



Covid-19 Disruption of Middle-Class Monthly Household Income and Budget

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ABSTRACT

Covid-19 has brought the life of every individual to a standstill. The middle class is in majority in India. The capable members in the family keep earning on monthly basis contributing to the Monthly Household Income (MHI) and keep on managing the activities as per household budget. But, the Covid-19 outbreak disrupted the way the middle class was managing household financial activities before the outbreak. Owing to prolonged lockdown all over the world, many of them have either lost their jobs or are on the verge of losing their jobs. It has really put a big question mark on the life of all the members in the house. Most of them are either paying EMIs of house or education loan, the basic necessities. It is completely dark everywhere. Moreover, shopping list of essentials has been changed. Masks, gloves sanitizers are occupying space above food and education. This is how Covid-19 has disrupted the monthly spending of the household. Cluster Analysis has been applied and two major clusters with “Highly Affected” and “Hardly Affected” households have been identified. No doubt, government and big corporate are coming up in front to support them in the hours of need. How long it will take to bring life back to normalcy-it is still difficult to predict.

Keywords: Covid-19, Disruption, Middle-Class, Monthly Household Income, Budget, India

JEL Classifications: C38, D14, E24

1. INTRODUCTION

There are 24.9 million confirmed cases including 6.7 million existing cases of Covid-19 all over the world till now. The current status of such cases in India is 3.4 million confirmed cases including 0.7 million existing cases (Data Sources: Ministry of Health and Family Welfare, Government of India [MoHFW¹], World Health Organisation [WHO²], 29 August 2020). It is very difficult to predict the current situation throughout the globe. This is definitely going to impact the economy adversely. The major factors are non-availability of vaccine, prolonged situations of lockdown, social distancing norms, containment, disruptions

in production, factors related to demand and supply, changing patterns of spending, uncertainty in the price of commodity, besides social and behavioral factors (Venkatachary et al., 2020). The rate of unemployment is deepening in Micro, Small and Medium Enterprises (MSMEs) due to the economic crisis backed by minimal ongoing financial transactions. Critical economy is very influential for financial business companies in the field of sales. Due to lack of work, lower middle class is feeling helpless and do not have much financial reserves (Hertati et al., 2020). The poor status of the Khmer ethnic people in Tra Vinh province is due to the impact of education, dependency ratio and occupation (Nguyen, 2018). The final purpose of economic activity, in general, refers to the household consumption. A central measure of the productive success of an economy indicates the level of consumption per person. The consumption is one of the key determinants of well-being of citizens at the global level (Bonsu and Muzindutsi, 2017).

1 <https://www.mohfw.gov.in/>

2 Globally, as of 10:50 am CEST, 02 September 2020, there have been 25,541,380 confirmed cases of COVID-19, including 852,000 deaths, reported to WHO. <https://www.who.int/>

Many persons who lost their lives due to the Covid-19 outbreak will definitely have an economic impact as families have lost that household income, as in low and middle income countries, people work even after the age of retirement (Evans and Acosta, 2020).

1.1. Problem Statement

The prevailing pandemic situation all over the world since March 2020 motivated the researcher to know how much Covid-19 affected the age, occupation and Monthly Household Income (MHI) of middle-class in India and to profile them accordingly, keeping in view the disruption caused to their MHI and budget.

1.2. Objective of the Study

“To profile Covid-19 affected middle-class households on the basis of demographic variables and to understand Covid-19 disruption of middle-class MHI and budget.”

