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# DEVELOPMENT OF THEORETICAL AND METHODOLOGICAL SUPPORT FOR EVALUATING THE FEASIBILITY OF STRATEGIC MEASURES TO ENSURE THE ECONOMIC SUSTAINABILITY OF THE COUNTRY

*The object of research is the process of assessing two different situations before and after COVID-19, as well as recognizing these problems and ways to minimize losses, using the example of Bangladesh. This paper describes the economy of Bangladesh before the outbreak of the pandemic, the relationship between the two different sides of the economy, the likely impact of this pandemic in the coming fiscal years, and proposals that can minimize the risks of loss.*

*The global economy is linked through cross-border flows of goods, services, financial capital, foreign direct investment, remittances, exchange rates, know-how, people, resources, experts, and international banking. Therefore, the most significant negative impacts on Bangladesh are the decline in exports of ready-made garments, the cessation of tourism and air travel, a decrease in the number of financial transactions, the closure of commercial firms, a decrease in local consumption, and many entrepreneurs and workers are left without work. Over the past 30 years, the country's GDP has been growing. This gave the country the fastest growing economy in the Asia-Pacific region, even considering the fact that it is a land of natural disasters such as floods, cyclones, droughts, famines, storm surges, river bank erosion, earthquakes, droughts, salinization of groundwater and tsunamis. In addition, Bangladesh has a track record of accelerating GDP growth when the world faced a global recession called the Wal-Mart effect.*

*During the work, general scientific and special research methods were used. Data included Bangladesh's real GDP, reserves, exports, imports, remittances, and foreign aid.*

*It has been proven that to stimulate the economy, governments must take both fiscal and monetary measures, and policies and rules will be more effective if fiscal and monetary policies are well aligned.*

**Keywords:** *Bangladesh economy, COVID-19 pandemic, economic damage, economic progress, reserves and remittances, tourism and travel, financial policy.*

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## 1. Introduction

Bangladesh is the fastest-growing economy in the Asia-Pacific region though it now suffers serious COVID-19 pandemic like the other countries. The origin of this pandemic is from China, and it spreads throughout the world. Bangladesh first confirmed the pandemic case on 7 March 2020, while the death arrived 11 days later, and after that the government obliged a nationwide lockdown on 26 March 2020. The outbreak of the pandemic hit the country at a very bad time as The World Bank and The Asian Development Bank projected 7 percent and 7.5 percent GDP growth in the fiscal year 2019, and 7.2 percent and 8.0 percent GDP growth in the fiscal year 2020. Bangladesh Bank expected to achieve 8.2 percent GDP growth in its one-year monetary policy statement for the fiscal year 2020 [1, 2]. This pandemic has brought two shocks:

medical shocks where the infected person is being incapable to do the work and financial shocks where the workplace, travel zones and business activities are the closure of limited. Foreign remittance and foreign exchange reserves are under high risk, and export outflows are getting postponed or cancel. Import inflows are facing delays and migration has ground to a halt. Tourism and hotel business are virtually non-existent and business contacts are getting postponed. Investment flows are facing growing uncertainties and unemployment is increasing rapidly. Moreover, deflation risks are raising very quickly as the early signs of the adverse effects are already being seen in the economy. The number of financial transactions decreased, the number of business firms closed, the quantity of local consumption lessened, and many entrepreneurs and workers are jobless. The Government of Bangladesh has announced a financial support package 8.60 billion,

nearly 2.52 percent of GDP, to protect the economy. Bangladesh Bank has taken few steps: a shorter time function of commercial banks, delay non-performing loan classification, longer tenures of trade instruments, mitigation of late fees for credit card holders, and ensuring entrance to financial services [3, 4]. The message of optimism is that in the last couple of years the GDP growth of the country is upward with a small amount of shrinking. This led the country to the fastest-growing economy in the Asia-Pacific region even with the fact that it is a land of natural calamities. Bangladesh has experienced increasing its GDP growth, the theory of Wal-Mart effect, underworld global and severe pandemic. The World Bank and Asian development bank predict the country's economic output would come down in the upcoming fiscal years. They declared that the total region could face a negative growth rate this year, and will likely experience its worst economic performance in the last forty years that may lead the economy recession again [1, 2]. This depreciated forecast will linger in 2021 depending on how much time pandemic virus attacks the economies. If an enormous outbreak occurs in the country, the impact could be more significant. The extent of the economic damage will depend on the necessary policies and proper steps of the Government, policy-makers and the Bangladesh Bank. Therefore the research is relevance of economic changes during the coronavirus pandemic.

*The object of research* is the process of evaluating two different situations before and after COVID-19 and recognizing these challenges and the way to minimize the losses.

*The aim of research* is the development of theoretical and methodological support for evaluating the feasibility of strategic measures to ensure the economic sustainability of the country during the pandemic situation.

