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## Impacts of COVID-19 on Unemployment: Bangladesh Perspectives

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### Abstract

Bangladesh must continue to struggle and create room for young empowerment, notwithstanding its remarkable economic growth. Inducing a recession, the economic impact of the pandemic has serious ramifications for the Bangladeshi economy. Considering secondary data obtained from websites, newspapers, journals, and reports, this research examines how the COVID-19 pandemic has affected unemployment in Bangladesh. The youth population has increased by a big margin, which means that the total number of unemployed youths in Bangladesh has actually risen much more than what seems on the surface, and the Bangladesh economy has experienced jobless growth in recent years. Even during the COVID-19 pandemic lockdown, private enterprises laid off workers, worsening unemployment. Many of them are disadvantaged and lack access to opportunities.

**Keywords:** Covid-19, Lockdown, Unemployment, Jobless growth, Bangladesh.

### INTRODUCTION

In numerous emerging and developed nations, unemployment has become a major issue. Bangladesh's ranking of 126 out of 181 on the global youth index explains this phenomenon (The Business Standard, 2021). The United Nations Sustainable Development Cooperation Framework (UNSDCF) 2022-2026 identifies youth as a key agent of transformational change for Bangladesh (The Financial Express, 2022a). The UNDP country program for 2022–2026 emphasized giving young people the resources

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and opportunity they need to achieve their potential as one of the country's most significant economic actors. Therefore, the growth of youth continues to be a primary emphasis (Zaman, 2019).

The unemployment problem in Bangladesh is the most difficult socioeconomic element. When the unemployment rate rises, households, society, and economy affected in several ways. Unemployment has a negative effect on household consumption due to a lack of money (Tasneem, 2020). Long-term unemployment compels individuals to commit societal offenses. At the economic level, unemployment affects savings, output, and the amount of taxes the government collects, resulting in an increase in the budget deficit. Bangladesh's most difficult macroeconomic challenge is unemployment. The issue cannot be resolved with a single wave of the wand; Long-term planning is the only way to reduce unemployment. (Roy et al., 2021). In Bangladesh, unemployment regarded as an impediment to economic growth, especially among the literate unemployed. Bangladesh is experiencing fast growth, and a growing number of Bangladeshi women hold key positions in the governmental and private sectors. Government must sustain this trend and ensure gender equality in all facets of life. Men should play an essential role in achieving gender equality since they, too, are susceptible to limiting gender norms. The employment rate for Bangladeshi women is under 40% and of them, ninety percent work in the informal economy. Consequently, it can infer that the majority of educated women in Bangladesh continue to be unemployed. This issue requires a comprehensive investigation (Pritu, 2018).

Every year, over 25 lakh young adults enter the labor force, but nearly half remain unemployed. This is the fundamental reason for all social problems (The Financial Express, 2022b). The education system of Bangladesh designed largely to serve the formal sector, despite the fact that the informal SME sector is the largest source of employment in the country. In recent years, a mentality has arisen in which everyone aspires to enter the privileged and stable government sector, and as a result, it has neglected to pursue wider prospects. This way of thinking must change.

A recent survey conducted by the Bangladesh Institute of Development Studies (BIDS) indicated that 66 percent of National University graduates are unemployed. The number

of educated unemployed people continues to rise, owing primarily to three factors. First, there is a significant disparity between job market demand and supply. Government cannot generate the individuals that the labor market requires. Moreover, each year, educated individuals who enter the job market are unable to find acceptable employment. Since 2000, the number of graduate students in the United States has nearly doubled. Because the number of public and private universities in the United States is constantly growing, even 10 years ago, two to two and a half million graduates or postgraduates entered the job market. This figure has now climbed to 4.5 million. In our current socioeconomic environment, the majority of educated job applicants desire metropolitan and attractive positions. However, while many job seekers generated in the city each year, the number of job openings does not increase proportionally. Furthermore, the country's manufacturing and agricultural sectors are experiencing a rise in employment prospects. In two industries, there are fewer employment chances for college graduates and postgraduates. In both of these industries, technical expertise is in high demand. The educated millennials on the job market, however, are not interested in these positions. As a result, the educated youth who were self-employed through small firms are now unemployed as well. The government incentives did not reach these small business owners. Many have been compelled to close their enterprises as a result. Furthermore, the number of educated unemployed has grown. This is the third cause of rising educated unemployment in the United States.

There has been a significant shift in the thinking and tastes of young job seekers during the past five to seven years. Previously, educated youth were more attracted to private sector occupations in the hope of earning a higher salary; this is no longer the case. The private sector is much behind the government in terms of employment chances. Talented and educated youth now prioritize government employment over private employment. Additionally, they prepared independently for this. In addition, throughout this period, they actively opted to be unemployed. The unemployment rate among the educated is likewise rising. The time has come to prioritize market-oriented education. To create an educated population without raising unemployment by attracting students to demand-based education. There is a demand for technical education in the market. In addition, government is building new institutions and universities with BBA and MBA programs.

However, does Bangladesh need so many BBA-MBA degrees? The effectiveness of conventional methods to alleviate unemployment is limited.

### **Method**

This paper deals with unemployment during the COVID-19 period. Bangladesh is a research study field and special attention has been paid to the significant capital cities of Dhaka and Chittagong in Bangladesh. Some of the most heavily employed sectors in cities have been thoroughly discussed. The main goal of this paper is to deal with all the mentioned unemployment rates from March 8, 2020, to December 1, 2022. Along with the largest media in Bangladesh, careful attention has been paid to the activities of different service sectors at different times. News from Daily Prothom Alo, Bangladesh Pratidin, Daily Jugantor, Kaler Kantho, The Daily Star, Samakal, The Daily Ittefaq, Daily Inqilab, Daily Naya Diganta, BBC Bangla, Jamuna TV, and Independent TV spelled out newspapers and television with special importance. Besides, social media, especially Facebook, has also collected the opinions and reactions of the people of that country. Note that the number of likes, comments, and shares for each unemployment-related post has recorded.

This study examines the COVID-19 outbreak's influence on Bangladeshi unemployment. The core of the database is composed of secondary sources. The resources come from daily newspaper and television news updates, as well as the social report. Here are some indications that the unemployment rate differs from city to city, even during a pandemic, when considering regional variances from various angles. The research hypothesis is that the pandemic legacy will lower employment and employee dissatisfaction. The graduate jobless rate is rising even faster. Education focused on the workplace has failed to offer new opportunities. What is the actual solution to the problem? What types of measures should be taken to curb the worrying pace of unemployment growth? A hypothetical inquiry must be posed as to whether or not the government's policies result in enormous changes. Therefore, narrow the gap between the unemployment rate and the employment rate. In addition, provide some measures for anticipatory action on a crucial matter.

The information was collected from the Bangladesh Bureau of Statistics, World Bank, UNDP, Statista, ADB and Trading Economics. Before and after the pandemic, the

unemployment rate has been compared using plot graphs. It has concerned itself with three dimensions of unemployment and underemployment during the COVID-19 pandemic.

First, to determine the extent to which individuals are being denied employment possibilities. Second, using the phrase "the production aspect of employment," estimate the proportion of the working population that consists of those who lost their jobs for no other reason than the pandemic. Finally, for those who are unemployed and/or physically employed based on the "time criterion," the extent to which they meet the minimum salary requirements and had to leave their jobs to settle in the village.