2. LITERATURE REVIEW

The outbreak of the pandemic Covid-19 from Wuhan in China soon spread all over the world and affected the life of every individual in the society in one way or the other. The impact of the virus on society, general health and economy has been discussed by Venkatachary et al. (2020). Rustiadi and Nasution (2017) observed that the social capital supersedes the human capital in reducing the probability of rural households being poor in Indonesia. Keho (2019) analyzed that the government consumption is positively affected by per capita income and private consumption in the long run. He applied the autoregressive distributed lag bounds test and Johansen approach to annual data (1970-2016) in Cote d'Ivoire. The researcher indicated that considering individual components of government spending to investigate their different relationships with household consumption might be beneficial. Kaushal and Ghosh (2016) observed a long run relationship between financial institutions, including banking and insurance and economic growth in the Indian economy. It is observed that the a change in the level of household income, housing price and population positively impact, whereas cost of living and increasing interest rates negatively impact the mortgage debt in the long run (Khan et al., 2016). The likely to be affected groups should ensure high-level insurance payments when they face loss of earnings (Beglova et al., 2015). Asngari et al. (2020) analysed that the price of wheat, family income, and the number of family members has significantly influenced the household rice food consumption. Cong and Lich (2017) found that household consumption has ambiguous impact, whereas investment and exports have positive impact on the economic growth based on the analysis of data of 129 countries from 2002 to 2013. Alam and Alam (2016) determined that the external factors for a rising price level in the country are dominated by the monetary growth and supply bottlenecks (domestic factors) in the long-run. The household debt is insignificantly related with inflation and consumption; related at moderate to high levels of distributions with GDP growth and house prices, and related across all quantile distributions with interest rates and investment (Nomatye and Phiri, 2018). The changes in the price levels affect the household consumption only in the short run. The real exchange rate and real economic growth is significantly affected (Bonsu and Muzindutsi, 2017).

2.1. The Results Derived from the Review of Literature can be Summarized as Under

The factors causing Covid-19 disruption of Middle-Class households' MHI and Budget have been discussed. The role of government and the measures to be adopted to face such situations of prolonged financial crisis by households have been indicated to some extent.

3. METHODOLOGY AND DATA

The study is focused on profiling of Covid-19 affected middle-class households on the basis of demographic variables to understand Covid-19 disruption of middle-class MHI and budget in India. For this, the Covid-19 affected middle-class households falling in different age groups and indulged in different occupations have been asked to mention their level of agreement towards the disruption of middle-class households' MHI and budget via an open-ended questionnaire.

3.1. Measures

The instrument was designed using the measurement scale titled “Coronavirus Impacts Questionnaire” developed by (Conway et al., 2020) (Appendix I). The survey included the following sections (Gupta and Grover, 2019). The questions were related to student demographics- Occupation, Age Group and MHI. The classification of MHI of the middle income segment in India into three broad sub-segments taken in this research are based on the description provided by Ms. Nirmala Sitaraman, the Finance Minister of India at present (Singh, 2020). The demographic attribute “Occupation” is based on the research conducted by Nguyen (2018) who observed that household owners' occupation is one of the factors affecting multi-dimensional poverty of the Khmer households. Small business includes businesses with <10 employees and shop owners (Koslow et al., 2020). 9 items have been used to measure the Coronavirus Impacts on the middle-class. The data was collected using 5-point Likert-scale of agreement with “5” reflecting “Strong Agreement” to “1” reflecting “Strong Disagreement.” Every third item in the instrument is “Reverse-scored.”

3.2. Sampling Design

The Universe of the study comprised all middle-class (above 18 years of age) residing in India. The Survey (Target) Population included all middle-class residents in Mohali (Punjab) and Ambala (Haryana), India. The non-probability judgment and convenience sampling was used.

Description of Sample: 150 respondents comprised the final sample (Table 1). The management students supported the researchers in gathering relevant data.

Demographics: Occupation, Gender and MHI of the Sample Respondents under Study.

The combined sample consisted of more than half (52%) of the respondents are indulged in small business (other than Kiryana), 40% are employed (salaried) in private sector and 8% are indulged in running Kiryana Stores. The 43% respondents fall in the

age-group of 46-55+ years, 35% fall in the age-group of 26-35 years, 18% belong to 36-45 years' age-group and 4% belong to 18-25 years' age-group. Nearly half (46%) of the respondents live above the poverty line and earn upto \$700/month as MHI, 41% have MHI between \$700-\$1400/month and remaining 13% have MHI between \$1400-\$2000/month.