## 2. Methods of research

During the work general scientific and special research methods were used: The data included Real GDP of Bangladesh, Reserve, Export, Import, Remittance and foreign Aid. All data have been collected for the period of 2000–2018. The nature of the present study does not necessarily require the use of primary sources for data series therefore all data used in this report were primary. The sources of data were National Accounts Statistics published by Bangladesh Bureau of Statistics, Bangladesh Economic Review published by the Financial Advisor Wing, Ministry of Finance, Economic Trends, World Bank (WB), Bangladesh Bank and Asian Development Bank (ADB). A model was developed to show the economic trends of the country and the possible risks factors regarding it. The model showed recent economic progress and upcoming Challenges beneath COVID-19 virus. On the basis of the model the impact each of factors to the economic progress have been analyzed. In the process the trends of each factor over the years and the compositions of the factors have been firsthand.

## 3. Research results and discussion

**3.1. Spread of COVID-19 pandemic in Bangladesh.** The pandemic first emerged in the city of Wuhan in Hubei province, China was first reported to the world health organization Country Office on 31 December 2019. In Bangladesh, The first death confirmed on 19 March 2020 from the novel virus, and the man was infected by his relatives

who returned from Italy recently. The death came 11 days after the country recorded first pandemic cases. A few months ago, people were breathing peacefully, travelling without restraint, performing jobs perfectly; the economic growth projections were smiling and the financial market was incredible. However, the pandemic has brought a dramatic change in the overall lifestyle and economy of the world where Bangladesh turned into a sufferer too. The exponential spread of the novel virus and its serious affects on the human made it apparent that the virus has the potential to wreck the economy until find the best solution. The World Health Organization already declared the virus as pandemic so the government obligated a nationwide lockdown on 26 March 2020 [5].

According to the world health organization, the pandemic cause illnesses ranging from the common cold to more severe diseases such as severe acute respiratory syndrome (SARS) and the Middle East respiratory syndrome (MERS) [5]. Animals may circulate and some can transmit between animals and humans. Similar to other respiratory diseases, it can cause soft symptoms with a painful throat, runny nose, cough, and fever. It may be more severe for some persons and may lead to pneumonia or organ failure and breathing complexities. More rarely, the illness that can be fatal appears more vulnerable to older people and people with severe medical conditions. The world health organization recommends basic hygiene such as often cleaning hands with soap and water, and covering mouth with an elbow when sneezing or coughing. They suggested maintaining social distancing keeping at least six feet, and avoid touching face, eyes and mouth with unwashed hands. Moreover, it suggests avoiding unnecessary, unprotected contact with animals.

### 3.2. Recent alteration by the outbreak of the pandemic.

The pandemic outbreak has already brought considerable human suffering and major economic disruption. This pandemic was confirmed to have spread to Bangladesh by the country's Institute of Epidemiology, Disease Control and Research (IEDCR). As the virus continues its rally around the planet, the Government of Bangladesh has turned to proven public health measures, such as social distancing, to physically disrupt the contagion. It has brought a dramatic slowdown in the overall lifestyle and economic activities. This virus is gradually bringing medical shocks where the affected people can't contribute to GDP and financial shocks such as workplace and industrial unit closures, travel and business movement limitations, and quarantines. The world economy is linked through cross-border flows of goods, services, financial capital, foreign direct investment, remittance, exchange rates, know-how, humans and international banking. As a result, Bangladesh would experience a sluggish economic growth. Furthermore, it may store the lowest amount of foreign exchange reserves in its history as most countries are set aside social distancing. Tourism bans would direct unemployment of people and impairment hotels, airlines, and retail businesses more than other services. Hence, it is inevitable that Bangladesh is going to face an economic shock.

In the fiscal year 2018, signals of economic boost appeared by getting 7.86 percent GDP growth in which value addition in agriculture, industry and service sectors are respectively 13.07, 28.54 and 52.94 percent of GDP. Moreover, the amount of trade with other countries is about

38.24 percent of total GDP. In the next 2019–2020 fiscal year, exports picked up very strongly, and cargo movement in Bangladesh ports and airports showed superior growth. Thus, the outbreak of the pandemic hit Bangladesh thump at a very bad time. Early 2020, The World Bank projected 7.2 percent GDP growth in 2020 fiscal years while The Asian Development Bank projected 8.0 percent GDP growth signifying that the country will persist as the fastest growing economy in Asia and the Pacific [1, 3, 6].

In its Asian Development Outlook 2020, which does not mirror the shock of this pandemic, the ADB assumed Bangladesh economy might remain strong in the upcoming fiscal years. It published a key highlight presenting expected GDP growth at 7.8 percent in 2020 and 8.0 percent in 2021 and inflation rates at 5.6 percent in 2020 and 5.5 percent in 2021. Bangladesh Bank expected to achieve 8.2 percent GDP growth keeping the inflation rate within 5.50 percent in its one-year monetary policy statement for the fiscal year 2020 [7].

