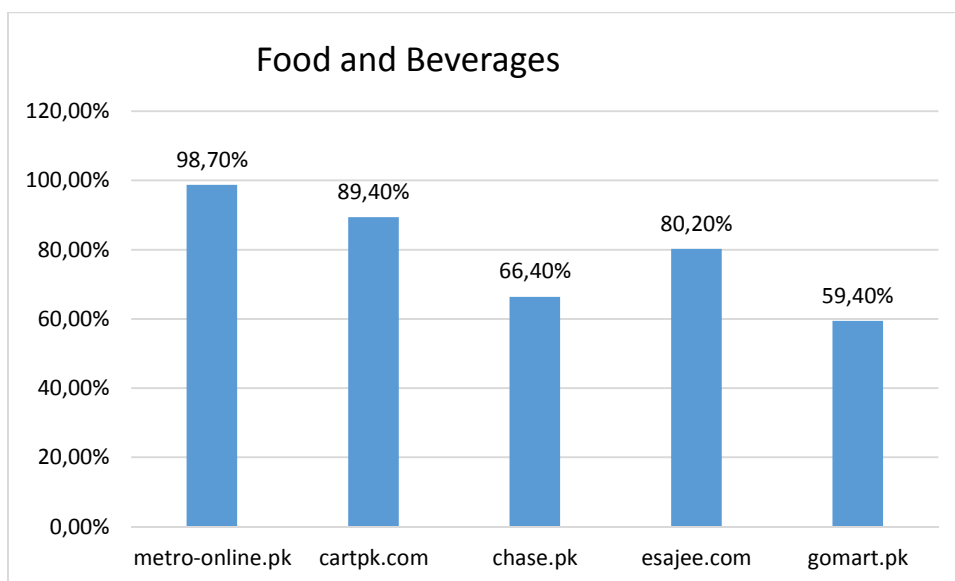
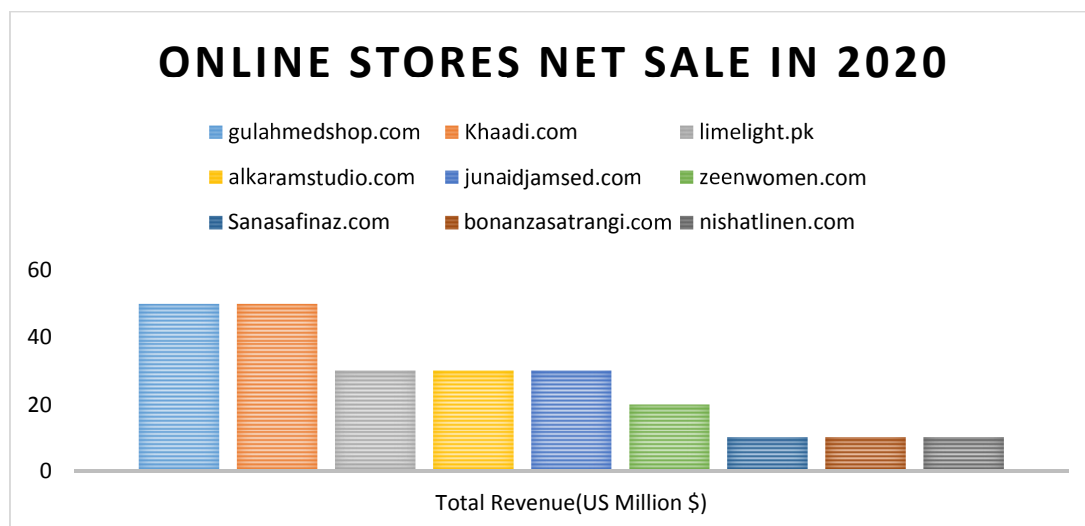


Table 2 - Food and Beverages

Food and Beverages			
Online Stores	Total Revenue (US\$)	Revenue	Growth 19/20
metro-online.pk	1 Million		98.70%
cartpk.com	1 Million		89.40%
chase.pk	1 Million		66.40%
esajee.com	1 Million		80.20%
gomart.pk	1 Million		59.40%

(EcommerceDB, 2021)

Figure 19 - Online stores net sale in 2020



Source: E-commerce DB

Internet use in Pakistan has increased by 11 million in 2021 total internet users are 11 percent more than the year 2020. Use of social media is increasing on daily basis. Figure 20 indicates that Facebook is on the top of

the list followed by Twitter, Instagram etc. Total number of social media users in Pakistan increased by 24 percent from 2020 to 2021.

