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European business At Covid-19 Era

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Abstract

In order to build more knowledgeable policies, the effects of the Covid 19 pandemic on the Business sector should be closely observed. The goal of this paper is to research the effects of Covid 19 on the European Union industry market. The coronavirus pandemic, which first appeared in China, has affected people in 188 countries worldwide. The spread of this virus, in addition to the millions of deaths it has caused, has affected many businesses around the world and the global economy in general. The economic cost of the

pandemic seems to be enormous, and everyone is wondering how economic recovery can be achieved.

This paper would also include a detailed analysis of the strategies remedies used by different governments to re-start the industry. Smart creative and pure brilliance have left the titans of commerce and different markets behind. It is also only normal that the effects of the Corona pandemic on the start-up industry should be more scrutinized.

Keywords: Start-ups, innovation, industry, mitigating measures, European Union

Introduction

A catastrophic economic scene has left the Covid 19 pandemic in its path. Even, the start-up firm was not spared. Just like the rest of the world, the economic scene in Europe is gloomy. That was the worst contraction since World War II. The aim of this paper is to explore in detail the effect of covid 19 on the European economy, with focus on start-ups and remedial initiatives undertaken by governments and other concerned bodies.

According to the latest statistics obtained from the UNIDO Industrial Production Index (IIP), data from 49 countries showed an economic loss of 87% of world value-added production. Comparing the data from the IIP for March 2020, when there was a strong and dangerous outbreak of COVID-19, compared to those of December 2019, it appeared that 81% of countries showed a reduction in industrial production at an average rate of 6% . This comparison also showed that there is a reduction in industrial production by an average of 20% in 93% of countries worldwide. Of course, this reduction does not mean that there have been similar effects on human health, as shown in Figure 2 below. In particular, states that had the same rate of COVID-19-infected patients did not have the same level of financial loss, which depends on the containment measures taken and implemented by each state government (Cantore et al., 2020) [6].

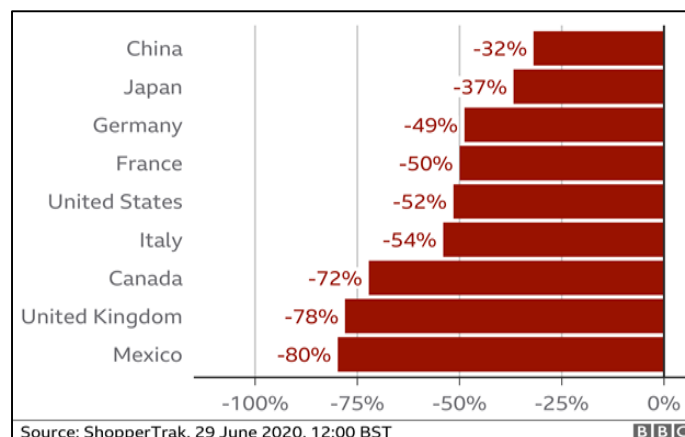
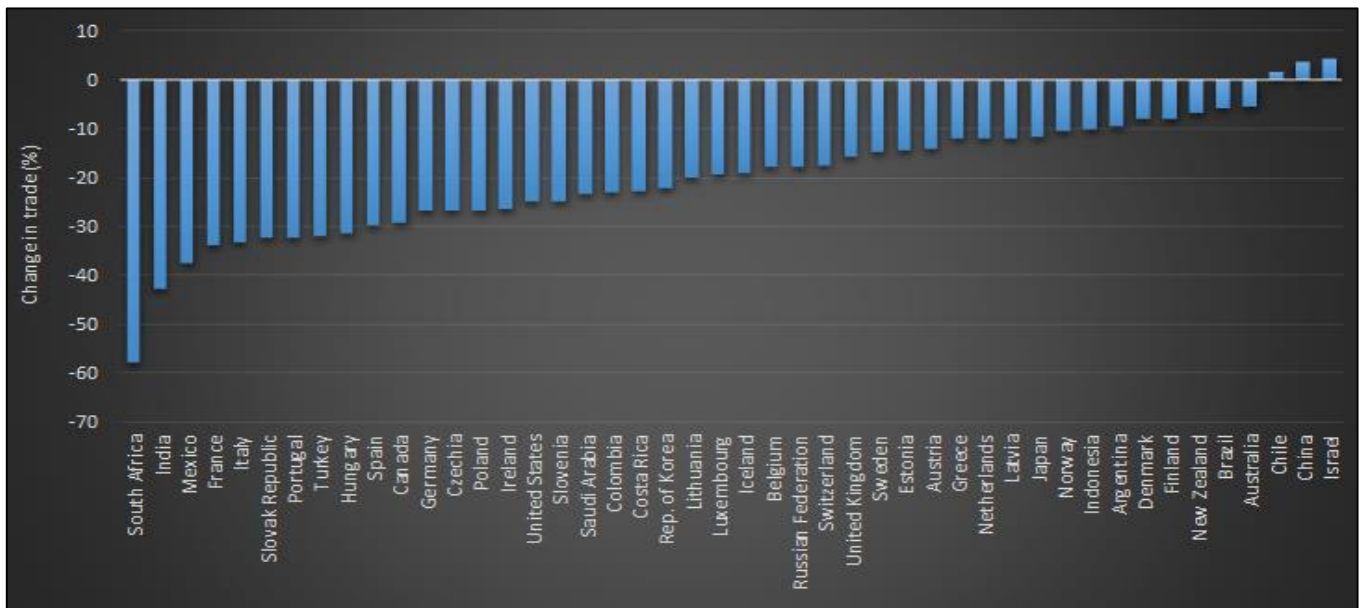