**3.3. Economic impacts of COVID-19 on Bangladesh.** Bangladesh is considered one of the fastest-growing economies of the world and the financial sector of Bangladesh is the second largest in the subcontinent. Being a developing market economy, it is the 39<sup>th</sup> largest economy in the world with 29<sup>th</sup> largest on the basis of purchasing power parity. It is graded among the next 11 promising market middle income economies and a frontier market. In the first quarter of 2019, it was the world's seventh fastest-growing economy. The worldwide situations in the wake of the pandemic are impacting the more. Because of COVID-19 pandemic Remittance and foreign exchange reserve are under high risk, Export outflows are getting postponed, Import inflows are facing long delays, Migration scenario has ground to a halt, Tourism and hotel business are actually non-existent, Business contacts are getting postponed or delay, Investment flows are facing growing uncertainties and high risks, Unemployment and deflation risks are rising very quickly to the country. The early signs of the adverse effects are already being seen in the economy as the number of financial transactions decreased, the number of business firms closed, the quantity of local consumption lessened, many entrepreneurs and workers are jobless. During the outbreak, analysts warned that the longer the virus spreads the more economic performance will be impacted, increasing concerns about debt sustainability. Asian Development Bank's preliminary estimated that about 0.2 to 0.4 percent of GDP may be gone due to overflow effects of the global pandemic [3]. If an enormous outbreak occurs, the impact could be more significant.

**3.3.1. Early predictions and initiatives.** At the beginning of the pandemic outbreak in Bangladesh, the government has announced a financial support package 8.60 billion, nearly 2.52 percent of GDP, to shield the economy from the possible impact of the virus pandemic making available low-cost finances to concerned sectors. To ensure sufficient liquidity in the market maintaining the operations of financial institutions Bangladesh Bank circulated a shorter time function of commercial banks. It has taken measures to delay non-performing loan classification, make longer tenures of trade instruments, mitigate late fees for credit card holders, and make sure entrance to

financial services. Bangladesh Bank is coordinating a substantial financial expansion targeting repo rate lowered from 6 percent to 5.75 percent and confirmed to further reduce to 5.25 percent. The Cash Reserve Ratio (CRR) has been reduced from 5 percent to 4.5 percent daily and from 5.5 percent to 5 percent every week. A stimulated fund was raised to 5 billion with the interest rate fixed at 2 percent to stimulate export-oriented sectors. Moreover, The World Bank has approved a 100 dollars million financing to help identify, stop, and take action to the pandemic outbreak and guard the people [1, 8].

**3.3.2. Impact on local consumption behaviors.** Consumption is a very significant growth driver of the economy of Bangladesh. Local consumer spending turned down as of income reduction and virus pandemic panic. As a result, people who refrained from consumption activities rippled through the whole economy. It exaggerated other sectors by putting further downward pressure on the price level and production less deteriorating the unemployment problem. In 2018, the gap between GDP and consumer spending is about 62 billion that would be spacious in the upcoming years.

The World Bank data show that the average private consumption expenditure of Bangladesh during 1960 to 2018 was 87 percent with a minimum of 75 percent in 2016 and 2017 and a maximum of 103 percent in 1972 and 1976 [1, 8]. The latest consumption expenditure in 2018 is 77 percent compare to the world average in 2018 of more than 150 countries was about 64 percent. Bangladesh's Private Consumption Expenditure was reported at 207.883 billion in December 2019. This records an increase from the previous number of 211.4 billion for December 2018. Moreover, according to Bangladesh Bank the twelve-month average general inflation remained unchanged at 5.60 percent in February 2020 which was 0.10 percentage point higher than the target of 5.50 percent for the fiscal year 2020. The point-to-point Food and non-food inflation dropped to 4.97 and 6.23 percent in February 2020 from 5.12 and 6.30 percent in January 2020. Therefore, point-to-point general inflation significantly decreased to 5.46 percent in February 2020 which was 5.57 percent in January 2020 (Fig. 1, 2).

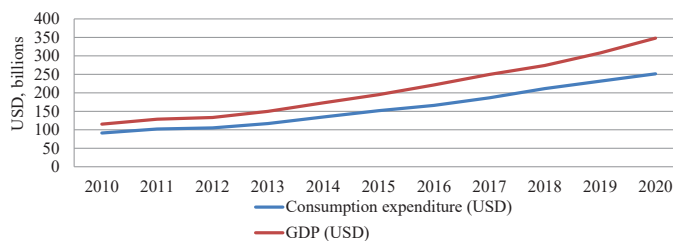


Fig. 1. GDP-Consumption Expenditure Relationship [1, 2]