Figure 20 - Social media Stats in Pakistan on monthly basis

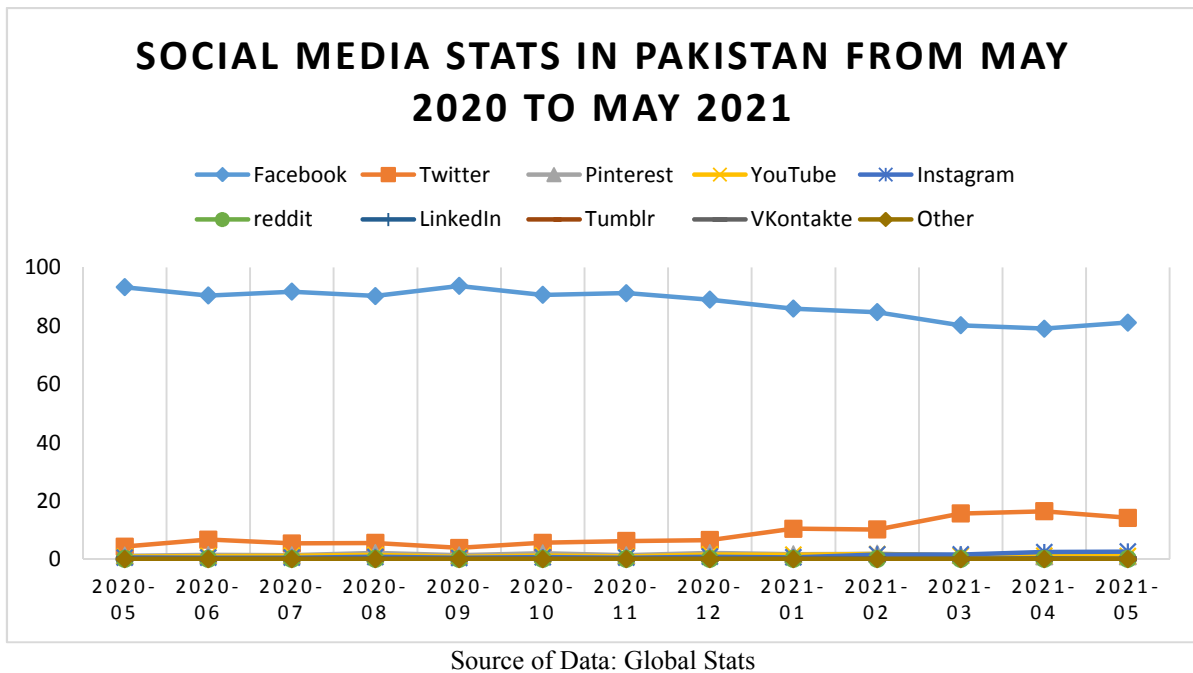
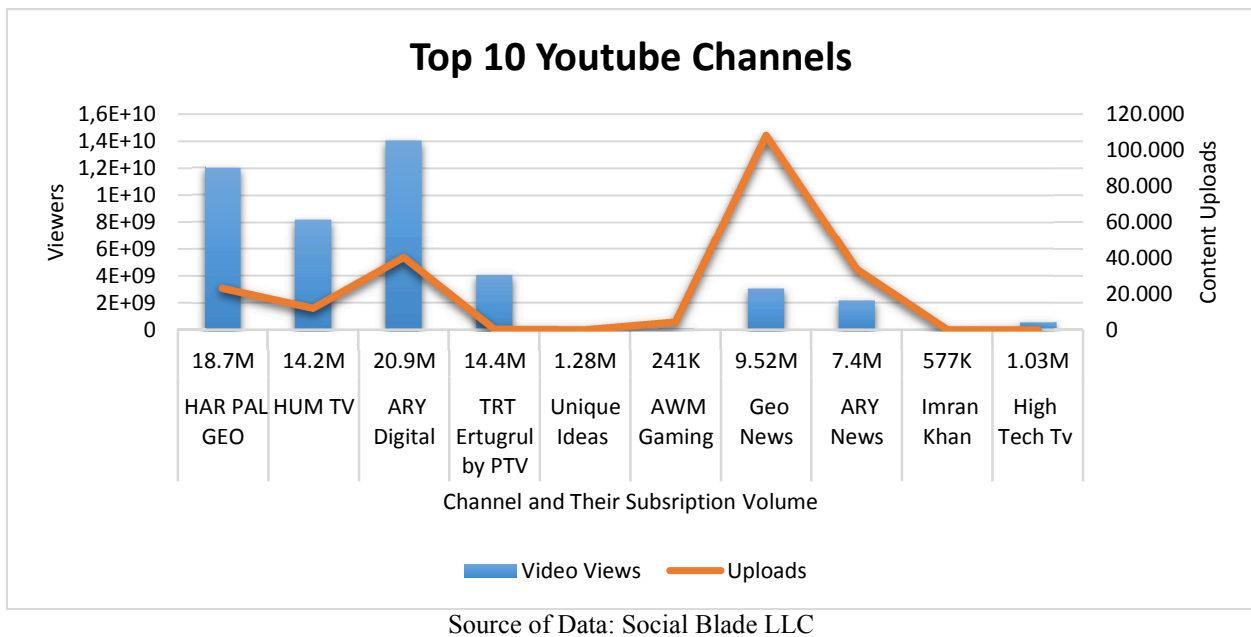


