



SOCIO-ECONOMIC IMPACT OF COVID-19 IN BHUTAN: A CRITICAL ANALYSIS



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KEYWORDS

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ABSTRACT

Cataclysms are difficult, uncontrollable problems that put societies and nations to the test in terms of how successfully they can protect their infrastructure and population, reduce losses on a material and human level, and recover rapidly. Throughout the beginning of recorded human history, infectious diseases have afflicted people. Over the last four decades, the rise of urbanization, globalization, and population expansion has played a significant role in the escalation of both the occurrence and cross-border dissemination of novel infectious diseases. The discovery of the coronavirus (SARS-CoV-2) and the proliferation of COVID-19 in this world today have prompted many countries to take drastic action. Many economic aspects, not least innovative start-ups, experienced an external shock as a result of the “lockdown” of a sizable portion of society and economic activity. The first cases of COVID-19 in a nation are significant because they have an impact on the nation's response to preparedness, the perception of the pandemic by the general public, and the actions taken by medical professionals. A 76-year-old American man who visited Bhutan as a tourist and was isolated in a separate hospital with a committed medical care staff before being airlifted back to his nation experienced a fortunate turn of events in Bhutan. This patient made Bhutan and its people more careful, and the ensuing steps were so well-thought-out and wise. The patient's medical team, the government, and the Bhutanese people all took away lessons from this. The COVID-19 recovery effort has been hindered by the government's severe containment measures, which have caused supply chain interruptions, tourism industry problems, and an exodus of expatriate workers, leading to a labour shortage for both trained and unskilled personnel. This gap caused infrastructural projects to stall, which had a negative impact on the average person's standard of living. Despite the fact that pandemic deaths are frequent, each one has influenced the socioeconomic and public health results, depending on the type and extent of the outbreak. In addition to reflecting on Bhutan's adaptability, responsiveness, and lessons learned, this study sought to provide a preliminary assessment of the COVID-19's effects on the country. It also sought to provide a deeper understanding of the recent socioeconomic implications of the COVID-19.

Introduction

“At such a time, we must exhibit the strength that

comes out of our smallness, remain united and support one another. During such exceptional

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circumstances, the government will take the responsibility of alleviating any suffering to the people due to the virus.”¹

~ His Majesty the King of Bhutan
Bhutan is among the nations that experience natural disasters the most frequently due to its geoclimatic conditions and high socioeconomic susceptibility. A disaster is a severe interruption of a society's normal operations that results in extensive losses of people, property, or the environment, losses that are more than what the affected society can reasonably expect to be able to handle on its own.

In the South Asian region, Bhutan has served as an example for other countries in implementing effective COVID-19 emergency health sector responses. In all 20 districts, surveillance activities were promptly intensified when the first case in Bhutan that was discovered in March 2020. To address this issue, additional teams specializing in District-based Case Investigation and Contact Tracing (CICT) were introduced.²

The COVID-19 pandemic severely disrupts the rhythm of contemporary civilization globally, but global lockdown dramatically restores the health of the entire environment. The greatest impact that COVID left as mark in the country is drastic drop in economy of the country and social issues starting from unemployment to drop out from schoolings.

STATEMENT OF THE PROBLEM

The tragedy of COVID-19 that have left many countries economic unhealed and many lives were lost. It revealed many challenges that have never been, and effect of COVID-19 was immense. After

declaring COVID-19 as world pandemic where it is study which have result to showcase how government of Bhutan and people have responded to it and what cause and effect brought to Bhutan.

OBJECTIVE OF THE STUDY

1. To critically evaluate the impact of COVID-19
2. To analysis the challenges of COVID-19
3. To evaluate the challenges of the economic development in recent time (post COVID-19 situation)
4. To analysis preparedness and respond of the government
5. To learn about national policy and disaster preparedness and management

RESEARCH METHODOLOGY

This analysis was carried out using a desk review research methodology and questionnaires method and secondary data like journal, authentic internet sources, website, and related experts. It critically examined the provision in the National Policy on Disaster Preparedness, Management, and its impact document vis-à-vis the pandemics such as COVID-19. Also, reports and briefs from various studies on Bhutan's preparedness, reaction, and management for disasters as well as the current state of the country's economy were analyzed. In order to produce a deeper comprehension of the subject matter, only qualitative methodologies were used. The analysis was informed by topics that were developed and generated using a thorough content analysis technique.

LITERATURE REVIEW

The statute of the country has impacted greatly by the COVID and as of today it's in recovering stage.

A comprehensive literature review using search engines like Google Scholar and electronic news was done to have wider view of the existing evidence on the impact of COVID on economic and lifestyle amongst people. Keyword such as “coronavirus”, “economic”, “social life”, “national preparedness” “questionnaire and surveys” were included in the search. This resulted in 200 related articles. The online database of PubMed, Web of Science and Scopus were searched.