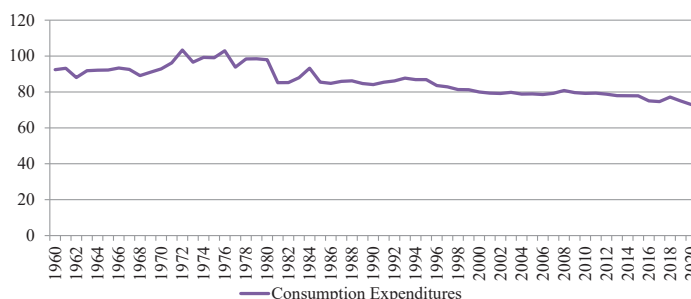
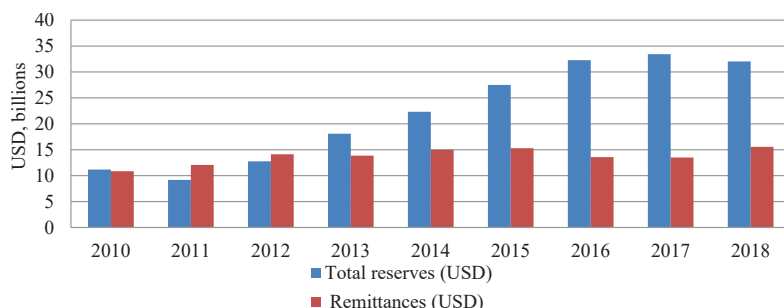


Fig. 2. Consumption expenditure (% of GDP) [1, 2]

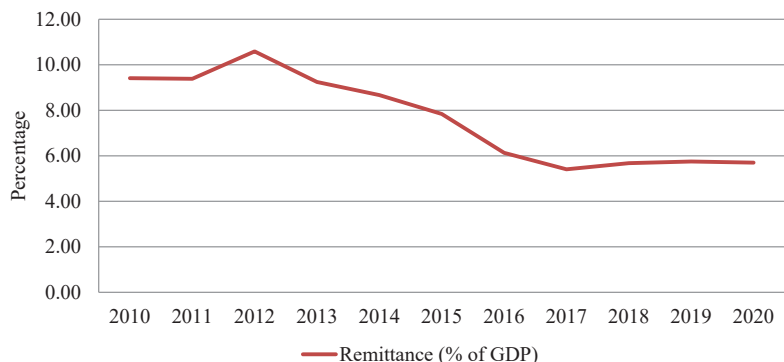
**3.3.3. Impact on remittance and foreign exchange reserves.**

Remittance which is considered to be one of the influential sectors of the economy maintains foreign exchange reserves and manages the balance of payment (Fig. 3). In the wake of the pandemic outbreak across the globe, the remittance inflow is likely to drop as most of the migrant workers abroad kept on in social distance and few of them returned home. The decline in remittance will punch both the foreign exchange reserves and livelihoods of the dependent families [9]. Right now over 10 million Bangladeshis migrants are working more than 145 countries of the world. Among them, the majority of migrant workers are based in Gulf countries.

Bangladesh Bank reported that the amount of the total receipts of remittances during July 2019 – February 2020 increased by 2.09 billion and stood at 12.50 billion against 10.41 billion of July 2018–February 2019. The pandemic is likely to have a dampening impact on the robust remittance flows of the past several months of 2020 where the amount receipts in February 2020 stood lowering at 1.45 billion against 1.64 billion of January 2020. Moreover, in March 2020, remittance inflows in the country were 1.28 billion, a 12 percent drop from the same period in 2019 (Fig. 4). Already a lower number of workers going abroad in recent times could fall further. The Middle East, which accounts for about two-thirds of the remittance flows, has to deal with the double challenges of the pandemic and the oil prices of falling.



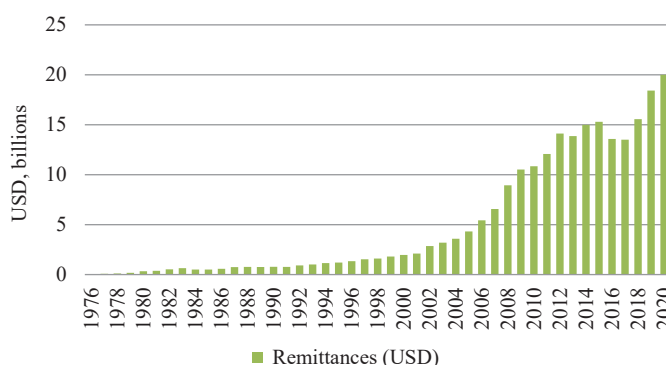
**Fig. 3.** Total reserves and remittances [1–3]



**Fig. 4.** Remittance percent of GDP [1–3]

Besides, the foreign exchange reserves stood at 32.99 billion as of the end of February 2020, which was 32.38 billion as of the end of January 2020 according to the data of Bangladesh Bank. Current foreign exchange reserves are sufficient to pay import liability of 7 months; taking into account the average of the previous 12 months

import payments records. Moreover, the gross foreign exchange balances detained by commercial banks stood at 4.41 billion as of the end of February 2020 which was higher than 4.22 billion as of the end of January 2020. It was also higher than the balance of 4.09 billion at the end of February 2019 (Fig. 5). The pandemic outbreak will gradually affect foreign exchange reserves as governments like the Americas, Europe and the Middle East have taken steps social distancing to protect people from the virus. Asian development bank warned that the virus will bring nations to supply interruptions, urgent health care costs and potential financial disruptions, as well as the long-term effects on remittance and foreign exchange reserves.