### **LITERATURE REVIEW**

According to a study conducted by the Centre for Policy Dialogue (CPD), the Covid-19 pandemic-induced economic shutdown and lockout rendered almost 60 percent of informal sector workers unemployed and unable to find work for 95 days (Shovon, 2020). Many families slipped into poverty, and many jobless worked in agriculture despite the low salary. Almost 45 percent of households had lower incomes pre-Covid-19, according to the CPD (Khan, 2020). Prof. Mustafizur Rahman, a core group member of the Citizen's Platform for SDGs in Bangladesh and a member of the CPD, recently drew attention to the substantial impact of unemployment.

Households must immediately endure the immediate loss of income and decreased expenditures. In addition to bolstering domestic demand and fostering employment prospects, increased consumer expenditures will also contribute to the expansion of the economy (Daily Star, 2020).

Due to COVID-19 it has advised expanding the scope and budgetary allocation for cash transfer-based social safety net initiatives (Byron & Alamgir, 2019).

According to The Daily Star, investing in labor-intensive rural roads and infrastructure will assist low-income individuals recover from the economic crisis. According to Statista, Bangladesh's jobless rate would rise from 3.38 to 5.30 percent by 2020. In the first year of the outbreak, it rose from 4.22 to 5.33 percent (Ataur, 2020). A 2019 World Bank survey found that 32 percent of graduates from public universities and 44 percent of graduates from private universities were unemployed. According to a poll performed

by the Bangladesh Institute for Development Studies (BIDS) between February and June of this year, 66 percent of National University graduates are unemployed (Akhtar, 2022). Those (21 percent) who could find employment earn an average of Tk 30,000 per year. Seven percent of the population is still seeking post-graduate education, whereas only three percent have become entrepreneurs (Zaman, 2019).

Another study by CPD and Oxfam in Bangladesh found that 61.57 percent of working people lost their employment in March and April because to the Covid closure. 15% of them returned to work after a month, while most remained unemployed for months (Khan, 2020). Poor and marginalized people are more likely to lose their livelihood. In Bangladesh, the epidemic has had a lasting negative effect on women's employment. As of January 2021, when economic operations resumed in Bangladesh, one-third of the country's young working women were unemployed, according to a poll done by the Brac Institute of Governance and Development (BIGD) (Daily Star, 2020).

Several reports have showed that, because of Covid-19, the income generation of the working class has decreased dramatically, and there are now 24.5 million new poor in the country. World Bank report: 68% of individuals who stopped working in Dhaka and Chattogram owing to the pandemic lost their employment (Khatun, 2019).

According to a paper titled "Losing Livelihoods: The labor market impacts of Covid-19 in Bangladesh", the rate of job losses in the capital was 76%, while in the port city it was 59%. According to research by the World Bank, revenue reductions were prevalent throughout all three regions (Daily Star, 2020). Nearly 80% of wage workers and 94% of business owners in Dhaka and Chattogram reported reduced incomes. Before the Covid-19 outbreak, median salaries for salaried and hourly workers were around 37% higher than they were shortly before the outbreak. In Dhaka, the reduction was 42 percent, while in Chattogram it was 33 percent (The Financial Express, 2022b).

Among those who lost jobs, cleaning workers or housemaids were hit the hardest, as 54 percent of job losses were reported in these arenas (Bidisha, 2022). The Daily Star stated on 19 August 2022 that informal laborers' revenues and overseas remittances would plummet by 50%. The economists stated that around 20 million people, involved in informal sector, have already become temporarily unemployed because of coronavirus,

putting a significant strain on the economy (Daily Star, 2020). In the near future, unemployment will be at an all-time high in the country. About 2.5 million individuals are employed exclusively in the service industry, which includes hotels, restaurants, and resorts (Zaman, 2019). The small and medium-sized enterprise (SME) sector employs roughly 70-80 lakh individuals, whereas the RGM industry employs approximately 4.5 million individuals. Due to the coronavirus shutdown, many workers have already been temporarily unemployed and many others are at risk of losing their jobs.

According to data issued by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) on March 31, 1048, companies reported export cancellations of 907.14 million units worth \$2.87 billion. "There is a possibility that many SME employees may be laid off if the government does not financially support the entrepreneurs and if public holidays are extended further," the executive director of the PRI stated (Statista, 2021).

According to a survey by the Bangladesh Economic Association, more than 36 million individuals, the vast majority from the informal sector, have lost their jobs because of the pandemic. According to the International Labor Organization, one in four young people in Bangladesh are unemployed because of the coronavirus outbreak. According to a survey by the Bangladesh Economic Association, more than 36 million informal sector workers have lost their jobs as a result of the pandemic (The Financial Express, 2022a).

## **FINDINGS**

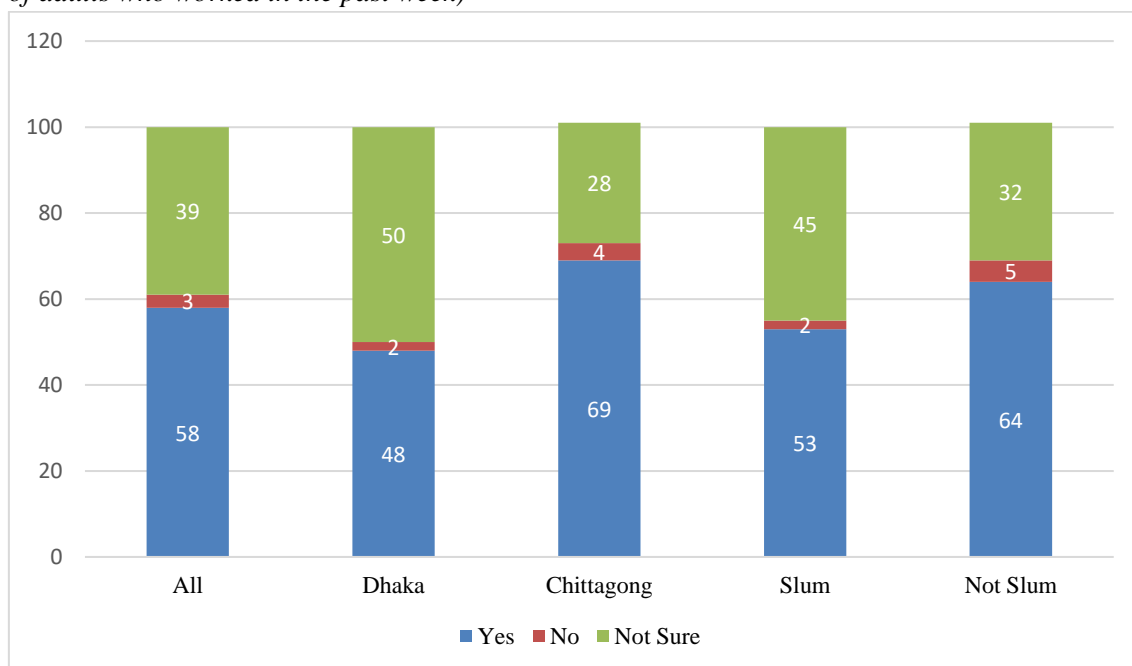
The unemployment rate has been a serious issue for policymakers and the government in recent years. Each strategy seeks to eradicate unemployment by accelerating economic growth and creating more jobs. This notion has yet to be confirmed, but the majority of economists believe that a greater rate of economic growth can reduce the backlog of unemployed workers and create new jobs (Zaman, 2019). The Covid-19 pandemic has had a greater impact on underprivileged and poor youth. To help these teens overcome the impacts of the pandemic on school, employment, mental health, and the digital gap, all stakeholders must be involved.

