

Literature Review

The impact of the COVID-19 pandemic on economic growth in Bangladesh

Introduction: This literature review aims to critically evaluate the impact of the COVID-19 pandemic on economic growth in Bangladesh. The COVID-19 pandemic has had a significant impact on the global economy, and Bangladesh is no exception. The pandemic has resulted in supply chain disruptions, reduced demand for goods and services, and job losses, among other issues.

Literature Review: A study by Islam et al. (2020) delved the impact of COVID- 19 on the Bangladesh frugality. The study set up that the epidemic had led to a decline in profitable conditioning and an increase in severance rates. The study also set up that the epidemic had negatively affected various sectors, including husbandry, manufacturing, and services. The COVID- 19 has created devastating impact on the labor market of Bangladesh and many people have lost their jobs due to economic downturns and enforced lockdown measures. The International Labor Organization (ILO) has forecasted that more than eighty five percent informal workers in Bangladesh are extremely vulnerable and will hit the borderline people in low- income who are self- employed or day-worker (Mohiuddin,2020). This situation substantially affects the civic employment, which leads to poverty, reverse migration and inequality by creating challenges for the recent graduates to get jobs. A loss in revenue was reported by 50% of companies, and about 24% indicated they would have to quit operating. It is concerning for approximately 1.5 million employees because sixty percent of companies have shut down in the first three months of the lockdown, with a loss of fifty three million dollar predicted annually by 2020 (Ferdous et al., 2020). Another study by Hossain et al. (2020) investigated the impact of COVID- 19 on the garment industry, which is a major contributor to the Bangladesh economy. The study found that the epidemic had led to a significant decline in garment exports which resulted in job losses and decreased labor inflows. The United Kingdom and USA brands had cancelled most of the orders. The other reputed brands like Walmart, GAP, H&M, Primark, JC Penney, etc. had also cancelled their orders. According to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) reports, the RMG sectors of Bangladesh need to face financial losses worth over 3 billion USD worth for the pending work orders. It was a devastating experience for the RMG sectors and 2 million engaged there (Zahir, 2020). A study by Mahmud and Rahman (2020) assessed the impact of COVID- 19 on the husbandry sector in Bangladesh. The study set up that the epidemic had led to a decline in agrarian productivity due to force chain dislocations and reduced demand for agrarian products. The study also suggested that the government should give support to growers to help them manage with the impact of the epidemic. BRAC Institute of Governance and Development set up that COVID- 19 reduced the estimated 2020 yield of Boro rice by 7 %, amounting to approximately 3.87 core taka in lost profit for the country. Low demand and reduced product combined with high input prices redounded in a 40% loss for Boro farmers in 2020. It was discovered by (Zabir et al., (2021) delved that inadequate monitoring systems and constrained transportation are the major obstacles to the nation's capability to meet its food needs. The lockdown drastically restricts the husbandry community's movement, substantially hurting ranch sloggers, who must generally move from job to job in order to earn a pay envelope. Multitudinous enterprises associated with COVID 19 consequences were linked in the check findings, including loss of labor mobility, rising labor costs, confined transportation, loss of food security and salutary diversity, dropped inflows, and increased

consumer query (Shoaib & Arafat, 2020). Furthermore a study by (Hasan et al. (2021) delved the impact of COVID-19 on the banking sector in Bangladesh. The study set up that the epidemic had led to a decline in credit growth and an increasing-performing loans. Moreover, a study by Ahmed et al. (2021) estimated the impact of COVID-19 on the tourism sector in Bangladesh. The study set up that the epidemic had led to a significant decline in tourism, performing in job losses and reduced inflows for workers. As a result, businesses lose plutocrat and workers lose jobs (Deb & Nafi, 2021). According to tourism experts, over 4,000 million people are employed by stint drivers, hospices, resorts, airlines, and food businesses that are presently fighting to stay round. The National Board of profit (NBR) took Tk 3.28 billion in trip duty during the former financial year, lower than half of the amount collected the year before. Tk7.66 billion in trip duty was collected in fiscal year 2020. By 2021, air business would have dropped by 60, while the airline sector will have lost US\$ 370 billion due to the epidemic, according to an ICAO assessment released on 15th January (Mala, 2021).

In conclusion, the COVID-19 pandemic has had a significant impact on economic growth in Bangladesh. The pandemic has led to supply chain disruptions, reduced demand for goods and services, job losses, and reduced productivity in various sectors, including agriculture, manufacturing, services, and tourism. To mitigate the impact of the pandemic, the government should implement policies to support various sectors, including the garment industry, agriculture, banking, tourism, and the informal sector. Additionally, the government should provide support to workers who have lost their jobs and incomes due to the pandemic.

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