**Fig. 5.** Remittances of Bangladesh [2, 3]

**3.3.4. Impact on Import and exports of goods.**

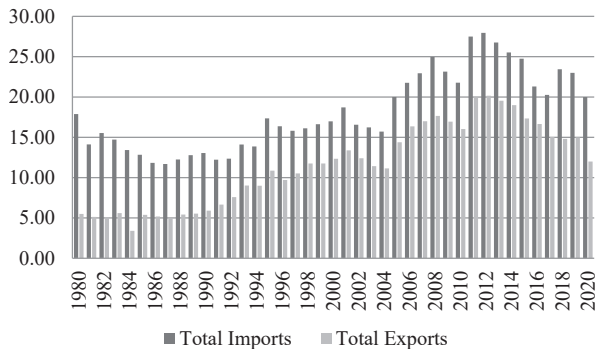
The pandemic has brought a profound impact on imports and exports of goods. It is a matter of concern that the impacts of the pandemic are wounding the economy at a time when the external sector of Bangladesh is under pressure. The cry off in local and global demand for manufactured goods, mainly in the ready-made garment sector, threats generating unemployment and extend poverty [7]. In the last couple of years the Readymade Garmentsector contributes about 84 percent of the country’s export amount. The pandemic has brought a profound impact on exports has close to 3.5 million workforces. According to Bangladesh Bank statistics, total merchandise commodity export during July 2019 to February 2020 cut down by 1.32 billion compared to 27.56 billion during July 2018 to February 2019. The export in February 2020, was also lower by 0.29 billion and stood at 3.32 billion from 3.62 billion in January 2020. Export earnings were downtrends in recent months. Earnings from woven garments and knitwear fell by 5.88 percent and 5.17 percent to 10.95 billion and 10.90 billion respectively during July 2019–February 2020 as compared to the same period of the previous fiscal year.

Earning from other sectors like leather and leather products, home textiles, frozen and live fish, engineering products and plastic products also fell during the period under review.

However, exports of jute and jute goods, agricultural products and chemical products climbed increased during

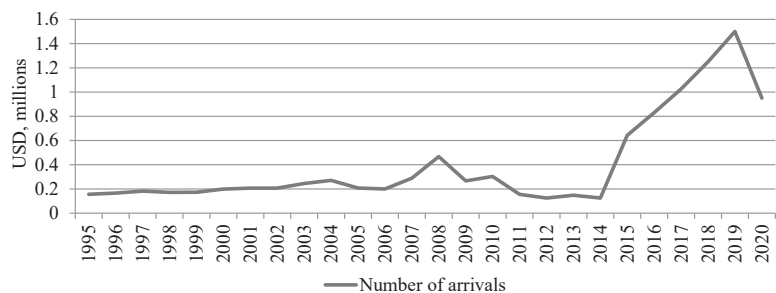


July 2019 – February 2020 as compared to the same period of the previous fiscal year. Custom based import during July 2019 – January 2020 fell by 1.61 billion and stood at 34.58 billion against 36.19 billion during July 2018–January 2019. Completion of import letter of credits during July 2019 – January 2020 decreased by 0.20 percent and stood at 32.19 billion against 32.13 billion of July 2018 – January 2019. Fresh opening of import letter of credits during July 2019 – January 2020 decreased by 4.14 percent and stood at 33.97 billion compared to 35.44 billion of July 2018 – January 2019 (Fig. 6).