In summary the typical sample respondent profile can be described as follows:

The middle class households were mainly indulged in Small Business (other than Kiryana), falling mainly in the age group of 46-55+ years, live above the poverty line and MHI is upto \$700/month.

3.3. Hypothesis

To achieve the objective, following hypothesis has been framed:

“It is possible to cluster Covid-19 affected middle class households on the basis of demographics variables and to understand Covid-19 disruption of middle-class MHI and budget”.

3.4. Data

The study tested statistically the affect of Covid-19 on middle-class households based on occupation, age group and MHI; and the Covid-19 disruption caused to MHI and Budget. The statistical significance was set at a level of 0.05. Cluster analysis via Ward's method was used.

Prior to this, Pearson's Correlation Coefficient is calculated between Covid-19 affected MHI and Budget of middle class to measure strength of the relationship between these two variables (Table 2).

Covid-19 affected MHI and Budget are positively correlated and correlation coefficient is 0.078. Although technically a positive correlation, the relationship between these variables is weak (nb. the nearer the value is to zero, the weaker the relationship) (Create correlation matrix in excel or correlation table in excel, 2019).

Table 1: Overall Covid-19 affected middle class households sample frequencies

Descriptive	Code	Frequency	Percentage
Occupation			
Salaried (Private sector)	1	60	40
Kiryana merchants	2	12	8
Small business (Other than Kiryana)	3	78	52
Total		150	
Age group (in years)			
18-25	1	6	4
26-35	2	53	35
36-45	3	27	18
46-55+	4	64	43
Total		150	
MHI			
\$1400/month-\$2000/month	1	19	13
\$700/month-\$1400/month	2	62	41
Above the poverty line-\$700/month	3	69	46
Total		150	

Cluster Analysis has been used via SPSS Statistics, 19.0.1 version for profiling the Covid-19 affected middle class households. A new Covid-19 affected middle class household's typology, named as Highly Affected Households (Cluster 1) and Hardly Affected Households (Cluster 2), has been evolved (Tables 3-6). The study revealed a statistically significant relationship between the Covid-19 affected middle class household-based clusters (Highly Affected Households and Hardly Affected Households) based on select demographic variables: Occupation, Age Group and MHI under Study.

For cross-tabulating the data, a Chi-square Test has been administered in order to profile the two segments. The statistically significant differences were found (Tables 7-9).

Occupation: 1-Salaried (Private Sector), 2-Kiryana Merchants; 3- Small Business (Non-Kiryana) Cluster 1: Highly Affected Households 2: Hardly Affected Households.

Table 2: Correlation matrix

		MHI	Budget
MHI	Pearson correlation	1	0.078
	n	150	150
Budget	Pearson correlation	0.078	1
	n	150	150

Table 3: Final cluster centers

	Cluster	
	Highly affected households (Cluster 1)	Hardly affected households (Cluster 2)
Financially_Negative_Impact	3.87	2.38
Job_related_Income_Lost	3.39	4.36
No_Impact_on_Financial_Status	4.55	4.49
Had_a_Hard_Time_Getting_Needed_Resources	4.27	2.22
Difficult_to_Get_the_Things_Needed	4	3.6
No_Affect_on_Ability_to_Get_Needed_Resources	3.96	3.64
Become_Depressed	3.68	3.53
Negative_Impact_on_Psychological_Health	2.91	4.53
Not_Felt_any_Worse_than_Before	3.16	3.67

Table 4: Distances between final cluster centers

Cluster	1	2
1		3.254
2	3.254	

Table 5: Number of cases in each cluster

Cluster	1	2
Valid	150	0
Missing	0	0

Table 6: Sample frequencies (cluster-wise) of Covid-19 affected middle class households