The road ahead is difficult, but the 2030 Agenda and its 17 SDGs provide us with direction. As a long-standing development partner of Bangladesh, UNDP continues dedicated to remaining involved with young people in order to maximize their potential as agents of good change who will significantly contribute to the country's development (Daily Star, 2020).

**The relation between covid-19 and unemployment**

Due to the COVID-19-caused lockout and economic slowdown in Bangladesh, many people have lost their employment. Over 85% of Bangladesh's informal work is vulnerable, harming low-wage independent contractors and day workers, according to ILO estimates. Due to college graduates' difficulties obtaining work, this issue impacts urban employment and contributes to poverty, reverse migration, and inequality. The COVID-19 epidemic hurts young people's career chances and skill development.

*Figure 1. Dhaka and Chittagong-Predictions for retaining present work the following month (% of adults who worked in the past week)*



Source: Genoni et al., 2020

In Dhaka and Chittagong, 23 and 24 percent of men and women quit their jobs between March 25 and the interview date, respectively. However, due to their low labor force participation, women's employment decreased more than men's. Women were more likely



to quit their jobs than males. In Dhaka and Chittagong, just two out of every ten males who stopped working exited the labor force, compared to one out of every three women.

**Table 1**

*Percentage of employees in all jobs by employment status and gender in 2020, by occupation (Males)*

Males				
Occupation	Worked in 2020	Worked past week	Stopped active work since March 25	Lost job since March 25
Drivers	13%	16%	5%	6%
Garments worker	6%	7%	6%	7%
Transport worker	7%	6%	10%	13%
Construction worker	8%	8%	10%	13%
Retail or sales worker	3%	3%	3%	5%
Porter	14%	14%	13%	13%
Cleaning or housemaid	1%	1%	0%	0%
Wage - other	8%	8%	8%	5%
Professional skilled	6%	5%	11%	7%
Own account - retail or trade	22%	24%	18%	15%
Own account - other	11%	9%	16%	16%
Total	100%	100%	100%	100%

Source: Genoni et al., 2020

**Table 2***Percentage of workers across occupations by work status in 2020 and by gender (Females)*

Females				
Occupation	<i>Worked in 2020</i>	<i>Worked past week</i>	<i>Stopped active work since March 25</i>	<i>Lost job since March 25</i>
Drivers	0%	0%	0%	0%
Garments worker	28%	42%	16%	19%
Transport worker	0%	0%	0%	0%
Construction worker	1%	0%	2%	3%
Retail or sales worker	0%	0%	1%	1%
Porter	1%	0%	1%	1%
Cleaning or housemaid	43%	28%	56%	54%
Wage - other	7%	9%	6%	4%
Professional skilled	4%	2%	5%	1%
Own account - retail or trade	11%	14%	9%	10%
Own account - other	5%	5%	5%	7%
Total	100%	100%	100%	100%

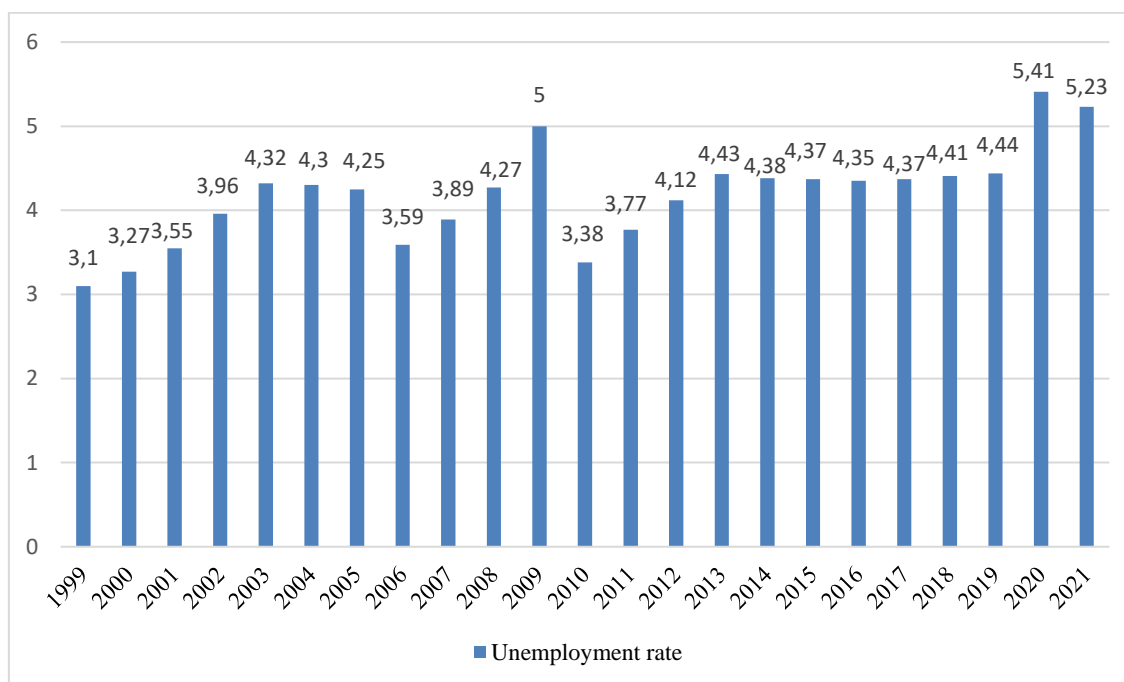
Note: "Wage - other" groups occupational categories of less than 2% for the total sample.

Source: Genoni et al., 2020

In addition, women who remained to actively work in Dhaka and Chittagong saw sharper income drops and increased job insecurity. This appears to be a result of their employment in badly afflicted professions. This is consistent with women's considerable engagement in the garment industry and maid services, which have been severely hit by COVID-19. For women, the median pay loss was 43%, while for men it was 33%. The majority of active working women were employed in the garment sector (42 percent) or as housemaids or cleaners. (28 percent). Females were 13% more likely than males to report a wage decrease, and their reported salary decrease was 14% larger than males'. This differentiation depended on age, education, and place of residence. Moreover, although

59 percent of males anticipated remaining in their employment for the following month, just 52 percent of women held the same outlook (Figure 1).

**Figure 2.** Bangladesh unemployment rate from 1999 to 2021



Source: Statista, 2021.

Male and female workers in labor-intensive industries such as hotels and restaurants, wholesale and retail commerce, and labor-intensive manufacturing ceased working in Bangladesh. Female domestic employees have the lowest work ability. More women (16%) than men (10%) among small company owners became jobless. Unskilled women (31% unemployment) outnumber men (20%). (Statista, 2021). By mid-2020, more women than males had found new work after losing their ones. ILO predicts 1.6 billion informal sector workers by April 2020. Lockdowns or other restrictions to prevent Covid-19 might affect 80% of the world's informal population and 50% of the global workforce (Statista, 2021).