Figure 21 - Top 10 YouTube Channels in Pakistan sorted by SB Rank



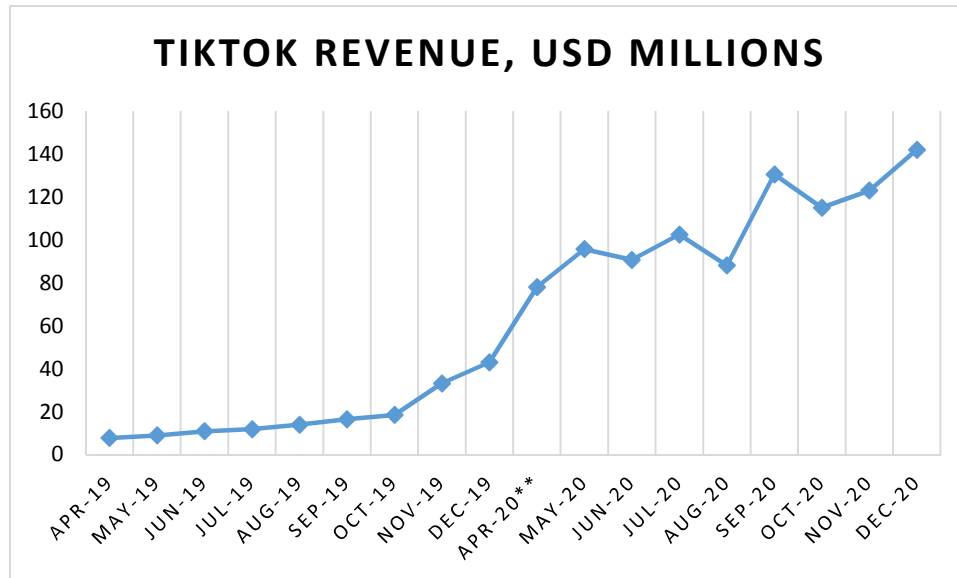
With the use of the internet, people started earning from YouTube. Figure 21 presents top ten YouTubers in Pakistan. Among these YouTubers, ARY Digital has highest number of subscribers of 20.9 million.

Figure 22 presents the total revenue of TikTok from 2019 to 2020. This figure indicates that how these revenues increased from 78 million USD in April 2020 to 142 million USD in December 2020. During this time period there is a sharp rise in revenues. We can clearly see from the graph that after December 2019 there is a sharp increase in the revenues that continued until May 2020. Revenues from TIKTOK are increasing on daily basis. During this pandemic, people increased their earnings through social media.



