

# Socio-economic Impact of COVID-19: Planning and Strategy for the Economic Recovery in Bangladesh

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## Abstract

*COVID-19 spreads throughout the world. The pandemic of coronavirus disease of 2019 is a possible threat to public health that gained global attention. Symptoms include fever, cough, tiredness, loss of taste or smell, sore throat, headache, aches and pains, etc. The world's economic, social, medical, and educational systems are at stake, such as the COVID-19 pandemic halted all the development signs of progress in our society. In the context of Bangladesh, people are more vulnerable because Bangladesh has limited resources to mitigate such an unpredictable epidemic. Many people lost their jobs and died due to inadequate medical facilities; students were deprived of their education because they did not attend the class or exams. This paper's main objective is to evaluate the potential impact of the COVID-19 pandemic on the economy of Bangladesh. This paper aims to understand the public perception of socio-economic crisis and human stress in resource-limited settings of Bangladesh during the COVID-19. This study is based on an empirical review of the recent study work, reports, and working papers of home and abroad regarding economic crisis. Despite the uncertainty created by COVID-19, the outlook for Bangladesh's economy is positive. "we hope Development will support a resilient recovery, Bangladesh will achieve green, smart, and inclusive growth."*

**Keywords** *Economy of Bangladesh · Inclusive growth · Agriculture · Income Inequality*

## 1. Introduction

The coronavirus (COVID-19) disease, first reported in Wuhan, China, in December 2019, is quickly spreading around the world countries have been struggling to address the preexisting burden of infections with limited). Bangladesh is one of the most vulnerable countries due to its high population density (170 million people in 147,000

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sq. km). It has suspended almost all economic activities up to June 2020 except agriculture and puts thousands of employments at risk. International trade orders are being greatly cancelled, especially in ready-made garments industries. Most of the people in our country live below the poverty line. Due to the lockdown since Mar 8, 2020, the people are passing an overwhelmingly stressful moment. If the lockdown process continues for longer many people would face severe starvation.

The foreign remittance will come down, thus hitting the country's foreign reserves. Almost half of Bangladeshis are employed in the agriculture sector. The country mainly depends on exporting ready-made garments items and producing pharmaceuticals.

## **2. Effects of COVID-19 on the Economy of Bangladesh**

COVID-19 has already affected 208 countries and regions in the world. Economically developed countries are failed to tackle this pandemic situation. In comparing developed countries, the developing countries cannot meet this condition. Bangladesh is the most densely populated country globally, and its medical facilities are so high that it is impossible to provide medical facilities to large populations. Due to lockdown and isolation, the world economy is in turmoil. The economy of Bangladesh is seriously affected by covid as follows:

### **Ready-made Garments**

The ready-made garments industries are the principal source of foreign exchange earnings. The ready-made garments sector covers more than 85% of total export earnings. More than four million workers are employed in the RMG industries, and more than 85% are illiterate women from rural villages (Wikipedia). Due to the commencement of COVID-19, the Bangladesh ready-made garments (RMG) industry has already received work order cancellations of nearly \$3 billion.

### **Foreign Remittance**

Remittance is the lifeblood of many developing countries, like Bangladesh. The government has embraced a vast population, but this population is an asset because they are known as remittance fighters and have worked in different parts of the world. Bangladesh is now one of the largest remittance recipients, with almost \$15.3 billion in 2018. It was the third-highest recipient of remittance in South Asia in 2018. The Bangladesh Bureau of Statistics revealed that 33.45% of remittances are a go-to investment and 13.74% go to savings (Wikipedia).

The remittance sending behaviour, trends, and volumes are changing daily (BMG). result of the flow of remittance tremendously decreasing in the las

### **Agricultural Sector**

During the lockdown, access to agricultural products, materials, markets, and advisory services, greatly impacted farming. Agriculture processing and trade faced problems with impaired production by quarantine measures and low consumer

demand, mainly thanks to limited hotels, restaurants and occasional shop operations. Farmers are still facing difficulties with having mineral fertilizers, veterinary supplies and machinery spare parts. The country's fish and dairy farmers are now bearing their brunt. Crabs, Shrimp and fish farmers faced export restrictions leading to significant economic losses. Bangladesh's garment sector has withdrawn from many foreign orders, and many garment workers have lost their jobs. The garment sector faced devastation, and the government announced subsidies in this sector to recover the losses. Similarly, the pharmaceutical industries are affected.

### **Banking and Financial Sector**

Banks globally could face increased credit and default risk since businesses generate cash insufficient to service debt thanks to business closures, shut-downs and lower demand for goods and services during the pandemic. Many lending or investment decisions being postponed for now might not see the light again.

### **Tourism and Travel Agency**

The tourism and hospitality industry has also stopped and suffered from the pandemic. The coronavirus outbreak affects the worldwide tourism and hotel business due to travel restrictions, fear of illness abroad, fear of using airports and other centres of mass gathering etc. Travel agencies constitute a fragmented sector in Bangladesh, and due to COVID-19, many small ones are expected to shut down their offices, and most of the airline's hotels stopped their operation.