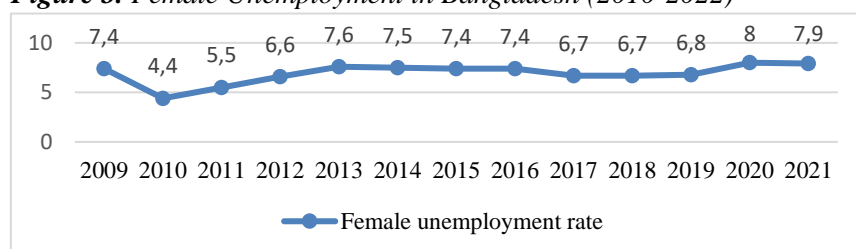
The ILO projected those informal workers worldwide lost 60% of their income in the first month of the crisis: over 80% in Africa and the Americas, 70% in Europe and Central Asia, and 22% in Asia and the Pacific, indicating the progressive spread of the virus in these regions (Ibid: 1-2). Since then, more study on the impact of COVID-19 on informal

workers has confirmed the ILO's estimate (ADB, 2021). Recent WIEGO working papers examine the impact of the COVID-19 problem on informal workers in eleven cities across five world regions (Asia, Africa, Latin America, North America, and Eastern Europe). The capacity of informal laborers to work has been impacted by the economic downturn, according to a WIEGO study of 11 cities (Nawmi, 2022).

74% of informal laborers couldn't work during April 2020 lockdowns. By mid-2020, when lockdowns or prohibitions were substantially lessened, 21% of informal workers were still unable to work, and average working days and salaries were lower than in February 2020. (Daily Star, 2020). According to research, Covid-19 affects Bangladesh's informal sector similarly. Research by PPRC and BIGD examined the impact of the pandemic and lockdowns on 7,236 families' principal source of income, family income levels, and food security in April and mid-2020, relative to February 2020. (pre-Covid-19). The statistics revealed a drop-in economic activity in April, notably in urban regions. It increased by mid-2020 when the stringent lockdown was lifted, but not to pre-Covid-19 levels (Roy et al., 2021).

By mid-2020, 76% of rural and urban families could continue pre-Covid-19 jobs, 7% had changed occupations, and 17% were unemployed. According to other study, formal vs. informal work and "occupation" within informal employment affected Bangladesh. Formal employment (factory labor or paid jobs) was least affected (between 16 and 18 per cent). By mid-2020, 54% of domestic workers were unemployed and 20% of unskilled laborers. (2022b Financial Express). Most Covid-19 workers became unskilled and earned less than before. Thousands of expatriate employees who went home are unemployed, and others work in agriculture with their families (The Financial Express, 2022a).

**Figure 3. Female Unemployment in Bangladesh (2010-2022)**

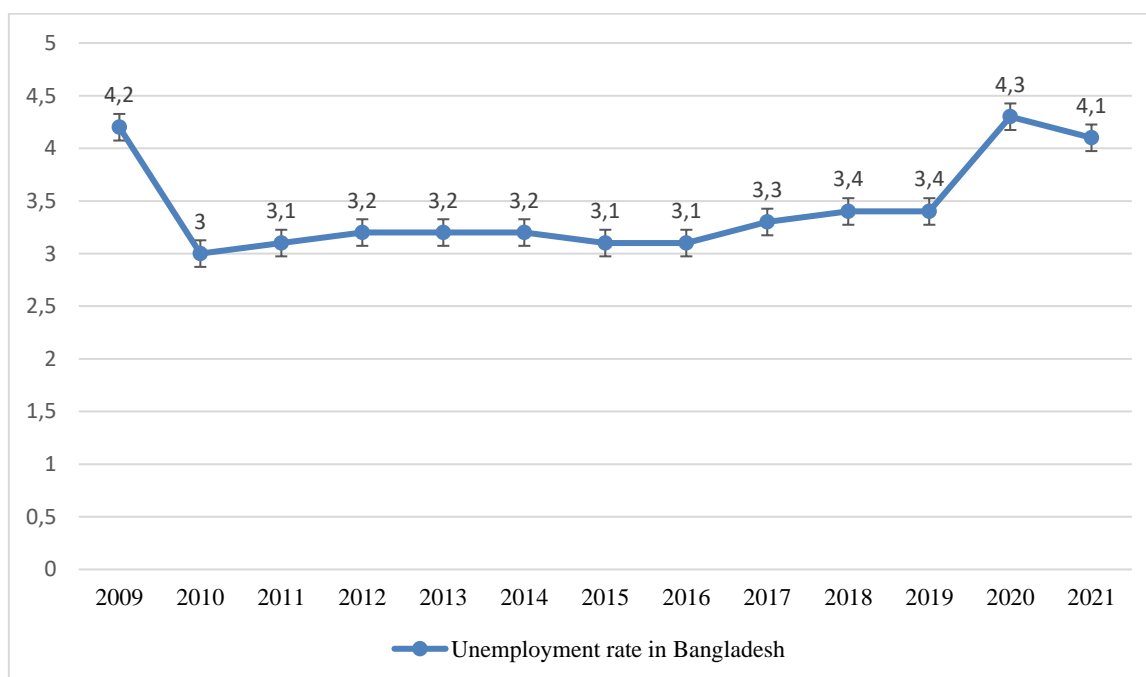


Source: Worldbank, 2022

Bangladesh has mostly female domestic workers. In some societies, women and men differed greatly. Women small company entrepreneurs (16%) are jobless more than men (10%). 31% vs. 20% of unskilled women got unemployed. By mid-2020, a bigger number of women remained jobless across all occupations, although more men than women who lost their jobs found new jobs (New Age, 2022).

The Bangladesh scenario predicts "high economic activity" but "little income recovery" by mid-2020. There was a considerable difference between households whose major source of income was formal labor (factory work and paid jobs) and other (mostly informal) activities. Industrial and salaried workers' incomes rose 84% and 82%, respectively, while transport workers and unskilled laborers rose 52%. (2022a, Financial Express). To recover, economies, especially in developing nations like Bangladesh, must recognize the plight of the informal sector and safeguard its workers and means of subsistence.