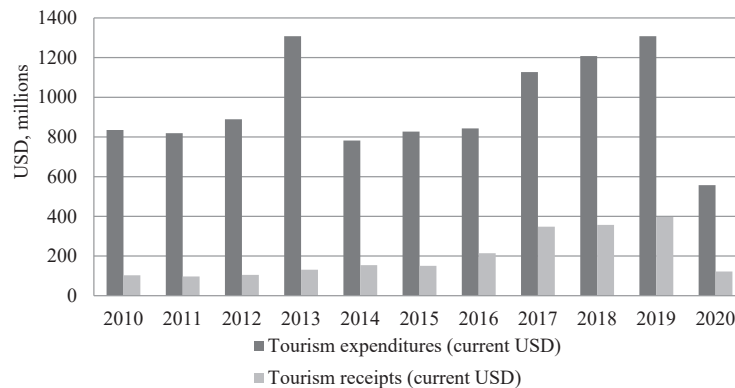


**Fig. 6.** Total Import with total export (Percent of GDP) [1–3]

The growth of export earnings over the first eight months of the fiscal year 2020 has been minus 4.8 percent over the corresponding period of fiscal year 2019. The flagship export sector posted minus 5.5 percent growth over the first eight months of the fiscal year 2020 compared to the corresponding period of the previous year. Indeed, except for jute and jute goods, all key items of export have experienced negative growth in the first eight months of fiscal year 2020. It is already clear that the ambitious export growth target of 12 percent for the fiscal year 2020 is not possible to be achieved, and the actual export earnings this fiscal year may be less than that of fiscal year 2019. Growth in import payments has also been minus 2.2 percent growth in the first seven months of the fiscal year 2020. Without a doubt, the show of the import sector is indicative of an economy experiencing demand depression, with likely adverse impacts on growth performance in fiscal year 2020. Important



**Fig. 7.** Tourism: Number of arrivals in Bangladesh [1–3]



**Fig. 8.** Tourism expenditures with tourism receipts (USD) [1–3]

import sub-components such as intermediate inputs and capital goods including capital machinery have posted negative growth in terms of import payments in the first half of fiscal year 2020, compared to the corresponding period of fiscal year 2019.

**3.3.5. Impact on tourism and travel.** The tourism industry is facing an unprecedented challenge by the outbreak of the pandemic, with impacts on both travel supply and demand sides. This shows an added downside risk in the context of a weaker world economy, geopolitical, social and trade apprehensions, as well as irregular performance of major travel markets. The World Tourism Organization estimates that in 2020 global tourist arrivals could turn down between 20–30 percent, down from an estimated growth of 3 percent to 4 percent. This could into a loss of 300 to 450 billion in receipts from international tourists which almost one-third of the 1.5 trillion generated globally in the worst-case scenario. In Bangladesh, the last couple of months, tourist arrivals dropped by 80 percent, compared with arrivals in the previous year, and domestic and international airlines had to cancel flights [10]. The amount of aircraft movement began to drop after the end of January 2020 and reached bottom in early April 2020. At the same time, on-arrival visas for tourists from all states remain hanging. In 2020, the novel virus that dealt a new rage to the recuperating sector fell on the nation like a bolt from the blue. Country’s Tourism Revenue reached 357 million, 0.08 percent of total export, in 2018–2019, compared with 348 million in the previous year, at the same time the number of tourist arrivals was reported 1.25 million compared to 1.25 million of year. Total tourism expenditure associated with inbound tourism is 1.208 billion in 2018–2019, which amounts to 0.44 percent of GDP (Fig. 7, 8).

**3.3.6. Impacts on garment workers and labors job insecurity.** Ready-made garments industry, which is by far the biggest export earning sectors contributes over 84 percent annual export, and is facing the cruel time ever that resulting retrenchment, delay payment, Job insecurity, lay off, closures of factories and many more. RMG sectors are now getting cautionary signals regarding possible cancellation and suspension of orders by the top international clothing retailers and brands given the prolonged shutdown of borders in exporting countries and the likely slowdown of the economies of importing countries. As a result, it is expected further cancellation and slashing of work orders in the predictable future as the world struggles with the fatal virus.

The unemployment rate is already appearing, mainly due to daily labors and those involved in informal activities as the government obligated a nationwide lockdown on 26 March. Millions of factory workers, transport hands, rickshaw drivers, day labors, maids, lasses and others are now unemployed (Fig. 9).



**Fig. 9.** Unemployment rate on total labor force [2, 3]

In 2019 numbers of workers are 70 million, and of whom projected 10 million workers are out of income due to social distancing, according to World Bank. Out of 70 million workers only 15 percent earn more than 6 per day to meet their daily family expenses. The ready-made garment sector employing approximately 4 million workers in over 5000 factories accounts for over 40 percent of the country's total industrial employment, and are now in great trouble for the outbreak of a pandemic [1].

The country has a huge number of populations with small amount of job. The unemployment rate is growing day after day. In advent of corona pandemic, the unemployment rate has increased rapidly. In the year of 2019 the rate was 4.19 but next year it is about 6.58 percent [8, 11].

**3.4. The impact of internal and external pandemics and recessions on the GDP of Bangladesh**

**3.4.1. Internal pandemics and calamities.** Bangladesh is a land of natural calamities, and has a long history of natural disasters.

The geographical position, soil uniqueness, diversity of rivers and the heavy rain make the country highly exposed to natural hazards.

The coastal morphology of the country influences the impact of natural hazards. In recent years the country has experienced a great number of natural calamities from flood, cyclone, drought, famine, storm surge, riverbank erosion, earthquake, drought, salinity intrusion, property and tsunami (Table 1).

