

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

Introduction:

The purpose of this literature review is to assess the COVID-19 pandemic's effects on Bangladesh's economic development critically. Bangladesh's economy is not an exception to the major effects of the COVID-19 pandemic on the world economy. In addition to other problems, the pandemic has caused supply chain interruptions, decreased demand for goods and services, and job losses.

Literature Review:

As we know, the study established that the outbreak had a detrimental impact on several industries, including manufacturing, services, and animal husbandry. Islam et al. (2020) study examined COVID-19's effects on Bangladeshi frugality. The analysis established that the outbreak had caused an increase in severance rates and a decrease in good conditioning. COVID-19 has had a disastrous effect on Bangladesh's labour market, and many individuals have lost their jobs due to economic downturns and tight regulations. According to the International Labor Organization (ILO) prediction, more than 85% of Bangladesh's informal workers are vulnerable, affecting low-income self-employed or day Labourers on the margins (Mohiuddin, 2020). Due to difficulties finding employment for fresh graduates, this circumstance significantly impacts civic careers, contributing to poverty, reverse migration, and inequality. About 24% of businesses said they would have to stop operating, while 50% reported a revenue loss. A loss of \$53 million is expected annually by 2020 (Ferdous et al., 2020), which is problematic for the 1.5 million employees affected by the lockdown's 60% business closure rate in the first three months.

The analysis discovered that the outbreak had caused a sizable fall in garment exports, leading to job losses and decreased labour inflows. According to Hossain et al. (2020), who looked into how COVID-19 affected the garment sector, a vital driver of the Bangladeshi economy. Most of the orders were cancelled by the American and British brands. Other well-known retailers, including Walmart, GAP, H&M, Primark, JC Penney, etc., had also cancelled their orders. The RMG industries of Bangladesh must endure financial losses totaling more than 3 billion USD for outstanding work orders, according to reports from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The event devastated two million people who worked in the RMG sectors (Zahir, 2020).

In my point of view, the investigation established that the outbreak had decreased agricultural productivity because of supply chain disruptions and decreased demand for agricultural products. Mahmud and Rahman (2020) conducted a study to evaluate COVID-19's effects on Bangladesh's husbandry industry. The research also recommended that the government assist growers in coping with the epidemic's effects. According to the BRAC Institute of Governance and Development, COVID-19 decreased the anticipated "Boro rice" output for 2020 by 7%, costing the nation 3.87 core taka in lost revenue. In 2020, Boro farmers suffered a 40% loss due to low demand, reduced product, and excessive input prices. Zahir et al. (2021) conducted research that found the main barriers to the country's ability to meet its food needs to be insufficient monitoring systems and limited transportation.

Ranch sloggers, who often must shift from job to job in order to earn a pay packet, are negatively impacted by the lockdown's severe restrictions on movement in the husbandry community. The check results revealed a number of enterprises connected to COVID 19 effects, such as decreased labor mobility, rising labor expenses, constrained transportation, decreased food security and beneficial diversity, decreased inflows, and raised consumer inquiry (Shoaib & Arafat, 2020). An investigation into the effects of COVID-19 on Bangladesh's banking industry was conducted by Hasan et al. in 2021. According to the study, the epidemic caused a reduction in credit growth and an increase in loan performance.

As I see it, the investigation established that the virus had caused a considerable fall in tourism, resulting in job losses and decreased worker inflows. Due to this, employers lose plutocrats, and employees lose their jobs (Deb & Nafi, 2020). Furthermore, a study by Ahmed et al. (2021) analyzed COVID-19's effects on Bangladesh's tourism industry. According to tourism experts, over 4,000 million people are employed by the airlines, hotels, hospices, resorts, and food companies currently trying to stay open. During the previous financial year, the National Board of Profit (NBR) collected trip duty of Tk 3.28 billion, less than half of what was collected the previous year. Trip duty revenue for the fiscal year 2020 was Tk 7.66 billion. According to an ICAO study published on January 15th, by 2021, the airline industry will have lost US\$ 370 billion due to the epidemic.

Conclusion

In conclusion, my discussion shows that the COVID-19 pandemic has significantly impacted Bangladesh's economic expansion. The epidemic has affected a number of industries, including agriculture, manufacturing, services, and tourism, causing supply chain disruptions, decreased demand for goods and services, job losses, and decreased productivity. The government should put measures into place to promote a variety of industries, including the apparel industry, agriculture, banking, tourism, and the informal sector, to lessen the pandemic's effects. The government should also offer assistance to workers who have lost their job and sources of income due to the pandemic.

References:

- Mohiuddin, A. K., 2020. COVID-19 and 20 Resolutions for Bangladesh. *European Journal of Sustainable Development Research*, 4(4), em0139.
- Ferdous, Z., Islam, M. S., Sikder, M. T., Mosaddek, A. S. Md., Zegarra-Valdivia, J. A., & Gozal, D. 2020. Knowledge, attitude, and practice regarding COVID-19 outbreak in Bangladesh: An online-based cross-sectional study. *PLOS ONE*, 15(10), e0239254.
- Deb, S. K., & Nafi, S. M., 2020. Impact of COVID-19 Pandemic on Tourism: Perceptions from Bangladesh. *SSRN Electronic Journal*.
- Zabir, A. A., Mahmud, A., Islam, M. A., Antor, S. C., Yasmin, F., & Dasgupta, A. 2021. COVID-19 and Food Supply in Bangladesh: A Review. *South Asian Journal of Social Studies and Economics*, 15–23.
- Aktar, R., Sumaiya S., Sumaya K, Rahman M., & Adnan, A., 2021. Impacts of Covid-19 Pandemic on RMG Sector: A Study of Bangladesh. *International Journal of Science and Business* 5(11), 1–11
- Shoaib, J. U. M., & Arafat, M. F., 2020, IMPACTS OF COVID-19 ON AGRICULTURE IN BANGLADESH. *Covid-19 – Dispatches from the Ground*, WOCAT.
- Imran, M. A., & Ahmed, I., 2020. Job Insecurity in Private Education Sector Considering COVID-19 Pandemic: Bangladesh Panorama. *American International Journal of Business and Management Studies*, 2(2), 41–51.