**Figure 4.** Unemployment male rate in Bangladesh from 2009 to 2021



Source: Macrotrends, 2022

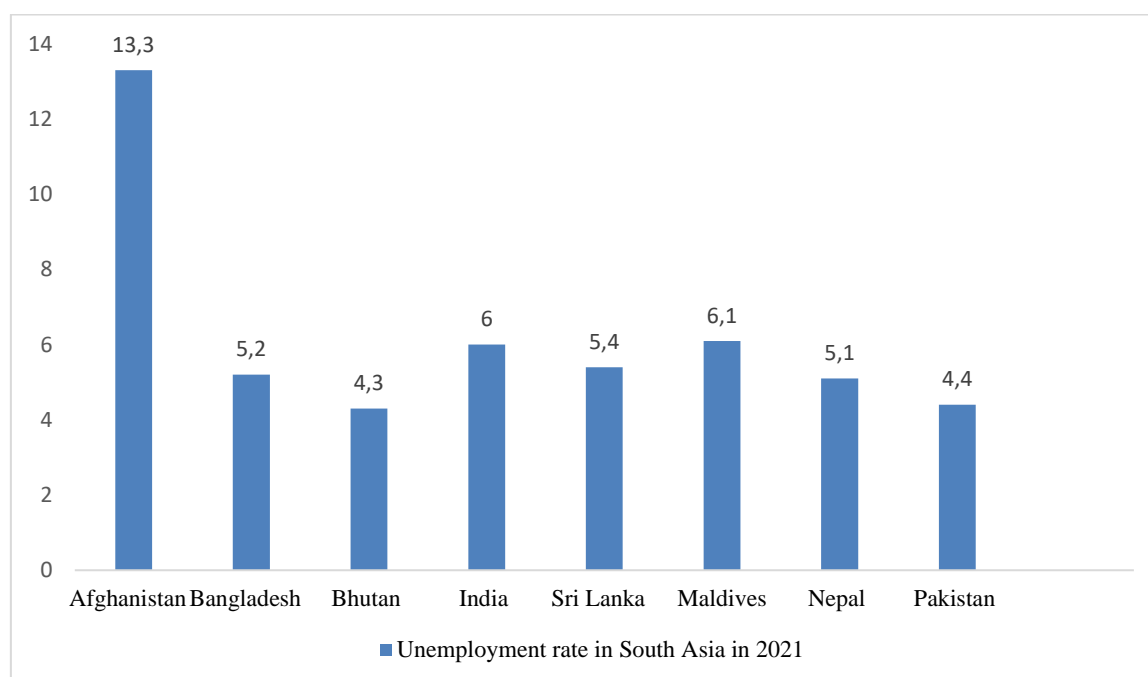
Regarding providing monetary stimulus aid to informal workers or their employers, the Bangladeshi government faces financial limits. In addition to several obstacles, the

distribution routes may divert aid to undeserving individuals. Some donor agencies have previously allocated cash to the plan of credit guarantee scheme for both formal and informal sectors of MSMEs. Concerning these programs, the Bangladesh Bank's policies and commercial banks' attitudes face numerous obstacles. To recognize the dilemma and likely solution, a shift in perspective and political will is required. Informal workers and their livelihood activities form the wide basis of the economy, generating goods and services for low-income customers, the public, and the formal economy (Bidisha, 2022).

### South Asian countries

In South Asia, countries such as Pakistan and Nepal would experience a doubling of youth unemployment due to the pandemic.

*Figure 5. Unemployment rate in South Asia in 2021*



Source: Worldbank, 2022

In 2019, the young unemployment rate in Pakistan was 8.9 percent and projected to increase to 21.5% in the event of a lengthy containment. Similarly, young unemployment in Nepal would climb from 2.3% in 2019 to 4.8% in the event of a short containment and to 6.1% in the event of a protracted containment. In the case of continuing containment, India's young unemployment rate will rise to 32.5 percent from 23.3 percent a year ago.

The young unemployment rate in Sri Lanka will climb to 32.5% and 37.5%, respectively, in the short and long containment scenarios, from 21.1% in 2019. As the Maldives and Bhutan rely significantly on tourism, a lockdown would force their businesses to fail and unemployment to rise (The Financial Express, 2022b).

### **Covid-19 and New Youth Realities**

The greatest barrier for COVID-19-affected youth is a decline in current and future career opportunities. Furthermore, the youth face significant challenges because of ongoing interruptions in education, training, and commercial activities.

Youths are unlikely to complete their studies on time due to disruptions in education and training. According to a survey of adolescents, 33 percent would experience a session gap as a result of the indefinite suspension of academic 306. A second poll found that around 48.6% and 27.1% of students did not graduate or complete their courses on time, respectively (Nawmi, 2022). This delay could be a significant barrier, particularly for young women. Women from low-income 308 families may be more likely to marry early because to social pressures if they are obliged to complete their education over a longer length of time (The Financial Express, 2022a).

Women's employment has two contradictory consequences. Female workers may feel more disheartened than male workers as jobs become harder to acquire; (ii) additional worker effect', women must enter the labor market to maintain household income. COVID-19 has cost female-headed households 80% of their income and male-headed households 75%. (Statista, 2021).

**Table 3***Youth job loss (percentage of total youth job loss) in Bangladesh due to COVID-19*

Sectors	Youth job loss % due to COVID-19
Agriculture (Including, Forestry and Fishing)	22.9
Retail trade (Except motor vehicles and motorcycles; including repair of household goods)	12.1
Hotels and restaurants	2.6
Inland transport	7.6
Other services (Other community, social and personal services)	4.5
Construction	12.8
Textiles and textile product	13.6

Source: Genoni et al., 2020

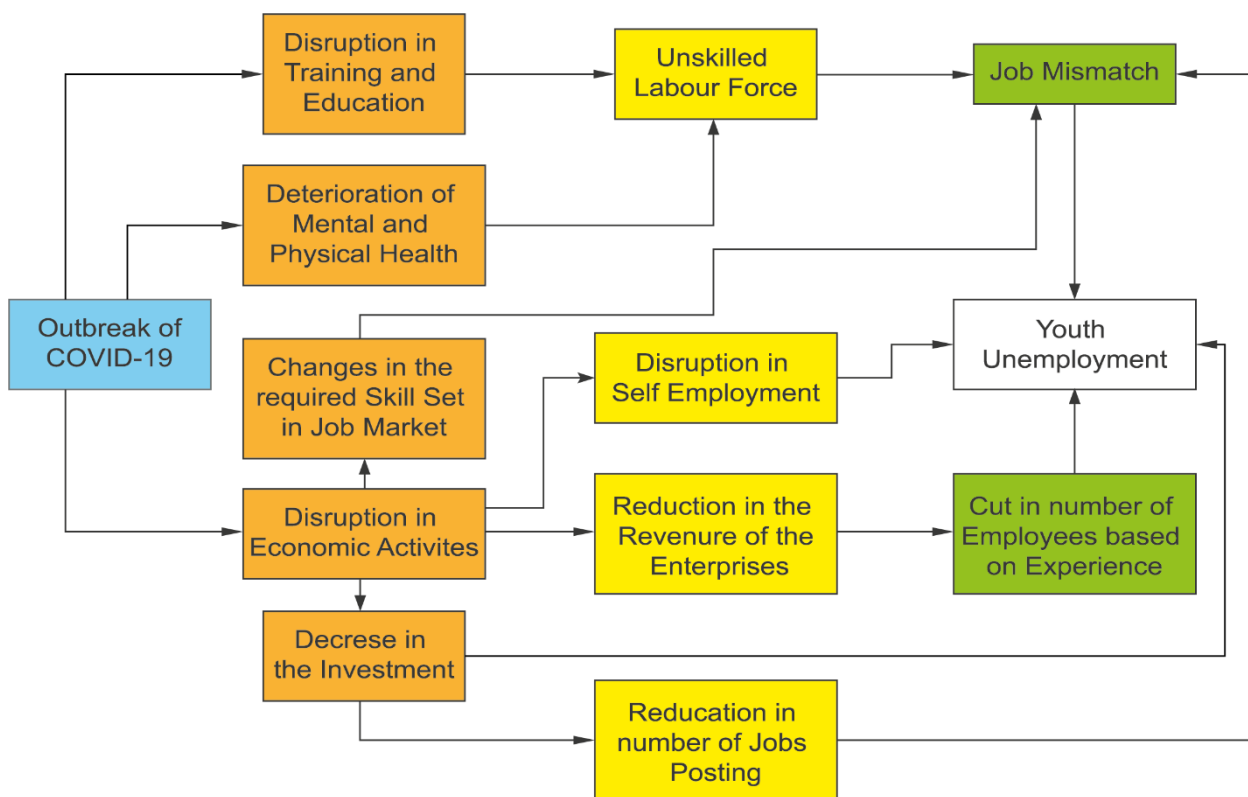
According to the ILO-ADB, 76% of young jobs in seven important sectors of Bangladesh could be lost owing to COVID 19. Agriculture may see the sharpest fall in young employment. In absolute terms, other industrial and service industries may lose the most jobs. The disruption in agro-based businesses during the epidemic could have an effect on ILO-prediction ADB's of young unemployment. The interruption includes the shutdown of transit channels, limitations and quarantine procedures, labor shortages, and product price hikes, which 294 hindered the sector's normal operations (Akhtar, 2022).