CONCEPT OF COVID-19/ CORONAVIRUS

COVID-19 is an infectious illness caused by a recently identified coronavirus, capable of being transmitted between individuals. There is not exact answer to what is Covid-19 but it is only known for the wildly and deathly virus that have killed many people’s life so far in the world. Even the symptom of this virus can be range from mild or no symptoms so serve illness.³

The disease caused by the newly identified coronavirus in Wuhan, China was officially named coronavirus disease 2019 (COVID-19). The name “COVID-19” was derived from “CO” representing corona, “VI” representing virus, and “D” representing disease. Prior to this official designation, the disease was commonly referred to as “2019 novel coronavirus” or “2019-nCoV.”⁴

The COVID-19 virus is a novel pathogen that belongs to the same virus family as SARS and several strains of the common cold.

OVERCOMING COVID-19 IN BHUTAN

As reported in the World Health Organization, “Bhutan have confirmed COVID-19 case of 62,538 and 21 deaths unfortunately”. On 5th March 2020, the initial case of COVID-19 was identified in a

76-year-old American tourist. Shortly after, the 59-year-old travel companion of the tourist was also diagnosed with the disease. It is believed that during their travel from India to Bhutan, they might have contracted the virus from an unknown source. All of the patients' interactions were followed, and each time they were tested, the results were negative.⁵

Bhutan has never been locked down, but on the King’s orders, on March 22, 2020, its borders were sealed. During the announcement of the shutdown, His Majesty emphasized that the well-being and safety of the people of Bhutan are of paramount importance. He assured that all essential measures would be implemented to safeguard the population. Given Bhutan's geographical location, situated between China and India, there is a significant risk of being affected by COVID-19, making it crucial to establish adequate protections. While there is little to no human interaction along with Bhutan-China border, there is a gre4qater risk of community transmission neat the Bhutan-India border where human interaction is more common.

This border shutdown has essentially amounted to cutting off an economic lifeline for a nation that depends significantly on imports, especially food and fuel India as well as tourism. A drop in business or closure has resulted in many people losing their incomes and others source of support, either entirely or partially. The hardest hit people are those who work in the tourism industry and related industries. The precautionary measures put in place by the government to stop the disease from spreading also have an effect on people employed in other businesses. Even today, many

entertainment clubs are stave off to escalate the COVID-19.⁶

“His Majesty announced the release of Nu. 30 billion (US \$397 million) to create a National Resilience Fund considering unusual conditions and the necessity for unorthodox measures to foster economic resilience and growth.”⁷ The huge volunteer across world and citizens across the country have contributed to wake of Covid and show the power of togetherness at odd hours.

THE NATIONAL POLICY ON DISASTER PREPAREDNESS AND MANAGEMENT

The Disaster Management Act of Bhutan 2013, also known as the DM ACT, was passed in order to create and strengthen institutional capacity for disaster management, mainstream “disaster risk” reduction, and to offer integrated and coordinated disaster management with a focus on community participation in the nation. The DM Act called for the construction of several levels of disaster management institutions, as well as their roles and responsibilities, the creation of disaster management and contingency plans, funding provisions for disaster management, and the participation of agencies and the private sector.⁸

The National Disaster Risk Management Framework of 2006 abolished this statute and established a new framework to increase Bhutan's institutional capacity for disaster management and better mainstream disaster risk reduction. It is stated what this act's purpose is:

- (i) It focuses on establishing and enhancing institutional capacity for effective disaster management.

- (ii) It emphasizes the mainstreaming of disaster risk reduction across various sectors and activities.
- (iii) The Act addresses incidental matters and outlines the composition, functions, and powers of different authorities involved in disaster management, including provisions related to the private sector. It emphasizes the integration of disaster risk reduction into development plans, policies, programs, and projects, along with ensuring adequate budgetary allocation.
- (iv) The Act promotes an integrated and coordinated approach to disaster management with a particular emphasis on community participation.

The policy's overarching goal is to lower vulnerability levels and to incorporate disaster risk management into development planning and programming. This is done by preventing disasters and mitigating their effects, as well as by preparing for them and being prepared to respond to them effectively.

Geo-physically Bhutan lies in one of the most seismically active zones in the world but, Coronavirus (COVID-19) is the most serious hazards that the country was facing. While there is no true source of outbreak but the death case due to this virus in the world is unexpectedly high and it have caused damage to more than any disaster till date. There is no true answer to this deathly disease but the ultimately saving life vaccination have built in the world through many experimental and have great succeeding results as of today.

But due to this pandemic, Bhutan have worked out to tackle this deadly virus as National Emergency in term of calamity under article 33(2) of The Constitution of Kingdom of Bhutan that state “*The Druk Gyalpo may, on the written advice of the Prime Minister, proclaim that a public emergency or calamity, which threatens or affects the nation as a whole or part thereof, exists in which case the Government may take measures to the extent strictly required by the exigencies of the situation.*”⁹ and Section 5 of the Disaster Management Act of Bhutan 2013 which state that “*The powers during threatening disaster situation or disaster are in addition to and do not limit the powers a person may have under another Act such as National Emergency Act of the Kingdom of Bhutan.*”¹⁰

CHALLENGED FACE BY BHUTAN BY COVID-19 SITUATION

The challenges faced by the health sector and the overall economy due to the pandemic include:

- ✓ Limited availability of health workers, with a scarcity of intensive care units (ICUs), approximately 336 physicians, 109 specialists, and 116 general duty medical officers (GDMOs).
- ✓ Disruptions in the supply chain of personal protective equipment (PPE), test kits, and medical equipment, including care equipment.
- ✓ Insufficient clinical management expertise to handle critical cases with comorbid conditions.
- ✓ Disruptions to regular health services, leading to potential negative impacts on

primary health indicators such as disruptions in vaccine and essential drug supplies.