Descriptive	Highly affected households (Cluster I)	Hardly affected households (Cluster II)	Total sample frequency
Occupation			
Salaried (Private Sector)	39	21	60
Kiryana Merchants	0	12	12
Small Business (Non-Kiryana)	56	22	78
Total	95	55	150
Age Group(in years)			
18-25	2	4	6
26-35	35	18	53
36-45	16	11	27
46-55+	42	22	64
Total	95	55	150
MHI			
\$1400/month-below \$2000/month	3	16	19
\$700/month-\$1400/month	41	21	62
Above the poverty line-\$700/month	51	18	69

Table 7: Occupation* Covid-19 affected middle class households clusters

Occupation * cluster cross tabulation						
		Cluster		Total		
		1.00	2.00			
Occupation	1.00	Count	39	21	60	
		Expected count	38.0	22.0	60.0	
		% within occupation	65.0	35.0	100.0	
		% within cluster	41.1	38.2	40.0	
		% of total	26.0	14.0	40.0	
	2.00	Count	0	12	12	
		Expected count	7.6	4.4	12.0	
		% within occupation	0.0	100.0	100.0	
		% within cluster	0.0	21.8	8.0	
		% of total	0.0	8.0	8.0	
	3.00	Count	56	22	78	
		Expected count	49.4	28.6	78.0	
		% within occupation	71.8	28.2	100.0	
		% within cluster	58.9	40.0	52.0	
		% of total	37.3	14.7	52.0	
Total	Count	95	55	150		
	Expected count	95.0	55.0	150.0		
	% within occupation	63.3	36.7	100.0		
	% within cluster	100.0	100.0	100.0		
	% of total	63.3	36.7	100.0		

Result of Chi-square test: The null hypothesis cannot be rejected. There is a significant relationship between Occupation and Covid-19 Affected Middle Class Households based clusters ($\chi^2_{cal} = 23.204$, $\chi^2_{tab} = 5.991$, $df = 2$, $P = 0.000$).

Age group: 1- 18-25 years, 2- 26-35 years, 3- 36-45 years, 4- 46-55+ years;

Cluster 1: Highly Affected Households 2: Hardly Affected Households

Result of Chi-square Test: The null hypothesis cannot be accepted. There is no significant relationship between age group and Covid-19 Affected Middle Class Households based clusters ($\chi^2_{cal} = 2.830$, $\chi^2_{tab} = 7.815$, $df = 3$, $P = 0.419$) (Gupta and Kalra, 2019).

MHI: 1- \$1400-below \$2000/month, 2- \$700-\$1400/month, 3- Above the poverty line to \$700/month;

Table 8: Age group* Covid-19 affected middle class households clusters

Age * cluster crosstabulation						
		Cluster		Total		
		1.00	2.00			
Age	1.00	Count	2	4	6	
		Expected count	3.8	2.2	6.0	
		% within age	33.3	66.7	100.0	
		% within cluster	2.1	7.3	4.0	
		% of total	1.3	2.7	4.0	
	2.00	Count	35	18	53	
		Expected count	33.6	19.4	53.0	
		% within age	66.0	34.0	100.0	
		% within cluster	36.8	32.7	35.3	
		% of total	23.3	12.0	35.3	
	3.00	Count	16	11	27	
		Expected count	17.1	9.9	27.0	
		% within age	59.3	40.7	100.0	
		% within cluster	16.8	20.0	18.0	
		% of total	10.7	7.3	18.0	
	4.00	Count	42	22	64	
		Expected count	40.5	23.5	64.0	
		% within age	65.6	34.4	100.0	
		% within cluster	44.2	40.0	42.7	
		% of total	28.0	14.7	42.7	
Total	Count	95	55	150		
	Expected count	95.0	55.0	150.0		
	% within age	63.3	36.7	100.0		
	% within cluster	100.0	100.0	100.0		
	% of total	63.3	36.7	100.0		

Cluster 1: Highly Affected Households 2: Hardly Affected Households.

Result of Chi-square test: The null hypothesis cannot be rejected. There is a significant relationship between MHI and Covid-19 Affected Middle Class Households based clusters ($\chi^2_{cal} = 22.029$, $\chi^2_{tab} = 5.991$, $df = 2$, $P = 0.000$).