In spite of this, 295 it should emphasize that thanks to a variety of steps adopted by the Ministry of Agriculture, agricultural labor, products, and trucks were able to travel normally, resulting in the timely harvesting of early Boro crops. This may have reduced farm job losses. Readymade garments (RMG), Bangladesh's main industry, was a key source of young employment, with plans to grow it by 296. (Bidisha, 2022).

However, COVID-19, preserving the employment of young people in this industry has become a big challenge. By June 2020, 70,000 people had lost their jobs, and another million were at danger. There might be a 13.6% loss of 297 jobs for young adults aged 18 to 24 in this industry (The Financial Express, 2022b).



Figure 6. Different channels through which COVID 19 likely to induce youth unemployment

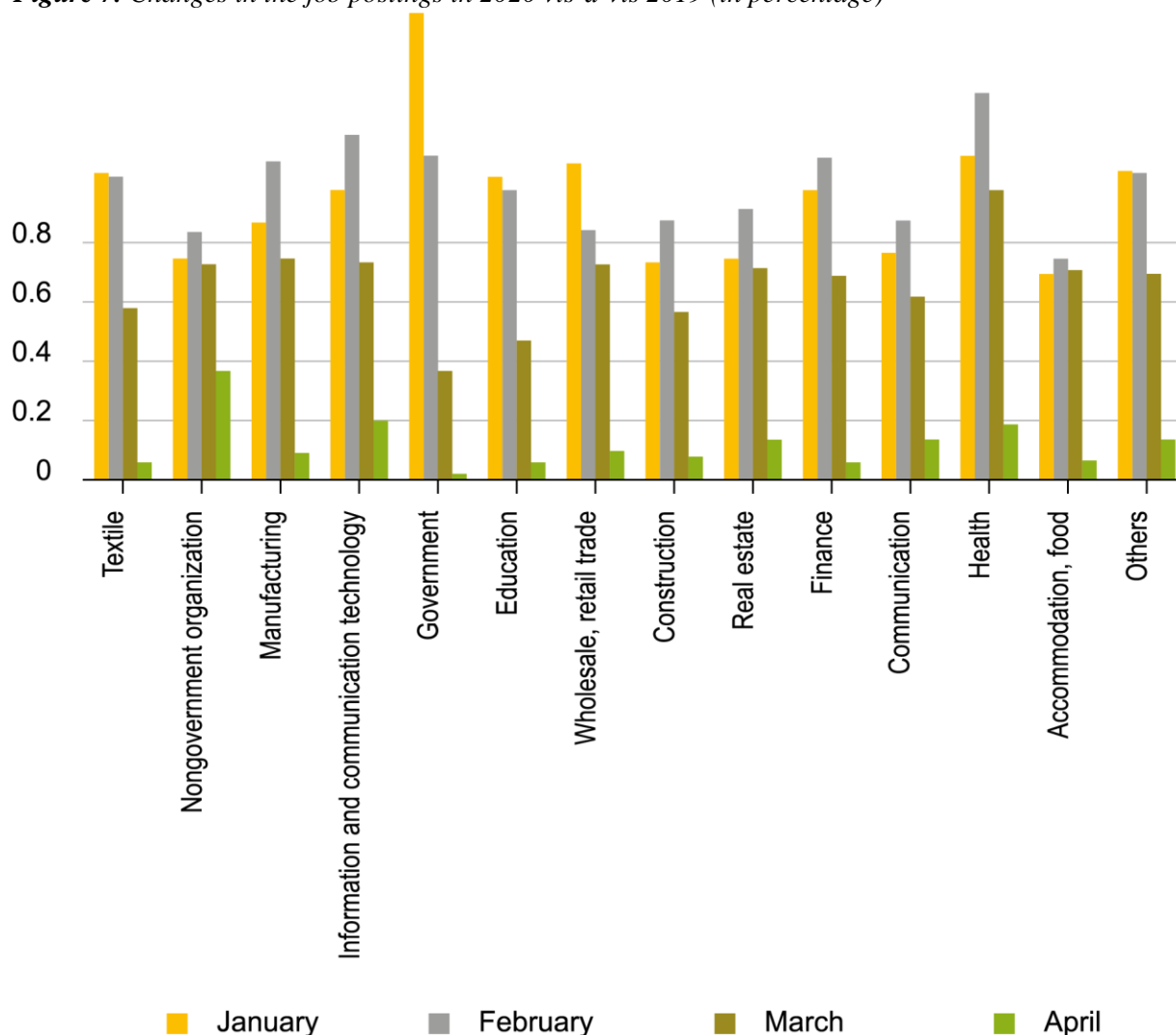


Source: Genoni et al., 2020

The onset of COVID-19 has precipitated a severe young job crisis in Bangladesh. As the epidemic wreaks havoc on the economy, it may become difficult to provide respectable jobs for youth. The negative effects of COVID-19 anticipated resulting in youth unemployment through a variety of direct and indirect pathways. However, the extent of these effects will rely significantly on the virus's containment. In Bangladesh, it discovered that the assumption that young people were more resistant to COVID-19 infection was not very accurate. As of 14 September 2020, 20% and 28% of COVID-19-infected patients in Bangladesh were aged 21 to 30 and 31 to 40. (Statista, 2021). In addition, around 7% of the total 274 COVID-19 deaths in Bangladesh occurred in individuals aged 21 to 40. COVID-19 infection can have long-lasting deleterious consequences, despite the fact that the recovery rate is high (71.7%). Consequently, young people may be hesitant to pursue careers in industries with significant infection risks, so reducing their employment opportunities. In Bangladesh, the onset of COVID-19 has a direct influence on youth employment by reducing the number of available jobs.