- ✓ Increased unemployment cases resulting from the pandemic situation.
- ✓ The adverse impact on the country's economy, leading to financial strain and depletion of resources.

IMPACT OF CORONAVIRUS (COVID-19) IN BHUTAN

1. Socio-Economic impact

To comprehend the socioeconomic effects of the coronavirus pandemic, particularly on the most vulnerable population, the government has quickly assessed the situation. An assessment has been done to ensure that ongoing and planned response efforts are more precisely focused.

The pandemic and consequent border closure to stop the coronavirus outbreak have hampered Bhutan's economy. Exports and imports have declined significantly because of weak foreign and domestic demand and trade disruption. According to the National Statistics Bureau (NSB), the economy grew by -10.08 percent in 2021, a 15.83 percent decrease from the 2020's growth of 5.76 percent.¹¹

The workers who usually work in hydro-projects from outside, primarily from India, have left Bhutan due to border closures, which has reduced work productivity because the majority of them were skilled individuals who support hydro projects in Bhutan.

The impact on the tourism and construction industries is now barely perceptible. Due to the drop in economic activity in India and Bangladesh,

which together account for up to 70% and 20% of export markets, respectively, export revenues, particularly those from commodities, manufacturing, and energy, have decreased.¹²

2. Lack of awareness, panic-stricken or irresponsible behavior

The fight against the extremely contagious COVID-19 virus requires and encourages cooperation from every member of society as well as unity among residents from all socioeconomic classes. On the one hand, a variety of documented incidents show a lack of awareness and helplessness, but on the other, many segments of the community also exhibit blatant neglect and reckless behaviour. For instance, the nation has seen reports of COVID-19 symptom patients refusing to get tested, evading quarantine, taking medications to lower temperature, and more.

Not only these actions are being showcased but some people have made fake news which make other people to have question towards government and doubt in the working system of government in this hour which ultimately led to wastage of time of the government in working to find those culprits and make people aware of fake news and not to believe in those fake ones.

On May 19, 2020, false information spread on social media claiming that a woman (who tested positive for COVID-19) received a visit from her boyfriend at a quarantine facility. It has been established that it was just a casual banter between two individuals which made its way onto we-chat and then other social media platforms causing a lot of panic amongst the public and resulting in unnecessary waste of time and resources of

officials and agencies involved in the ongoing COVID-19 response works.

3. Stigmatisation and Discrimination

People began stigmatising and discriminating against others because of their location, particularly in areas where cases have been reported, the places that COVID-19 positive patients have been, and their travel history, particularly if they have recently left a quarantine facility. Many cases of stigma and prejudice have been reported around the country under the guise of social isolation. Mainly, people who come from quarantine facility are facing extreme xenophobic behaviour because these people have come from outside Bhutan where some are affected countries.

Also, landlords, neighbours, and the community have shunned doctors, nurses, and flight attendants out of fear that they may have come into touch with a virus. Many people are even afraid to confess their true health conditions and don't seek appropriate therapy out of fear of being shunned.

Even the government and officials were reportedly involved in cases of stigmatisation and discrimination, and as required by Article 7(15) of the Constitution of the Kingdom of Bhutan, the government further advised people to refrain from engaging in such behaviour and urged them to immediately report any instances of such discrimination as states as “*All persons are equal before the law and are entitled to equal and effective protection of the law and shall not be discriminated against on the grounds of race, sex, language, religion, politics or other status*”, thus it will be deal according to law.”¹³

4. Myths and Superstitions

During the COVID-19 pandemic, members of a certain religious fringe group started organising cow-worshipping activities and promoting the miraculous and therapeutic properties of cow dung, urine, and burning gum resin. Some have reportedly experienced nausea after drinking cow poop to avoid getting COVID-19.

Not only this, but there were also video that have been viral over social apps mainly in Wechat about performing ritual and chatting mantras that will protect from COVID-19 where people were doing it crazy just to protect themselves from COVID-19 even though that cost them more. To communicate accurate information about infections, advisories, and infection treatment methods, the Ministry of Health and Telecommunications and the Prime Ministry Office have created a webpage. The media house has also helped dispel myths, however Bhutanese culture still harbours some myths and superstitions.

5. Education Disruptions

Bhutan's education system has been compelled to transition from traditional classroom settings to digital online teaching and learning as a result of the COVID-19 pandemic. Although it was important to close academic institutions in the middle of the outbreak to stem the spread, the government and institutions' lack of planning had a long-term effect on the academic year. This led to an unexpected situation in which the quality of education drastically declined and the outcomes for the students' mental health underwent significant changes. Most of the academic institution in the country with students from primary to tertiary levels do not have a catastrophic resilient system,

unlike its developed counterparts.