3.5. Summary of Results of Chi-square Tests of Independence on Covid-19 Affected Middle Class Households Clusters

In summary, we can say that there is a statistically significant relationship between the Covid-19 Affected Middle Class Households' based clusters (Highly Affected Households and

Hardly Affected Households) and the select demographic variables: Occupation, Age Group and MHI under Study.

4. EMPIRICAL RESULTS

It is observed that the debt is used as a substitute for income to meet the increasing consumption created by higher cost of living (Khan et al., 2016). Tables 10 and 11.

Table 9: MHI* Covid-19 affected middle class households clusters

MHI * cluster cross tabulation							
		Cluster		Total			
		1.00	2.00				
MHI	1.00	Count	3	16	19		
		Expected count	12.0	7.0	19.0		
		% within MHI	15.8	84.2	100.0		
		% within cluster	3.2	29.1	12.7		
	2.00	% of total	2.0	10.7	12.7		
			Count	41	21	62	
			Expected count	39.3	22.7	62.0	
			% within MHI	66.1	33.9	100.0	
		% within cluster	43.2	38.2	41.3		
			% of total	27.3	14.0	41.3	
			3.00	Count	51	18	69
				Expected count	43.7	25.3	69.0
% within MHI	73.9	26.1		100.0			
% within cluster	53.7	32.7		46.0			
% of total	34.	12.0	46.0				
	Total	Count	95	55	150		
		Expected count	95.0	55.0	150.0		
		% within MHI	63.3	36.7	100.0		
% within cluster		100.0	100.0	100.0			
% of total	63.3	36.7	100.0				

4.1. Middle Class Strategies to Generate Novel Sources of Income due to Covid-19 Disruption of their MHI and Budget

The two broad categories of Middle-Class emerged due to Covid-19.

The households engaged in routine business of essential items to fulfill the basic needs of the citizen's i.e. Kiryana merchants (Mom-and-Pop Store) are hardly affected. They are continuing to run their businesses as per government advisory to face this pandemic situation. The disruption occurred in the way they are carrying out their business activities. Even the smaller merchants are maintaining social distancing and prefer online transactions. The large merchants with superstores are engaged in receiving orders online, home-delivery too. But, the situation of other businesses is worse. The citizens who can afford smart phones are able to cope-up with such situations but for others it is still a big challenge. This factor is also influencing the education of the children that has turned to online mode since then. In case of lower middle class, either they do not have a smart phone or if they have, it remains with father who is out of home and is on the job throughout the day. The children may be two or three and in some cases four too, are sitting at home, missing their online classes' every day. It is becoming challenging to face the changed situations. So is the case of salaried class and the performance of business is affecting the employees too. They are either not getting full salary (Singh, 2020) or are not receiving it on regular basis. Job-losses are on peak (Lahoti et al., 2020). The immediately affected families especially in low and middle income countries are finding it difficult to arrange all three meals a day for their children, afraid of being pushed back to Below the Poverty Line (BPL) and in arranging healthcare related facilities (Evans and Acosta, 2020).

Table 10: Segmentation profiles of Covid-19 affected middle class households clusters

Covid-19 affected households clusters	Highly affected households (Cluster I)	Hardly affected households (Cluster II)
Characteristics	Nominal Financial Reserves and Nominal Income	Sufficient Financial Reserves and Regular Income
Occupation	65% Salaried (Private Sector) 0% Kiryana Merchants	35% Salaried (Private Sector) 100% Kiryana Merchants
Age Group	72% Small Business (Other than Kiryana)	28% Small Business (Other than Kiryana)
	33% 18-25 years	67% 18-25 years
	66% 26-35 years	34% 26-35 years
	59% 36-45 years	41% 36-45 years
MHI	66% 46-55+ years	34% 46-55+ years
	16% \$1400-below \$2000/month	84% \$1400-below \$2000/month
	66% \$700-\$1400/month	34% \$700-\$1400/month
	74% Above the poverty line-\$700/month	26% Above the poverty line-\$700/month