Because of the continued decline in economic activity, many young people have already lost their jobs. In an effort to survive the prolonged economic downturn, businesses are cutting their workforce, with millennials bearing the burden due to their lack of work experience (Nawmi, 2022). Depending on the virus's containment, 1.1 million to 1.6 million young jobs might be lost in Bangladesh; the unemployment rate among 15-24-year-olds in 2020 could reach 20.5-24.8 percent (previously 11.9% in 2019), according to ILO282 and ADB predictions. In light of the expected global economic crisis in the post-COVID era, future job losses could be substantial (Genoni et al., 2020).

Figure 7. Changes in the job postings in 2020 vis-à-vis 2019 (in percentage)



Source: Genoni et al., 2020

In addition, the persistent interruption of economic operations has reduced the scope of new investment in the economy, which further decreases the number of employment options for young people. In April of 2020, fewer jobs posted 87 percent on job-related websites than in March of the same year. The number of government job postings declined the greatest among all industries, by a factor of 283 (Genoni et al., 2020). Conversely, the development of young self-employment is also at danger. Youth may be less motivated to become entrepreneurs if the scope of new investments is limited.

Movement restrictions and the closing of educational institutions diminish many broad opportunities for self-employment, including as travel brokers, private tutors, and kindergarten teachers. The continued disruption of education and training is a further key route via which the emergence of COVID-19 could contribute to youth unemployment. The educational institutions of Bangladesh have been closed since March 17, 2020. All 2.1 million college and 1.1 million university students are apprehensive of their on-time graduation (Genoni et al., 2020).

Nevertheless, several universities, colleges, and schools have implemented online courses. In addition, the epidemic has rendered training institutes inoperable, hindering the government's efforts to develop a trained labor force. Delays and disruptions in education and training might harm young people's abilities and increase youth unemployment. In the post-COVID-19 era, essential skillsets may become increasingly technology-focused, and Bangladeshi youth may fall further behind in obtaining a competitive position on the global job market, which is expected to grow more competitive in the future.

COVID-19 has also raised concerns about the physical and emotional health of young people, which may in the future contribute to an increase in youth unemployment. 286 Hossain and Ullah observed that reduced mobility owing to COVID-19 is likely to impair people's mental health, including the mental health of adolescents, which could inhibit their normal maturation and diminish their analytical capacity. Therefore, the existing skills gap could grow, leading to a rise in youth unemployment in Bangladesh.

Teenage unemployment is the most likely immediate result of the epidemic, although other negative effects are also projected. Many Bangladeshi teens are losing wages and

money. Sharmeen & Ahmed found that 25% of 17- to 29-year-olds lost money due to the epidemic. 20 million teenagers were at risk of wage loss; 53% of working 18-34-year-olds in Bangladesh might slip into poverty (Genoni et al., 2020).

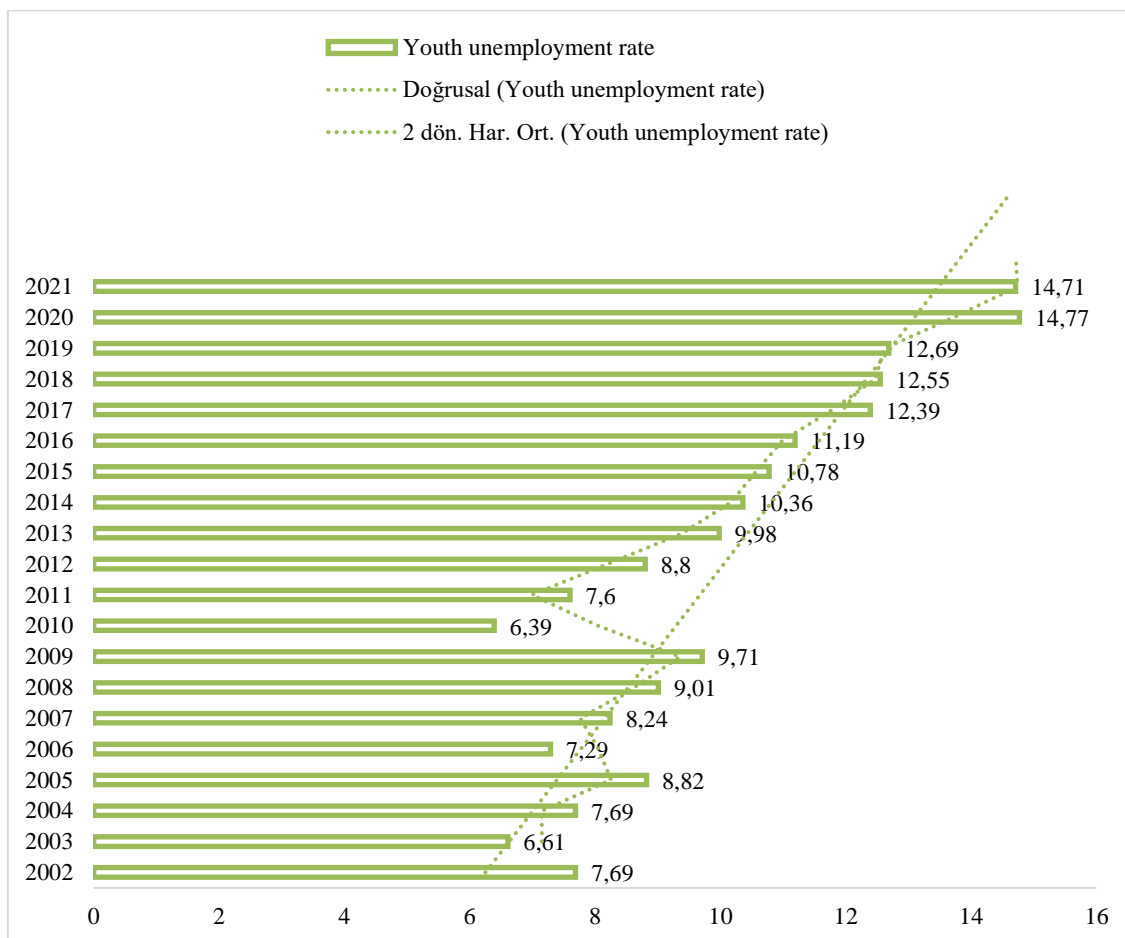
Therefore, COVID-19 have an effect on the country's human development. Youth's existing and future standard of living is uncertain as a result of a decline in available occupations. On the other side, disruptions in education and mental instability as a result of COVID-19 have hampered their ability to acquire knowledge, which is essential for improving human capability. Youth with declining incomes are socially vulnerable. Their freedom of choice may be limited. In addition, COVID-19 has raised concerns regarding the long-term health of kids. If the spread of the virus cannot be stopped quickly, this could become one of the greatest obstacles to human advancement (Roy et al., 2021).

Evaluating the sector-by-sector impact of COVID-19 on young employment could help acquire a greater understanding of the issue, despite COVID19 affecting all areas of employment. As a large percentage of Bangladesh's labor force is comprised of young people, any negative impact on the overall employment rate will also have a negative impact on youth 289 employment. In terms of employment, the informal sector has been impacted hardest by the contraction of economic activity caused by COVID 19; 89 percent of all employed youngsters aged 18 to 34 are working in the informal sector, therefore they face the greatest danger of job loss. Given the lack of adequate legal protection for informal sector workers, violations of labor rights, such as 292 unlawful terminations and partial or non-payment of wages, may be occurring more frequently than in the past, resulting in more hardship for young people participating in this sector (Genoni et al., 2020).