Due to the sudden closure, they were forced to take unsafe public transportation to return home, which may have increased their risk of contracting the disease or spreading it to others while travelling and to their family members at home, especially those who are visiting from outside Bhutan and have been studying there. Even though the government has set up transportation throughout Bhutan to move students from one district to another, they have only taken a minimal amount of clothing and books because they don't know how long it will take.

Due to a lack of educational infrastructure, the majority of schools, colleges, and universities are unable to hold virtual learning sessions and disseminate study materials to make up for academic losses. A significant proportion of students are not only unable to participate in online learning because of institutional barriers, but also because of inadequate internet connectivity in rural locations, expensive internet packages, or a lack of equipment at home.

Some of the parents who are illiterate told that they don't know if their children are studying or not as they are not able to guide them as they don't have knowledge and even don't have time as they are busy with their house and agricultural work. Some says that it would be better if government reopen schools as soon as possible so that their children can go back to school and learn inside classroom with interaction of teacher and even there is teacher who can guide them accordingly and better. Some parents complain that their children are busy with online games like PubG, Mobile legend, etc. in the

name of online classes.

Although the situation has become better, its uncertain when will this deadly virus attack back and even the education system have mis-shaped in the students. Students are now more active in electronic rather than book once they used to be. Even they make excuse to use phone for their educational purposed whereby the low-income parents were forced for purchase those electronic devices.

6. Wage loss and unemployment

With almost one-third of all annual visitor arrivals occurring in these months, March, April, and May are often the busiest. Bhutan is not taking advantage of the Spring high season at all because all tourists have fled and reservations have been cancelled for a number of months. Several hotels and travel agencies have closed as a result of the situation, creating employment losses. The economy will suffer if the existing tourist ban is maintained, and unemployment—especially among young people, where it is already as high as 15.6%—will increase. All the workers who work in tourism and as guide, they have no work at this hour where the Government is indulging them in volunteer and social services like cleaning campaign and putting them in duty.

The Bhutanese people who went to oversee to work are returning back because of the country being infected and locked down which ultimately led to increase in unemployment in Bhutan. They are facing serious problem after reaching Bhutan as they are not getting room for rental as the house owner are refusing to keep because they are afraid of this virus which ultimately led to homeless.

7. Gender impact of COVID-19

Considering Bhutan's patriarchal culture, household tasks and caregiving have long been seen as the domain of women because of the practise of the gendered division of labour. As a result, it has more difficult for women to plan for groceries, food, and water, as well as to run the family effectively, because of the pandemic-related closure of schools, stores, and certain offices, as well as many people staying indoors.

As a result of most of the women's employment in Bhutan's informal industries, loss of livelihood is also substantially more common for women. Conflicts result from the lack of alternatives to the traditional ways of making a living and the continued gender disparity in how much time is allocated to leisure and sleep. In the long run, it will negatively impact women's physical and emotional health.

The Covid-19 pandemic has resulted in a spike in domestic violence instances, albeit it hasn't been as severe as has been recorded in other nations, according to the National Commission for Women and Children (NCWC). According to reports, spousal violence is on the rise and there is a chance of people trafficking during such pandemic periods. According to the National Commission for Women and Children, 47 cases involving women who required immediate assistance, including counselling, shelter, and legal advice, came from Thimphu between January and April.¹⁴

The NCWC claims that the present pandemic puts hazards beyond the chance of contracting a virus in a more dangerous condition. The victims lose a safe place to call for help because they are usually

staying indoors and at home, alone with their abuser. When the abuser is not home, victims are prone to seek assistance.

There is also a higher risk of online exploitation, according to the United Nations Office on Drugs and Crime (UNODC), because so many people work remotely on computers and kids are studying online. It is thought that traffickers may use women and children in private homes as well as online for commercial and sexual purposes. Thus, it is crucial to urge individuals to remain at home, to practise safety, and to be alert.¹⁵

Furthermore, despite the ongoing crisis, it has been particularly difficult for elderly women to access basic services and sources of income in both rural and urban locations. Pandemic may eventually have a gendered economic impact. Males' age at marriage and female child marriage may both rise because of losing their jobs and means of support.

DATA ANALYSIS

In a wake of COVID-19 in the county, many people have faced challenges and disturbed the life in sudden provocation. The economy of the country has drastically dropped by where the government was to solely focus on the saving lives of people while combating COVID-19.

Characteristic of Respondents: majority of the respondent at my study are male (51.8%), 20-30 years old (55.4%) as shown in the figure 1 and 2 below. In fact, when analysing the role of respondents, it is found that most of them are students, teacher and unemployed people. Most people have idea about the COVID-19 and have its impact in their life.