**Table 1**  
Major natural disaster in Bangladesh [12]

Year	Nature of disaster	People killed	Total people affected	Economic damage (million USD)
1984	Flood	1200	30000000	500
1987	Flood	2055	29700000	330
1988	Flood	2379	45000000	2137
1991	Cyclone	138866	15438849	1780
1998	Flood	1050	15000050	4300
2007	Cyclone Sidr	5344	13771380	2300
2009	Cyclone	509	12322220	1500
2012	Flood	344	11000380	1300
2013	Cyclone	50	100000	300
2017	Cyclone Mora	5	200000	-
2019	Cyclone Bulbul	4	500	-

**3.4.2. External Pandemics and Recessions.** There is widespread fear that the damage to the global economy could lead to a global recession which the world has seen earlier in several times. Further, over the centuries, the world has faced several pandemics; the pandemic is different from others due to its exponential expansion, aggressiveness, and death rate. However, what was the impact of the GDP of Bangladesh at the time when external pandemic and recessions attack the country. There are many historical disease arrived in the world (Table 2).

**Table 2**  
Major pandemic in the world [13]

Year	Death toll	Disease
2019-present	-	COVID-19/SARS-CoV-2
2019-present	6,000	Measles
2015	2,035	Influenza A virus subtype H1N1
2015	2,035	Influenza A virus subtype H1N1
2013-2016	11,300	Ebola virus disease
2012-present	862	Middle East respiratory syndrome (MERS)
2010-2014	5,000	Measles
2009-2010	151,700-575,400	Pandemic H1N1/09 virus
2009-2010	1,100	Meningitis
2007	187	Ebola
2005	27	Dengue fever
2002-2004	774	Severe acute respiratory syndrome (SARS)
1996-2001	231	vCJD

COVID-19/SARS-CoV-2, Measles, Influenza A virus subtype H1N, Influenza A virus subtype H1N, Ebola virus disease, Middle East respiratory syndrome (MERS), Measles, Pandemic H1N1/09 virus, Meningitis, Ebola, Dengue fever, Severe acute respiratory syndrome (SARS), and vCJD. These cause huge number of death in the world. On the other hand, 2007-2008 the subprime mortgage

crises ran to the fall down of the U.S. housing (Table 3). Decreasing housing-related assets gave to a global financial crisis, even as oil and food prices flew. The disaster directed to the failure of many of the largest financial institutions. The government took action with a record 700 billion bank bailout and 787 billion fiscal stimulus packages to recover the economy.

**Table 3**

Major financial crisis in the world [14]

Year	Financial Crisis	Reasons and effects
2007–2008	Great recession	The subprime mortgage crisis led to the fall down of the U.S. housing fizz. Declining housing-related assets gave to a global financial crisis, even as oil and food prices soared. The catastrophe directed to the failure of many of the largest financial institutions of the United States. The government took action with a record 700 billion bank bailout and 787 billion fiscal stimulus packages
2001–2001	The nine-eleven recession	The collapse of the dotcom bubble, the nine-eleven attacks, and a chain of bookkeeping scandals at major U.S. corporations added to this relatively soft reduction of the U.S. economy. In the next few months, The U.S. GDP recovered to its previous stage
1990–1991	The gulf war recession	Iraq attacked Kuwait, and it brought in a spike in the price of oil in 1990. This was shared with the impact of manufacturing moving offshore, and the leveraged takeover of United Airlines started a stock market collapse
1981–1982	The Iran/energy crisis recession	This deep recession was caused by the command changed in Iran. After that, Iran exported oil at inconsistent gaps and a lower amount, forcing prices upper
1980–1980	The energy crisis recession	The recession affected much of the developed world. The United States and Japan left the recession early, however high unemployment would continue to affect other nations. This was because inflation has increased, and interest rates have been raised as well as money supply growth was slow
1973–1975	The oil crisis recession	This long recession was brought on by the increase in the oil prices and high government expenditure on the Vietnam War. This led to stagflation and also high unemployment in the economy of the U.S.A.

There were many other crises in the world that has little impact to the country of Bangladesh.

**3.5. Discussion of results.** The strengths of research and application of methodological support is to determine the main challenges of present economic scenario of the country under this pandemic. The results will be used as the basis for the further implementation of the economic developments. The analysis clearly shows how to overcome economic challenges with the threats that the country faces in regular interval by different types of natural catastrophe.

The analysis of the upcoming challenges of the country covers the general periods of time characteristic of the world economy, but in a particular country this challenges may differ significantly and have its own characteristic features.

It should be noted that in future studies of this problem it is possible to predict a list of possible measures of

international and state regulation that will help maximize potential opportunities and minimize negative consequences. It also helps to generalize solution of common challenges.

The threats to the introduction of methodological support to determine the main directions of improving the efficiency of the enterprise in the marketing aspect include the fact that the list of measures to increase the efficiency of the enterprise in the marketing aspect will change dynamically under the influence of external factors.

The threats related to the application of the research outcomes derive from its weaknesses and concern the accuracy and amplification degree of the obtained results. The outcomes of this research are unlikely to be sufficient for drafting a economic challenges, instead of the generalized theoretical observation.