Fig 1

As has been recorded and registered, start-ups have been responsible for a significant amount of economic development in recent years. It is imperative that more focus should be paid to this promising sector and that it receives all the assistance needed to get back to its feet as quickly as

possible. For their lives, a lot of people depend on this sector. In this case, if it is thoroughly thought out, the aid would be more successful. The further studies are conducted on this topic, the more decision makers are able to base their decisions on more materials.



Source: https://translate.googleusercontent.com/translate_c?depth=1&hl=en&prev=search&pto=aue&rurl=translate.google.gr&sl=en&sp=nmt4&u=https://stats.oecd.org/Index.aspx?DataSetCode%3DMEI_TRD&usg=ALkJrhixX8yTryxsZCM-v7VYQ2a74CfdJg

Change of trade in goods in % by country for the period March-April 2020

Fig 2

Research and Development

It takes resources, time and study to adjust to changes. For European Business, it's high time to spend in research and development. Since the challenges of the modern world are somewhat different from the old ones, the post-covid world is full of possibilities. But the ideas should be more imaginative, too. EUR 150 million is being made open to innovators in order to meet the demands of the digital era and the European Innovation Council. An group of experts and funds was orchestrated by the European Institute of Innovation and Technology to solve the problems of the post-covid period. Relevant research funding made available by the local authority is also possible. Fresh areas of problems and possibilities will continue to show themselves. More than ever before, venture capitalists are willing to invest in innovations.

Research

In the methods of study, there are primarily three different kinds of research philosophies used. They are as follows: 1. they are In Pragmatism, 2. Positivism, as well as 3. Interpretivism. Interpretive. Pragmatism is a kind of ideology that only undertakes and collects certain brand-new, creative ideas that are only relevant if any intervention is sponsored. Positivism, on the other hand, is a kind of theory that encourages scholars to be autonomous and often guides them to produce a study paper that is fully externalized. Interpretive is a sort of theory of science that argues that humans are untouched by society's external triggers. The researchers have adopted the theory of pragmatism in this

research paper, as it is fitting to explore and assess the effects of COVID 19 on European start-ups and the concept of re-energizing the economy.

There are mainly two kinds of approaches used by the researchers in research papers. They are as follows: 1. Deductive and 2. Inductive research approaches. In a Deductive approach, the researcher starts the research with a particular theory and then collides many hypotheses from that theory and after that surveys the information to examine the compromised concept. Whereas, in an Inductive approach, the researcher begins with a list of considerations that are made on the basis of several facts. In this research paper, the Deductive approach has been undertaken by the researcher because it is apt for evaluating and analyzing the effect of COVID 19 in the European start-ups business and the idea to re-energize the economy.