Table 11: Summary of results of hypothesis testing (Gupta and Mittal, 2012)

Hypothesis	Results
It is possible to cluster Covid-19 affected middle class households on the basis of demographics variables and to understand Covid-19 disruption of middle-class MHI and budget.	Accepted The Cluster Analysis results in the acceptance of the Null hypothesis that 'It is possible to cluster Covid-19 affected middle class households on the basis of demographics variables and to understand Covid-19 disruption of middle-class MHI and budget. Keeping in consideration the nomenclature of the "Coronavirus Impacts Questionnaire," and a review of past literature the following names were given to the Covid-19 Affected Middle Class Households typology: Cluster 1: Highly Affected Households; and Cluster 2: Hardly Affected Households. The Pearson Correlation Coefficient shows that there is a significant association between Covid-19 Affected Middle Class MHI and Budget. The Chi-square tests shows that there is a significant relationship between Covid-19 Affected Middle Class Households based clusters and some demographic variables (Occupation, Age, MHI).

There is no question of appraisal this year. Ultimately, the Monthly Household Income (MHI) is reduced. It is becoming very difficult to plan monthly budget. The reason being there is no confirmation of MHI in times to come. A person is already paying EMIs for house or education or personal loans (Singh, 2020). So, the budget planning is also affected. Some, reserves are yet to be maintain as darker days that might come anytime. Boston Consulting Group (2020) conducted the COVID-19 consumer sentiment research covering both developed and emerging markets and ~1,300 SEC A and B respondents in Metros, Tier 1 and Tier 2 cities. This study assessed the overall shift in spending across a large set of categories (~50). Over 50% continue to have a negative outlook on future income. Younger consumers lower SECs and small businesses are more pessimistic.

On the other side, the students who can afford mobile phones are simply logging in put their mics on mute, turn off their camera and are either not attending classes attentively or in case they are attending it, they are not able to grasp everything in the same way as in a real class. Teacher is bound to ask them to put mics off to avoid unwanted background disturbance. The teacher is also compelled to ask them to turn the cameras off so that speed of the online communication remains high. The online education is not the substitute of virtual class in actual. It is better in case we have to choose between “a class going on” or “no class going on,” but as far as quality of education delivered as well as quality of education gained is concerned, there is no comparison. This is so especially in case of students are either “less focused” or “not focused.” Here, teacher cannot pay individual attention during the class. The interaction is also reduced. It becomes more of one way communication. Also, the students as well as teachers become deprived of peer learning, etiquettes, formal dressing, behavior, mannerism. Their social life is the worst affected. Further, they cannot celebrate festivals, parties, other technical and non-technical events in the same way in online mode as it happens in reality. A student is going to class not only to gain knowledge but for the all round development of the personality. So is the case of teachers as employees. They all miss their colleagues and learning from the informal groups, which is an equally essential aspect to life to build their own affectionate, behavioral, and cognitive skills. The households in India are trying their best to opt out to the adoption of digitization in very possible way, may it be transactions, promoting business or any other (Koslow et al., 2020). The ICT is used productively by the persons who have higher level of education, health and living standards (HDI) are better able to use ICT and are contributing to national income (Mehmood et al., 2014).

The big or ethical business houses are duly taking care of their employees, providing them extra incentive to fight this pandemic and keep their MHI and Budget on the track. Also, there always occur some unforeseen situations in life for which a person always has to remain prepared well in advance. Every household has to keep a particular amount in their budget these days as the virus can attack anyone anytime. There is an increase in income by the high value-addition of rice in Indonesia. Further, the increase in the population causes an increase in the level

of consumption of rice (Asngari et al., 2020). The agricultural sustainability is the prerequisite for reducing food-energy-water poverty (Ozturk, 2017).