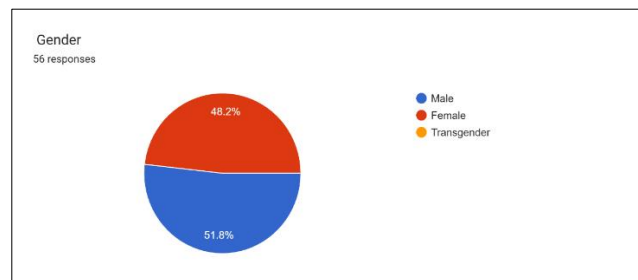


Figure 1: Gender of the Respondents

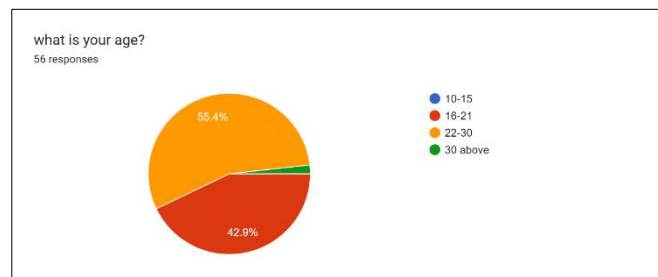


Figure 2: Age structure of Respondents

Figure 3 below explained the country of respondents that they are as of now while filling the questionnaires. Out of 56 respondents, 91.1% of them live in Bhutan at present and faced the consequence of COVID in that area whereas 3.6% lives in Australia and 5.4% are in India. Although they are from Bhutan, but they have shifted after COVID-19 situation, and some came back to home from overseas.

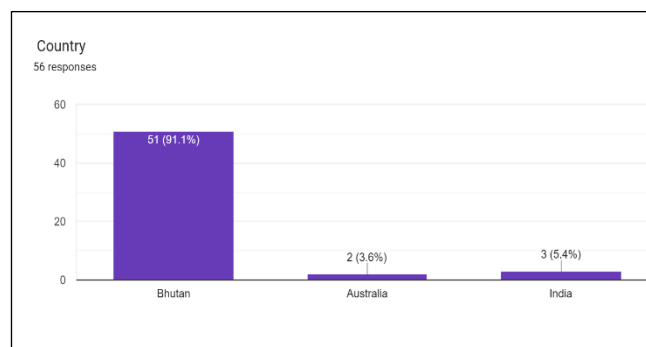


Figure 3: Country status

The figure 4, 5 and 6 shows that 66.1% of the respondents have affected by the COVID-19 due to which 63.6% are students that have faced education disruption. It is reported that many of the school going faced trouble studying and adjusting on online platform as it was new system to them. On

top of that the poor internet connection and expensive cost of data made them uneasy to study through online. Even the parents have complaint about double expenses incurred by them for paying tuition fees and data cost.

As a result of pandemic situation, 32.1% of them have been faced unemployment problem and lost their job which of them belongs to the private sectors. The disease being communicable, many economy sectors have closed, and national lock down have imposed which has been significant reduction in demand and supply chain that led to job losses particularly with migrant labor people. The overseas people have come to their home which alternatively increased the unemployment rate in country alternatively.

Additional while coming in, the quarantine facilities were free for first time user and the government have paid on-behalf of them which incurred massive lost in the economy of the government. 18.2% is seen as socio-economic impact that is observed in the country from the respondents' responses. And there is less percent with other effect of covid according to their structure.

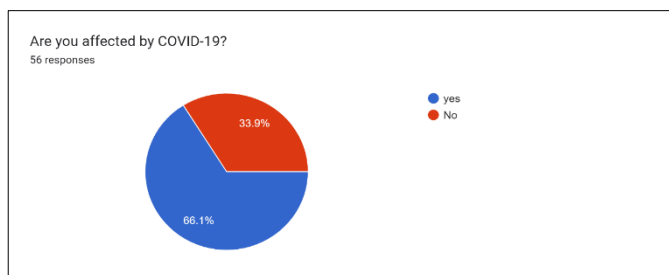


Figure 4: Affect y Covid-19

what is greatest impact of COVID-19 to you?
55 responses

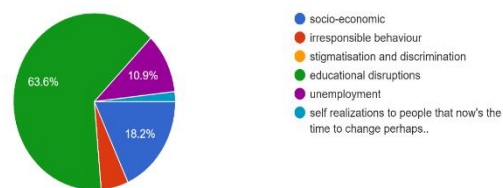


Figure 5: Greatest impact of Covid-19 to them

what is the greatest impact of COVID-19 seen in your country?
56 responses

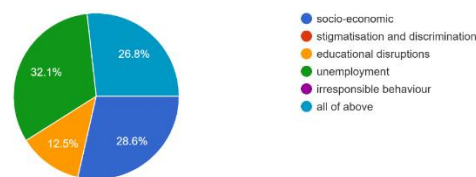


Figure 6: greatest impact seen in country due to Covid-19

Are u satisfied with the system of government at odd hours?
56 responses

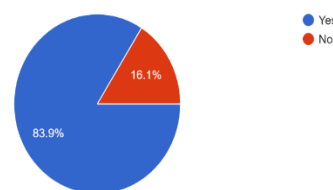


Figure 7: satisfaction level of Government

In this survey, the majority of people have complied with the laws that have been set forth and expressed satisfaction with the government's system at odd hours, which has alternately assisted in saving lives. Such laws and norms have been established by the government in accordance with the national circumstances. When examples of discrimination against immigrants arriving by plane from other countries were recorded, the government immediately issued a warning to stop doing so or else it would negatively affect them. According to the figure 7, 16.1% were not happy with the system of government at odd hours. It is reported that government have lose huge economy

because they have spent a lot in quarantine facilities which was free for the people who set themselves in quarantine facilities for citizens who fly in the country. People urge that if they could have made exception to students only. But 83.9% respondents are satisfied with the government's reaction and policies.

