SOCIOECONOMIC CHALLENGES AMIDST A GLOBAL TRIPLE THREAT OF CONFLICTS, COVID-19, AND CLIMATE CHANGE:

POST-COLONIAL REGIONS

PART 5

Editors:
Abdul Kader Mohiuddin
Úrsula Oswald-Spring
Omar S. Rasheed

Bentham Books

Socioeconomic Challenges Amidst a Global Triple Threat of Conflicts, COVID-19, and Climate Change:

Post-Colonial Regions

(*Part 5*)

Edited by

Abdul Kader Mohiuddin
Alumnus, Faculty of Pharmacy
Dhaka University, Dhaka, Bangladesh

Úrsula Oswald-Spring
Regional Multidisciplinary Research Center
National University of Mexico
Mexico city, Mexico

&

Omar S. Rasheed
University of Almería, Carretera Sacramento
S/N, La Cañada de San Urbano, 04120
Almería, Spain

Socioeconomic Challenges Amidst a Global Triple Threat of Conflicts, COVID-19, and Climate Change:

Post-Colonial Regions

(Part 5)

Editors: Abdul Kader Mohiuddin, Úrsula Oswald-Spring & Omar S. Rasheed

ISBN (Online): 979-8-89881-510-3

ISBN (Print): 979-8-89881-511-0

ISBN (Paperback): 979-8-89881-512-7

First published in 2026.

need for a court order if at any point you breach any terms of this License Agreement. In no event will any delay or failure by Bentham Science Publishers in enforcing your compliance with this License Agreement constitute a waiver of any of its rights.

3. You acknowledge that you have read this License Agreement, and agree to be bound by its terms and conditions. To the extent that any other terms and conditions presented on any website of Bentham Science Publishers conflict with, or are inconsistent with, the terms and conditions set out in this License Agreement, you acknowledge that the terms and conditions set out in this License Agreement shall prevail.

Bentham Science Publishers Pte. Ltd.
No. 9 Raffles Place
Office No. 26-01
Singapore 048619
Singapore
Email: subscriptions@benthamscience.net

BENTHAM SCIENCE

CONTENTS

FOREWORD

The Partition of British India created India, Pakistan, and later Bangladesh from a violent, religion-based territorial rupture that continues to shape regional instability. Colonial extraction under the British Empire produced deep structural economic distortions, with estimates such as the Oxfam 2025 report highlighting a massive wealth drain of nearly $65 trillion in today's value. Post-independence trajectories diverged, with India adopting a secular democratic framework while Pakistan pursued a Muslim homeland model that initially included East Pakistan. The region remains burdened by unresolved disputes, most notably over Kashmir, fueling recurring geopolitical crises. India and Pakistan have since pursued divergent geopolitical strategies anchored in distinct alliance systems: India has aligned closely with Israel and the UAE in defense, technology, and trade, while Pakistan has sustained deep security ties with KSA and Turkey within a broader Islamic strategic framework. Notably, the World Bank has reclassified Pakistan and Afghanistan into MENAAP, aligning them with the Middle East to reflect shared economic structures, security challenges, and deep regional ties in conflict, migration, and trade. The United States has adopted a dual-track policy, treating India as a long-term strategic counterweight to China while engaging Pakistan in a more transactional, security-focused partnership centered on counterterrorism and regional stability. However, recent trade barriers—particularly U.S. tariffs linked to India's Russian energy ties—have exposed vulnerabilities in the India–U.S. relationship and signaled a tilt toward economic nationalism. Russia maintains a calibrated balance, preserving its deep defense and energy partnership with India while expanding limited, functional cooperation with Pakistan in security and energy domains.

Meanwhile, China's expanding strategic footprint in Pakistan and Bangladesh has intensified India's security concerns, producing a "two-front" strategic dilemma; its efforts to mitigate vulnerability at the Malacca Strait have driven major infrastructure investments across the region. Beijing's territorial claims in Arunachal Pradesh and control over areas such as Aksai Chin further deepen tensions with India, while projects like the China-Pakistan Economic Corridor have made China a direct stakeholder in contested territories, reinforcing a triadic India–Pakistan–China dynamic. Geoeconomically, Pakistan leverages Gwadar Port and CPEC to position itself as a gateway for Central Asia's access to the Arabian Sea, whereas India advances connectivity through Iran via Chabahar Port and the International North-South Transport Corridor to bypass Pakistan. Diplomatically, Pakistan has elevated its role as a mediator between Washington and Tehran amid tensions surrounding the Strait of Hormuz, while India's closer alignment with the U.S.–Israel axis has constrained its flexibility as a neutral intermediary despite its broader global strategic weight. Meanwhile, India–Bangladesh relations remain complex, shaped by historical cooperation during the Bangladesh Liberation War as well as by subsequent asymmetries and political sensitivities. Bangladesh, for its part, anchors its geopolitical strategy in the Bay of Bengal, leveraging its coastline to advance blue economy growth, regional connectivity, and strategic balancing among China, India, and the United States.