### **Social Determinants of Health**

We observed that health has a crucial influence on health inequities-the unfair and avoidable differences in health status. The more severe health hazards are marked, and Bangladesh has a lower socio-economic position. The samples of social determinants of health are given below:

- Income and social protection;
- Education;
- Unemployment and job insecurity;
- Working life conditions;
- Food insecurity;
- Housing, basic amenities and the environment;
- Early childhood development;
- Social inclusion and non-discrimination;
- Structural conflict;
- Access to affordable health services of decent quality.

### **Relation between Social Determinants of Health and COVID-19**

Social determinants like access to health care, income inequality, housing and neighbourhood density and cultural beliefs influenced COVID-19 incidence.

Bangladesh is a developing country with a high population, and most are unaware of health. Poor Working people don't get the health facilities. Thus, the poor people face different troubles during this COVID-19 time. They cannot stay home despite sickness because they need to earn their livelihood during this time.

Access to medical facilities is a fundamental right, but the strain that the COVID-19 pandemic places on healthcare systems affects medical care providers for several people.

### **Housing and Neighborhood Density**

It is evident that communities, like proximity to resources like grocery stores, green space, and the combination of companies, amenities and housing, collapsed due to the effects of the COVID-19 pandemic.

### **Income Inequality**

Unemployment may be a curse in Bangladesh. Many of us don't work, and most people work with low salaries and uncertain jobs. The garment workers, rickshaw pullers and day labourers, some people live hand-to-mouth, and people's income has become extremely low. They must try to work daily for their livelihoods as they desire fixed money. The income inequality increased the likelihood of COVID-19.

### **Education and Food Security**

Educated people have a secure jobs and food security. During this epidemic, they are more conscious and maintain distance as they need less thinking about livelihood. So, education and food security may reduce COVID-19 in Bangladesh. After the discussion, we will say that social determinants of health and COVID-19 have some relief for people who are wealthy, educated and have enough food availability

### **Culture Beliefs**

Cultural beliefs and perceptions in this respect are observed. Many poor and uneducated people think there are no infectious diseases within the world; therefore, they do not maintain social distance. Many believe that pious and noble people could not be infected by Covid-19. They are unaware of wearing masks and don't be conscious of hand sanitization, so cultural beliefs negatively impact COVID-19 in Bangladesh.

## **3. Some Theories**

### **Functionalism Theory**

As many of us are infected by coronavirus disease, numerous economic and social organizations remain closed as people can't participate in their work correctly. Therefore, affairs also disrupted society, losing its stability and solidarity.

### **Conflict Theory**

The theories emphasize the social, political or economic inequality of a group. It also highlights inequality within the quality of health and healthcare delivery. Working regularly for their livelihood are more susceptible to coronavirus infection. But they

do not get proper medical facilities. We will see that the rich and powerful people get the appropriate oxygen facilities, ICU facilities and doctor's services. But, poor people aren't getting proper treatment facilities. They do not get a bed in the hospital.

### **Some Recent Studies Regarding Covid-19**

Corona destroyed each sector in Bangladesh, particularly education, economy, and health. The outcome of coronavirus is terrible as people are not capable enough to recover from financial issues rapidly, and students already lagged in their regular studies.

Issues on planning and strategy

- *Job creation*, looking at the number of jobs that needs to be created, the types of jobs started and who benefits from them, and the match between the skills required and those available in the local workforce.
- *Boost to economic activity*, focusing on the reach intervention can deliver, a project's ability to directly replace missing demand, and its impact on import levels or the national trade balance.
- *Timeliness and risk*, assessing whether the project generates stimulus and employment benefits over the concise term and whether they are durable even in the face of possible re-imposition of local quarantine measures. Need packages for the sectors. Over the more extended period, Govt must also support the country on two different dimensions
- *Long-term growth potential*, govt may look at its impact on human, natural, and physical capital.
- *Resilience to future shocks*, with interventions to build capacity for societies and economies to cope with and recover from external shocks, like COVID-19 today and other forms of natural disasters and future climate change impacts.

#### **4. Conclusion**

Safety of the patients and the staff is essential while considering orthopaedic surgery during and after the COVID-19 pandemic. The hospitals must have adequate infrastructure and resources to deal with these critical cases over the non-operative treatment. We have to face a massive population and limited resources. Our socio-economic scenario has been broken, and government and non-government organizations should come forward to handle this sudden outbreak. Monetary and financial strategies face significant difficulties in stabilizing the economic climate. As a lockdown has been imposed to regulate coronavirus disease, people could not continue their work correctly in Bangladesh, where marginal people need to meet their basic needs. While our medical resources or facilities are not enriched enough to mitigate these sudden traumatic situations, people suffered greatly from treatment during this time.

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