### **Concepts of graduate unemployment**

Unemployed graduates have a tertiary degree. Graduate unemployment refers to job seekers with a degree and related abilities who are unable to find work. Unemployment is a measure of a country's economic health and talent pool's ability to find job (Neazy, 2019).

Figure 8. Youth unemployment rate in Bangladesh from 2002 to 2021



Source: Statista, 2021.

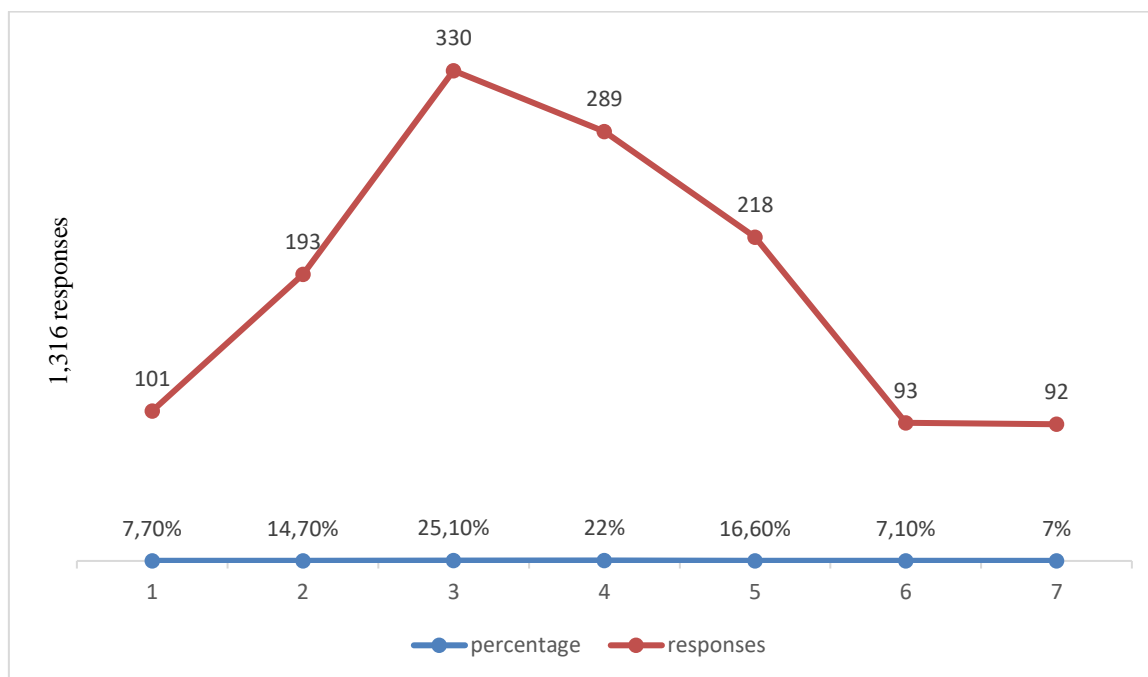
In 2015, graduate unemployment in Bangladesh was 32%; in 2019, it's 47%, according to the World Bank and Statista. Two-thirds of Bangladeshi job hopefuls are unemployed two or three years after graduation. Bangladesh's graduate unemployment rate is puzzling for many reasons, including graduates' lack of cognitive and soft skills (critical thinking, problem solving, and communication), poor education systems (outdated curriculum at public universities and poor quality at private universities), lack of job specialization, lobbying, corruption, and political affiliation (Statista, 2021).

**Causes of youth unemployment in Bangladesh:**

According to a global organization, tertiary graduates continually experience high unemployment rates. The utterances of a Trustee Board member of a prestigious private university in response to a question about whether his company would hire graduates of

his own university indicate that things have gone awry. "No!" was his unambiguous response. "I cannot use them" is the reason given (Daily Star, 2020).

**Figure 8.** To what extent do you feel that the quality of higher education in Bangladesh makes students competitive for the job market?



Source: Islam, 2019.

It is essential for Bangladesh's educational institutions to blend intellectual development with the new (4IR) abilities required to navigate a globalized environment. Employment possibilities are the second most essential aspect that students expect from academic institutions, according to studies. Our study posed the question, "To what extent do you believe that the quality of education in Bangladesh makes students competitive in the job market?" in order to determine how students at Bangladesh's top academic institutions felt about their educational experiences. There were 1,316 responses (see graph where 1 = very little and 7 = very much) (Roy et al., 2021).

The results are unsurprising: only 14.1% of respondents believed their degree made them competitive. Many lacked enthusiasms for their academic institutions, which deemed decent, average, acceptable, or not-so-good-not-terrible. Several people went on to elaborate on their disappointments (Roy et al., 2021).

## CONCLUSION

The level of unemployment in an economy could directly affect to government policies. Many western governments give battling inflation precedence above tackling unemployment, which can view as a trade-off (Zaman, 2019). The term "trade-off" refers to the likelihood that battling inflation would lead to unemployment, and that fighting for full employment could lead to inflation. It has observed that interest rates are the most effective weapon against demand-pull inflation. Keeping interest rates low as part of a government's monetary strategy will reduce inflation, but may have a debilitating effect on existing enterprises and future investment (Pritu, 2018). High interest rates would make it impossible for borrowers to service their debt, which could result in business failure and the loss of jobs. In addition, prospective investors would refuse to borrow since the cost of borrowing would be too high, preventing the creation of new jobs and resulting in unemployment. A quest for full employment could have the opposite impact, namely a rise in inflation. Full employment might substantially raise aggregate demand for products and services in the economy because of higher purchasing power, which would result in price increases by producers (inflation).

A structure for transparency and accountability must be in place to prevent individuals in authority or accountable for planning and executing this strategy from abusing the system. When abuse occurs at the hands of individuals in authority, they should held fully accountable and punished. A structure should also be in place that allows the authorities to conduct periodic evaluations and assessments of the success of the established strategy, the persons implementing it, and its implementation (Tasneem, 2020). This will allow authorities to discover faults and deficiencies. Such an evaluation will tell the authorities at any time of their progress toward achieving the goals.

Employment offers happiness, pride, self-esteem, and confidence to the employed and their families. On the other hand, government officials have witnessed the detrimental consequences unemployment can have on both people and society as a whole. Unfortunately, many governments in the developing countries do not view unemployment reduction as a priority for a stable and growing economy (Genoni et al., 2020).

Making technical education mandatory inside the general school system could be one answer to this issue. A college or university can provide practical training in any technical topic to a student pursuing a BBA with honors in English or history or a Bachelor of Arts with honors in English or history. Involving industry in training could be another solution. The government may require each private institution to engage a set number of recent graduates as interns for three to six months each year. The government will pay them directly via mobile device. It will motivate institutions to provide youth with opportunities. Because there is no cost involved. Their primary task will be to deliver training on the job. After completing their training, a significant number of trainees will be able to obtain permanent employment at that institution. On the one hand, it will solve the problem of training, while on the other; it will provide numerous new employment opportunities.

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