#### 4. Conclusions

There may be huge erratic economic damages due to the continuous spread of COVID-19 throughout the nation. In the course of the research, it is obtained that the region will likely experience its worst economic performance in the last forty years; the growth of South Asia will drop tremendously. The total region could face a negative growth rate this year, and the economy may experience recession again. In the course of the research, it is obtained that this depreciated forecast will linger in 2021, with growth projected to hover between 3.1 and 4.0 percent. The economic picture of Bangladesh, the country's economic output would be shortage as an effect of the pandemic COVID-19. Bangladesh will lose more than 3.02 billion USD which may be one percent of GDP. This pandemic outbreak has generated both demand and supply shocks short across the global economy. Finally at the end of the result, a special advantage to the country of Bangladesh is found. This irrepressible condition can only be addressed nationally if both stakeholders act wisely with proper problem-oriented policy actions. It is obligatory to talk about that human resources are the key factor for the revival of the economy of any country affected by this pandemic virus. Therefore, keeping them fit for the future effort community awareness and proper execution of government social safety programs without any outflows in this crisis moment can make a huge distinction. It anticipated that the world will again delight by triumphant such a type of unbeatable disease. The extent of the economic damage will depend on how rapidly the pandemic virus is controlled and how much economic support governments provide. Despite this situation, let's found a special advantage that is really hopeful message. The last 40 years the GDP growth of the country is upward though there is a small amount of shrinking. This gave the country the fastest-growing economy in the Asia-Pacific region even with the fact that it is a land of natural calamities such as floods, cyclones, drought, famine, storm surge, riverbank erosion, earthquake, drought, salinity intrusion, property, and tsunami. Furthermore, Bangladesh has the experience to boost up its GDP growth when the world faced a global recession which is called the «Wal-Mart effect». As the recession directs people poor, the poor people are forced to consume relatively cheaper goods because of their inability to afford the more pricey ones. Bangladesh had a comparative advantage in the export of these products because the workers' wage is very low.

To stimulate the economy, the government should get both fiscal and monetary measures. Policies and regulations will be more effective if fiscal and monetary policy is well harmonized. Besides.

1. Tourist authorities should open all sites with proper social distancing guideline so that tourism and travel-related industries recover the amount of losses. The country should give more priority to the tourists.

2. Production, supply chain and market disruption as well as financial markets may threaten financial sector, specifically the banking sector together with non-bank financial institutions, should open to available the flow of currency and financial transaction.

3. If banks, the heart of all crises, fail, the export and import process as well as the Small and Medium Enterprises (SMEs) will be more affected. The government and policy-makers and the Bangladesh Bank have to come forward to lessen the economic losses and need to support the external sector through appropriate policies, targeted measures and incentives. They must try to make sure that slowing economies continue to function along with the virus outbreak.

4. The government should take effective measures such as providing small and medium enterprises with: working capital, tax waivers, incentives, low-cost long-term loan facilities, and necessities. All institutions like Government, non-government and others must try to set up cloud-based work at home facilities so that they can continue their smooth operation during such incidences. The government should control the outbreak of Coronavirus (COVID-19) in the economy by any means.

5. People, Business exporters, financial and non-financial institutions, the NGOs, the social organizations, and the government should come forward and work together to handle this pandemic and lessen both the economic and non-economic losses of the country.

6. The government should prepare separate policies and provide incentives to entrepreneurs especially those who are involved in Small and Medium Enterprises (SMEs) for continuing their production under any circumstances.

7. To make easy investment, a decrease in lending interest rate is the common practice. But in this situation, lending and borrowing interest rate should not be lowered than the present, because, it will put force on financial institutions to run their business. Moreover, the low lending interest rate may result in an increase in non-performing loans (NPL) in the economy of Bangladesh. So, to boost investment, other fiscal and monetary actions can be taken into consideration.

8. The government may lower the tax level at different sources to support general people, institutions, investors, firms and companies during this economic condense. The government may also cut introduce duties in essential merchandise to control the inflationary force in the economy of Bangladesh.

9. To promote export diversification, the government should give special supports to exporters, other than the RMG sectors.

10. The agriculture sector should be given topmost priority in this pandemic situation. The government should

ensure the appropriate price level for the agricultural product to protect the farmers under this pandemic. The government can also prepare strategic policies and provide subsidies to the farmers to purchase agricultural machinery to yield crops at a low cost.

11. The central bank has already decreased policy rates (i. e. Bank Rate, CRR, Repo Rate, and Reverse Repo Rate) to optimum the money supply. Central Bank is also buying different government bills and bonds held by commercial banks to maintain market economy.

12. The government may consider the devaluation of TK against US Dollar to increase the competitiveness of exporters in the world market. The government proposed a 2 % cash incentive for the expatriate from FY2019-20, to encourage more foreign remittance into the country, the government may continue this incentive and allocate budget for the next fiscal year also.

The research results can be useful to the authorities of countries with the same type of economy.

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