The government should take appropriate, timely and effective steps for the revival of the economy in such situation of crisis (Lahoti et al., 2020). The Financial cycle includes Housing price index, Household debt to GDP, and Household debt (Pumjaroen et al., 2020). The investors should not follow sentiment indicators blindly and found that aggressive stocks have high volatility and gain investor attention during optimistic and pessimistic market conditions (Yelamanchili, 2019). A number of solutions such as vocational training to raise incomes, building preferential credit policies, medical services, etc. for life stabilization and multi-dimensional poverty reduction can be adopted (Nguyen, 2018). Before framing the policies, the policy makers should taken into consideration the higher sensitivity of growth to change in inflation observed in India (Ahmmmed et al., 2020). The private sector is currently not in a situation to lead as it itself is seeking support from the government. The government needs to regulate the private sector for the sake of society. While framing the revival package, the loss of investment and private consumption must be considered. The government must ensure its successful delivery to the right and deserving households (Gill, 2020).

5. CONCLUSION AND POLICY IMPLICATIONS

No one in this world knows how long the Covid-19 virus is likely to remain in this universe and to affect the health and economic growth in the society (Venkatachary et al., 2020). Many families face financial burden when the working age adults fall ill due to the outbreak of Covid-19 pandemic and miss their work for days (Evans and Acosta, 2020). The local governments accompanied by NGOs, student force from universities, and enterprises should impart specific training programs for households such as farming activities by merging of the small-scale fields to the larger one. The factors causing the vulnerability to the households should be taken into consideration while framing policies, conducting social project and calculating the impact assessment (Minh et al., 2019). All the stakeholders, including the private sector and government agencies in the society should promote investing in the social capital, the most effective weapon to fight against poverty (Rustiadi and Nasution, 2017). The population growth should be kept below the rate of food productivity by the food security policies (Asngari et al., 2020). Nazneen and Dhawan (2018) discussed the role and challenges faced by Non-Banking Finance Companies (NBFCs) in Economic Development of India. India might be in reverse gear by a decade in its struggle in poverty reduction, job losses, negative impact on informal sector and insufficient support by the government (Manish, 2020). In present scenario without a more stable source of capital inflow, the Rupee is expected to remain highly volatile (Mirchandani, 2017). One of the best strategies to stimulate economic growth is the supply-side economy while controlling inflationary phenomenon (Tang and Ozturk, 2017). The economic growth is not an only viable solution to reduce

non-income deprivation. The poors should be duly taken care of while planning any practical and outcome based approach (Zaman, 2015). Singh (2020) rightly pointed out that the Middle Income Group should also be on the top of the mind for policy planners in India. IMF recommended that an economic safety net comprising cash transfers, sick leave, subsidized health coverage should be kept ready to help the most vulnerable middle class in order to minimize the economic impact of Covid-19.

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APPENDIX I

Coronavirus Impacts Questionnaire

Financial Scale

The Coronavirus (COVID-19) has impacted me negatively from a financial point of view.

I have lost job-related income due to the Coronavirus (COVID-19).

The Coronavirus (COVID-19) has NOT impacted my financial status at all.*

Resource Scale

I have had a hard time getting needed resources (food, toilet paper) due to the Coronavirus (COVID-19).

It has been difficult for me to get the things I need due to the Coronavirus (COVID-19).

The Coronavirus (COVID-19) has NOT affected my ability to get needed resources.*

Psychological Scale

I have become depressed because of the Coronavirus (COVID-19).

The Coronavirus (COVID-19) outbreak has impacted my psychological health negatively.

The Coronavirus (COVID-19) pandemic has NOT made me feel any worse than I did before.*

Scales from: Conway et al. (2020, April 7). Social Psychological Measurements of COVID-19: Coronavirus Perceived Threat, Government Response, Impacts, and Experiences Questionnaires. <https://doi.org/10.31234/osf.io/z2x9a>

<https://psyarxiv.com/z2x9a/>

In all cases, scales are presented with options from 1-7 anchored by "1 = not true of me at all" and (7 = "very true of me.").

* = Reverse-scored item.