TikTok and Douyin both generated 315 million downloads in the first quarter of 2020. These downloads are higher than from the previous year. In the last year 187 million downloads of these apps were generated. Video sharing apps experienced a positive trend in their popularity because of COVID-19.

Figure 22 - Total TikTok revenues



Source: Sensor Tower

## CONCLUSION AND RECOMMENDATIONS

Coronavirus is spreading rapidly. During the past few months, the number of cases and mortality rate has reached an unexpected level. Government has failed to control the spread of this virus. As Pakistan is developing nation government of Pakistan has limited resources. Lack of basic health facilities, poor policies and weak governance are the major factors that worsen the current situation. (Jaffery, 2020). Still good strategies can be adopted by proper leadership skills of government. Less costly and effective strategies can give better results if these are adopted early, quickly and adequately (Chowdhury & Jomo, 2020).

Entire world is facing severe crises due to this virus. Many people have lost their jobs. People's stress and depression level increased due to isolation and fear of the virus. Most women lost their jobs during this time because most of the women are working in the informal sector. This pandemic paused the small businesses during lockdown. That resulted into severe economic crises. This pandemic has affected the supply chain, transportation system and workforce of the country. Geographically isolated people face a crisis in the shortage of food due to the disturbance of economic system during lockdown. Population that were most at-risk were those who were already struggling hard for food, poverty and health. Major challenges that were faced by the community during this time are insecurity of food, decrease in income, and fear of infection.

Due to lockdown in the country, schooling shifted to online. During this time, zoom became the counter-piece of life because people use it for jobs, education, and socializing. During the same period, growth of market size of e-commerce and mobile phone banking increased rapidly, generating high revenues for many big companies. Employment level in these companies also increased due to high demand for their product in the market.

Rapid use of internet during 2020 helped the country to digitalize the economy. Use of internet in Pakistan increased by 21 percent during the period of 2020-2021. Use of social media websites like Facebook, twitter, and Instagram increased monthly. Among these websites, Facebook remains at the top of the list. Earning through YouTube also increased. Among the top YouTube channels, ARY Digital remains on the top of the list in terms of subscribers and most viewed videos. Among the online grocery stores, metro cash and carry earned

the highest revenues through online shopping in 2020 while in the fashion industry, Gul Ahmed earned the highest revenues in 2020.

Pakistan can tap into the digitization of their nation by training their youth majority population to recover from the COVID induced recession towards a digitized economy adapting the new norm.

Undoubtedly, it benefited many companies, but we cannot ignore its harmful impact on the entire economy. Clinicians are working hard to find the medicine for corona virus, but it will take time. Public health and other sectors in Pakistan are working together to address this challenge but they cannot achieve their target without community engagement. Long term lockdown is not possible in Pakistan because most people are already struggling hard to get food, and long lockdown can lead to deaths from hunger. Pakistan is a densely populated nation with poor health facilities and experiences unhygienic practices. These practices can lead to the severity of infection in this region. The government of Pakistan is providing a free vaccine for Pakistan, but many people are resisting this vaccine due to fear of the reaction of the vaccine. Government should urge the population to get a vaccine. COVID-19 vaccine is the only hope of limiting this pandemic. We can save the entire community if we take one step towards self-isolation. This situation can minimize the risk by staying at home and following good hygiene practices. This is the only way by which we can save other individuals. Followings are a few recommendations:

Government should provide security to healthcare professionals. Because these healthcare professionals are at risk due to their direct contact with patients. Pakistan should pass fiscal and financial stimuli. This will help people who are suffering from financial crises. These policies will help them to improve their health and reduce the number of cases that die due to hunger.

Government should provide training facilities for the youth of the nation regarding the use of social media and online earnings. This step will promote e-commerce in the economy and it will generate new revenues. The step toward the digitalization of economy will generate new jobs in the economy. Employment will increase. The government must pay attention to educate the public and spread awareness in individuals about the risk of this infection because there is no guarantee that the number of cases in Pakistan will remain low compared to western countries.

After the diagnosis of COVID-19 proper SOP's should be followed to control the spread of infection from one individual to another. Following proper SOP's can only save the entire community from this fatal disease.

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