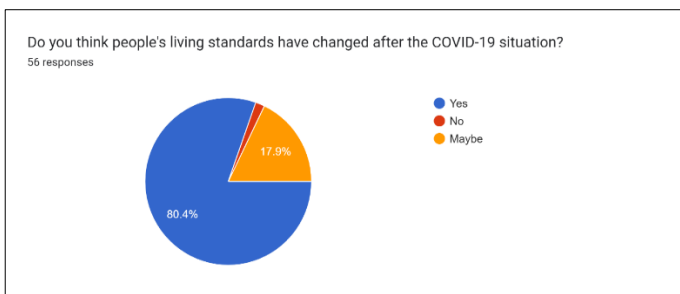


Figure 8: People's living standard after Covid-19

Almost 80.4% of our respondents as shown in figure 8, have agreed and think that there is change of standard of people after covid-19 situation. Many people have become unemployed when the economy sectors are shut down and mostly due to national lockdown, the border area was closed which led them to move out to work in overseas too.

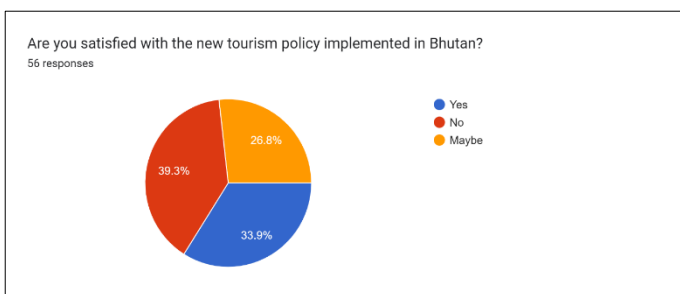


Figure 9: New tourism policy implemented in Bhutan

On September 22, 2022 the government have announced about the new tourism policy mainly for transformation in three key areas: improvement to its sustainable development policies, upgrade infrastructure and to advance the tourist experience as Bhutan adopted “low volume and high value” agenda. 33.9% are satisfied with the new policy on

tourism policy but 39.3% are not happy with the new policy. It is believed that this new tourism policy will hinder in the growth of the economy of the country.

The tourism industry contributes significantly to the expansion of the economy, however since the implementation of this strategy, fewer tourists have come to the nation. According to reports, many tourists have even stopped reserving the package after the cost of sustainable development increased from US\$65 to US\$200 per day. Even the regional visitor has to pay 1200/- per day which discourage them to spend to see Bhutan. 26.8% are still not sure if this policy will help in generating revenue.

Figure 10 below shows the challenges that people faced after covid-19 situation. As most of the respondent of this study is students, many of them have reviewed that post covid-19 situation with their education. They stated that they had gap between which tremendously made them weak in reading. As most of them are used to electronic means for reading and referring so now they feel lazy to go for offline books. 48.2% didn't faced any challenges as some of them are civil workers so they had salary in hard times and spend their time with family most.

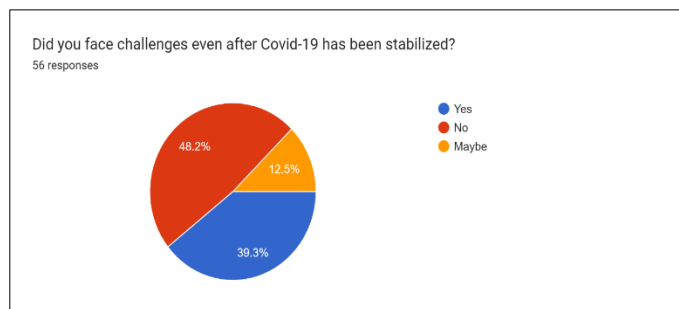


Figure 10: Challenges post covid situation

Further long question with regard to this study was asked as follow:

- a. what are the biggest challenges you faced because of the COVID-19 pandemic? how did you overcome it?

Summary of the respondent to this question as most of their biggest challenges faced because of Covid-19 pandemic is with education distribution. Though online platform could substitute for physical education, but the connectivity issue and expensive data made hard for low-economic people to survived through. Many of the parents in the rural area have withdrawn their child from the education system as they could not afford to make them study and kept them as helper in respective house.

National Lockdown affected many people's mental stage. They were frustrated being locked into their home and had social anxiety too. Reported that many women faced challenges with their daily chores and even faced domestic violence and abusive. Many of the respondents have lost their job due to shutdown of their working private sectors too.

- b. Is there anything you feel the government should have done during COVID-19?

According to responses to this question that have been gathered, a common response is that many people have mentioned that if the government could force people who used quarantine facilities to pay exception to students instead of incurring all of the quarantine costs and even providing free vaccine, which has significantly weakened the country's economy. The largest flaw was highlighted to be the disregard for the nation's economic needs, the poor administration of public facilities, and the precipitous decrease in our

nation's employment rate. After all government have given great services and did well to combat the pandemic and save the life of people from the death of this dangerous disease instead of being cunning with economy of the country.