Challenges in the establishment of new Start-ups

Due to the COVID 19 pandemic condition, a large number of problems can be found in the development of new start-ups in Europe. The European start-up market has been working at a loss for a long period of time. Therefore, individuals preparing to open a new start-up in Europe have to face a lot of economic difficulties. The global instability has caused many risks in the economic situation of opening of new start-ups in Europe.

Discussion

The COVID 19 pandemic situation has brought a lot of problems around the globe, according to the report. This

research paper showed how the start-up industry in Europe has been influenced by it. There is an immense amount of joblessness in this sector. People are losing jobs. There is also a drop in the wages of workers who do have jobs. Not only are current start-up businesses facing difficulties in this pandemic situation, but the opening of a new start-up due to the financial crisis still raises challenges. However, there are a variety of tactics that can help to revive this whole situation in the European start-up market. Policy interference is one of the main techniques. Such policies would aid in speeding up the recovery. Such techniques also tend to reduce the limits of entrepreneurship and provide sufficient support.

Conclusion

Start-ups have been, as stated earlier in this study report, the most important driving force of economic development in the last decade. A catastrophic economic scene has been left in

its wake by the COVID 19 pandemic. It is, thus, very understandable that it has had a vast impact on the start-up industry in Europe. Both the major impacts of the COVID 19 pandemic and the global shutdown on start-ups working in Europe have been addressed in this research paper. The mitigating steps introduced by policymakers to revitalize markets have also been analyzed. The creative concepts that could help the start-up industry recover faster have also been addressed and evaluated. It also tackled the major challenges faced by jobs in the European start-up sector due to COVID 19 and how policy measures can help speed up the recovery process in the start-up industry in Europe. It is also very clear that the pandemic condition of COVID 19 has had a huge negative effect on the start-up sector in Europe. With the concept of new tactics discussed in this research paper, this terrible situation can be recovered.

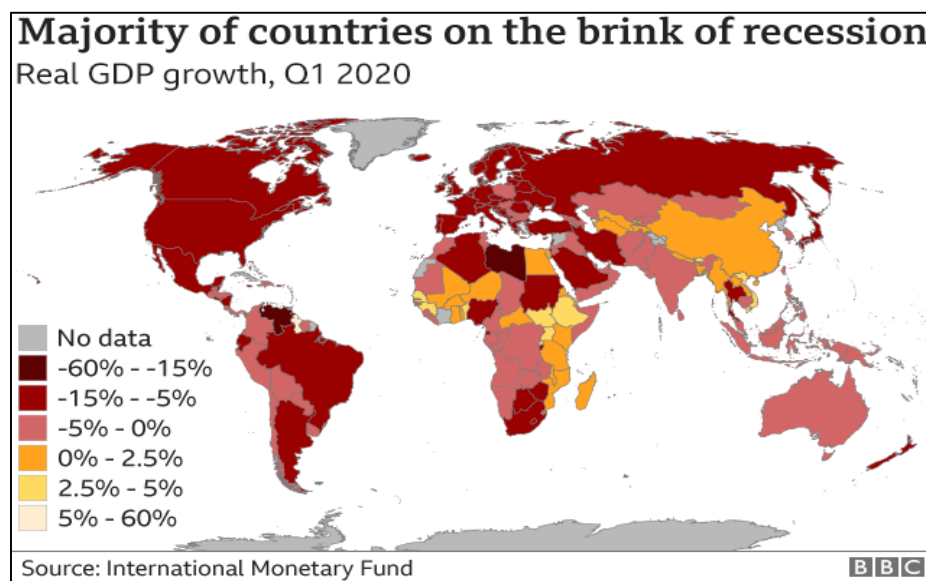


Fig 3

Recommendations

As it can be observed that the whole start-up industry in Europe is facing several structural problems because of the whole COVID 19 pandemic crisis, it is very important to find a solution for the recovery of this terrible situation. It is strongly recommended to use the government's stimulus packages. The intervention of various policies is also advised to speed up the process of recovery in the start-up industry in Europe.

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