BHUTAN'S PREPAREDNESS AND RESPONSES TO COVID-19

Bhutan's proactive efforts in infectious disease preparedness, supported by technical and financial assistance from the WHO, enabled the country to promptly diagnose and respond to COVID-19. Through a quick and effective response, Bhutan successfully prevented thousands of COVID-19 infections and significantly contributed to saving the lives of hundreds of individuals. His Majesty the King of Bhutan has led the country's preparation and response efforts to protect Bhutan and its population from the coronavirus epidemic.

The National Preparedness and Response Plan (NPRP) for COVID-19 is being established with the goal of strengthening the health sector's capacity to detect, contain, and prevent COVID-19 outbreaks in the nation as well as respond, investigate, and recover from them. The COVID-19 Technical Advisory Committee (TAG) reviews and updates the plan as necessary.

The National Disaster Management Act of 2013 and the Health Emergency and Disaster Contingency Plan of 2016 are both connected to and associated with this NPRP. A public health emergency preparedness strategy, which is in addition to this one, was practised and tested in November 2019 at Paro International Airport as this one was only entrance to the country. Every hospital in the western region, including the

Primary Health Centre (formerly BHU-II), has an emergency contingency plan for public health that will be put into action depending on the nature of the event.¹⁶

The management of Bhutan's health sector falls under the purview of the Ministry of Health. In Bhutan, the provision of free healthcare services at the point of service is a top focus as per the nation's National Health Policy and constitutional mandate, the state is obligated to ensure free access to essential public health services, encompassing both modern and traditional medicines. The policy emphasizes the government's commitment to secure sufficient budgetary allocations for healthcare services. This is intended to safeguard individuals from incurring excessive medical expenses that may lead to financial distress or impoverishment. The overarching objective is to provide healthcare coverage to all residents of Bhutan, ensuring their well-being and protection. The foreign minister, health minister, and prime minister are the three members of the cabinet with backgrounds in both public and medical health. Bhutan's approach to combating COVID-19 cannot be viewed as a more rational or fact-based course of action. The country has adopted and implemented all technical guidance provided by the World Health Organization to address the current outbreak.

His Majesty the King announced the temporary closure of the border crossings with India in a speech to the nation on March 22nd, 2020, which have opened back on 23rd September 2022. The Druk Gyalpo's Relief Kidu, a Nu 30 billion economic stimulus package announced by His

Majesty, includes financial aid for individuals and companies impacted by COVID-19. To lessen the impact of the pandemic, particularly on vulnerable communities, the government has implemented a number of financial and fiscal measures.

No one in Bhutan experienced financial difficulty because of the COVID-19 outbreak. All food and lodging at the specified quarantine and isolation facilities are free of charge, in addition to free testing and medical care. The government has reorganised and consolidated savings from extraneous expenses, such as meetings and travel outside of the country, and is using these funds to respond to and act in relation to COVID-19.

Even the citizens are so fortunate to get COVID-19 vaccination for free, both inside and outside the country as promised by the government. Bhutan have revived its first consignment of 150,000 doses of the Astra-Zeneca vaccine from the Indian Government and later got Moderna and Pfizer-BioNTech vaccines from USA, Denmark, Croatia, Bulgaria, and China which are given in the prioritize manner. A national vaccination campaign began on 27 March 2021.¹⁷

Bhutanese have banded together to fight for a common cause, inspired and motivated by His Majesty's unselfish leadership. All facets of society are showing a strong sense of national cohesion. Many people have donated money and in-kind goods to help the quarantine facilities, including farmers who donated their hard-earned cash crops. Businesses and hoteliers have offered to let people use their establishments as quarantine centres. People are helping the government respond in a variety of ways, including by nourishing those who

are on the front lines.

INTERNATIONAL PERSPECTIVE

Bhutan has become known as one of the best countries in the world for fighting the pandemic and succeeding in doing so. Bhutan is a small, thinly populated country with a young population; therefore its immune system was able to easily withstand the virus. But, there were more significant factors contributing to Bhutan's exceptional performance. A significant public health disaster may have been avoided thanks to the sovereign's unique moral authority, his capacity to unify the country, and a technocratic cabinet with strong public health and medical backgrounds. Equally important was the Bhutanese people's readiness to follow orders from their leaders, which reflects the Asian collectivist mentality as well as the country's generally law-abiding inhabitants. Bhutan's frequently strict regulations would not have been accepted in many individualistic Western societies. Protests were almost nonexistent when Bhutan shut its borders, enacted harsh lockdowns, carried out mass vaccination drives, and implemented a variety of travel restrictions. Every Bhutanese contributed to the country's overall success by developing their skills.

Bhutan's GDP in 2020 was roughly \$2.3 billion, which is comparable to the GDP of a small American city. Yet, the nation dedicated all of its limited resources to containing the outbreak. The government has incurred about Nu.871 million on preventive and preparatory activities such as quarantine facilities and the purchase of equipment and essential items, according to data from the Prime Minister's Office (PMO).¹⁸

The reserve of foreign currency is drying in Bhutan due to the pandemic and no tourism for last two years that has enormously affected Kingdom. According to the Finance Ministry, the foreign currency reserve US dollars (USD) and Indian rupee (INR) combined had dropped to USD 970.4 million in December 2021 from USA 1.2746 billion in July 2021. The country is suffering from a serious economic crisis because of a widening trade deficit and rising import expenses.

India and Sri Lanka were also severely impacted by the COVID, in addition to Bhutan. Domestic problems like years of bad management and corruption, as well as other problems like a growing \$51 billion debt, the effect of pandemic and terrorism on tourism, and other problems, are to blame for the crisis in Sri Lanka. While in India, where this economic crisis is recognized as one of the worst recessions in Indian history, it has had an influence on both the Gross Domestic Product (GDP) per capita and global supply chains. India's GDP could decrease by 40% in 2021.¹⁹

During the initial lockdown period, the Indian economy experienced a severe setback, with an estimated daily loss of approximately Rs. 32,000 crore. This economic downturn was attributed to various factors, including the impact on unemployment rates, the Index of Industrial Production (IIP), international trade, and currency exchange rates. The implementation of social distancing measures and mobility restrictions by state governments resulted in the suspension of many economic activities involving the movement of goods and services. Consequently, there was a decline in foreign investments and a significant

loss of income across various sectors of the economy.²⁰

HOW COVID-19 HAS CHANGED BHUTAN

The pandemic opened people's eyes to what it means to live in a society that prioritizes gross national happiness. International aid and a government that also implemented fiscal and monetary measures to ensure economic stability and protect the poor during the outbreak made it possible for Bhutan to control COVID-19.

Tour operators, hotels, restaurants, and transportation industries were the first at the sector level to experience the shockwaves brought on by the mobility limitations. Additional limitations were put in place on March 22, 2020, and the closure of surface access points had a substantial impact on the supply chain, particularly for imports of goods and workers from India. Additionally, other safety precautions like the need for physical distance also lowered demand in the restaurant and retail industries. Per the estimates, household spending alone decreased by 24%, and private investment dropped by 3%.

The directly impacted industries, like tourism, are intricately linked to the rest of the economy since they provide a lot of jobs, tax income, and exchangeable money. In 2020, it was anticipated that convertible currency receipts from foreign arrivals will provide \$92 million. Convertible currency receipts were reported as \$10.14 million in the first quarter of the year, which was before the discovery of the first case. It is projected that because of the restrictions, almost \$82 million has been lost.²¹

The government has been justified in reprioritizing

its development initiatives considering the pandemic. Given that a 51% increase in capital expenditures was anticipated to underpin growth, supply disruptions are already limiting spending on infrastructure expansion and other forms of development, which is lowering expectations for longer-term growth. Due to implementation issues brought on by labour and material shortages, only around 6.2% of the overall budget for capital works had been used in the first half of FY2021.²²

Although the pandemic has had significant socioeconomic implications, it also offers a rare chance to start much-needed reforms in a tightly controlled environment. Yes, there is a current demand for reform, and numerous initiatives to speed up procedures and decision-making have already provided insights into creating efficient interventions and rules. Furthermore, there is a general acceleration of the need to digitize to a greater extent.

In order to maintain a balance between economic, social, and environmental consequences, Bhutan's overarching policy of "high value, low volume tourism" has so far offered a solid framework. However, the industry was already facing a number of difficulties before to the pandemic's attack. Nonetheless, it was anticipated that a regulation shift in the form of the Sustainable Development Fee for local tourists would have a significant impact on the sector prior to the pandemic. A visitor will be required to pay a 200 USD per night tourism tax known as the Sustainable Development Fee.

CONCLUSION

In light of the epidemic, Economic scenarios can

alter in terms of their forms, bullish or bearish stock market trends, straining or strengthening export-import relationships, and all other concerns relating to the economy that affect bilateral and multilateral interactions, but the global economy never changes.

The COVID-19 pandemic is a startling illustration of the Anthropocene era, in which human influences on the planet have been so significant that a new geological epoch has been created. However, the epidemic offers a chance to change this and lay fresh groundwork.

It is important that policymakers work toward mainstreaming disaster risk reduction into governmental policies, plans, and programmes given the effects that catastrophes have on economies and people. The implementation of such a strategy would be consistent with the future National Development Plan, which places a high priority on the need to foster community resilience, construct reliable and effective early warning systems, and decentralise disaster risk reduction and management. A paradigm shift is required from the readiness and response model of disaster management to one that emphasises disaster risk reduction and management in the context of development planning.

Pandemic outbreaks have varying effects on various demographic groups. Therefore, the COVID-19 outbreak has implications for other marginalised groups like the youth, the disabled, and those living in extreme poverty. During times of crisis, these pandemics have the potential to exacerbate gender disparities and escalate societal inequities.

STATEMENTS AND DECLARATIONS

I declare that the work in this paper titled “Socio-Economic Impact of Covid-19 In Bhutan: A Critical Analysis” has been carried out by me and there is no conflict of interest. The information derived from the literature has been duly acknowledged in the text and list of reference provided. There is no funding for this paper.

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