India, the world's largest democracy and most populous country, has about 80% literacy and ranks among the leading global powers, with one of the largest oil refining systems, the second-largest military, the third-largest economy by purchasing power parity, the fourth-largest renewable energy capacity, and the sixth-largest overall economy as of 2025–26. It is also emerging as a major global food supplier and a leading agricultural producer. Yet this rise is tempered by deep structural stress, including high unemployment, rising living costs, and extreme inequality, with the top 1% capturing 40% of national income, no income gains for the bottom half, and female labor force participation at just 15% compared to the global

49%. Poverty estimates remain politically contested and highly sensitive to methodology, ranging from about 75 million to 342 million people—a gap of over a quarter billion—fueling persistent debate over measurement standards and transparency. India is also confronting a severe climate crisis marked by intensifying heatwaves, erratic monsoons, droughts, and floods, making it one of the world's most climate-vulnerable countries and driving major agricultural losses and rising food insecurity, with droughts alone cutting crop incomes by over 50% for small and medium farmers; temperature extremes have also been associated with higher odds of multiple forms of violence against women. Geopolitically, India has leveraged the Ukraine war by importing over 2 million barrels per day of discounted Russian crude by 2024, boosting refined exports to Europe and maintaining strategic neutrality with Moscow, helping to curb inflation and secure energy supplies, though inflationary pressures, subsidy-driven fiscal strain, and financial market volatility persist. The 2023–24 Red Sea crisis disrupted a key trade route handling about 50% of India's exports and 30% of imports, forcing rerouting via the Cape of Good Hope, adding 15–20 days of transit, raising freight and insurance costs, and causing an estimated $30 billion in losses; exports fell 6.7% from $451 billion, petroleum shipments to Europe declined from 425,000 to 250,000–300,000 barrels per day, port bunkering surged 65% by September 2024, and the electronics sector lost more than $600 million in under a year, while volatility also strained fuel- and fertilizer-dependent agriculture, increasing subsidy burdens. Further pressure arose from the 2026 Strait of Hormuz disruption linked to the Iran conflict, which cut growth forecasts to 6%, weakened the currency, intensified inflation through nearly 90% oil import dependence, and put $51 billion in Gulf remittances at risk while raising trade, fertilizer, and aviation costs. India's economy also reflects mixed effects from U.S.–China tensions, with some export gains and manufacturing opportunities alongside short-term supply chain disruptions. Despite the decade's sharpest currency depreciation, a severe fuel crisis, and one of New Delhi's gravest diplomatic crises by 2026, major institutions and rating agencies, including the World Bank, projected that India would sustain GDP growth above 6% by 2027; however, Morgan Stanley's 2022 projection of India becoming the world's third-largest economy by 2027 and possessing the third-largest stock market by 2030 appeared increasingly subject to geopolitical revision. The analysis on India highlights how overlapping shocks from COVID-19, climate stress, and geopolitical tensions triggered a historic 24.4% GDP contraction in Q2 2020, alongside massive job and income losses and millions of excess deaths, while ongoing climate impacts continue to reduce crop yields, erode labor productivity, and could cut long-term GDP by nearly a quarter, even as conflicts and global disruptions—from border tensions to the Ukraine war and diplomatic rifts—drive inflation, raise energy costs, widen trade imbalances, and intensify poverty, inequality, and systemic strain.

Pakistan is a pivotal geopolitical player, strategically located at the crossroads of South Asia, Central Asia, and the Middle East, enabling it to function as a vital bridge among major global powers. It is the world's second-largest Muslim-majority country and the fifth most populous nation, carrying significant strategic weight with nuclear capabilities and a military ranked 12th globally. Yet the country faces severe internal challenges, ranking as the most air-polluted nation in 2025 and first on the Global Terrorism Index 2026. Climate change and corruption remain among the most significant drivers of poverty, reversing development gains and deepening economic inequality. It is among the ten most climate-vulnerable countries, experiencing frequent and severe disasters, including the 2022 floods that affected 33 million people and caused over $30 billion in damage. Corruption is widespread and deeply embedded across public services, legal institutions, and economic systems. The country's government debt stands at 83% of GDP in 2025, with a significant $4.8 billion repayment due in July 2026. Amid widespread poverty, with roughly one in two Pakistanis living below the poverty line and one in six in extreme poverty as of 2025, the country—long marked since 1947 by repeated wars and ongoing Kashmir-related border conflicts with India—continues to face frequent armed engagements, including 2026 airstrikes against Taliban-linked networks, while its military, deeply involved in both governance and conflict, has faced persistent allegations of corruption and financial interests linked to conflict financing and external support from foreign actors. While direct trade ties are relatively small, global commodity price shocks stemming from the onset of the Ukraine war led to a decline in real GDP of approximately 1% and contributed about 9% to inflation within a year, worsening existing vulnerabilities in energy and food security. The 2023–2024 Red Sea shipping crisis significantly strained Pakistan's fragile economy by raising shipping costs, delaying key textile exports, and increasing import costs for energy and raw materials, thereby worsening already high inflation and foreign exchange shortages and further constraining economic growth, as noted in the Pakistan Economic Survey 2023–24. The 2026 Iran conflict has triggered a severe fuel crisis in Pakistan, which is highly dependent on Gulf energy supplies (about 80%), as disruptions in the Strait of Hormuz pushed fuel prices sharply higher and forced the government to impose emergency austerity measures, including reduced workweeks, school closures, and strict fuel rationing to prevent economic instability. The chapter on Pakistan details how the COVID-19 pandemic, climate disasters, and ongoing conflicts have collectively deepened severe socioeconomic instability across the country. It highlights how economic shocks, widespread poverty, and weak public health and governance systems were further intensified by catastrophic flooding, rising insecurity, and persistent cross-border tensions. It further shows how global disruptions such as the Ukraine war, alongside internal conflict and political instability, have compounded food and energy insecurity, accelerated poverty, and driven a growing loss of skilled professionals.

Bangladesh, with a population exceeding 175 million and roughly 1 in 6 people living in the capital Dhaka—the second most populous city globally as recognized by the UN—is situated in the Ganges–Brahmaputra–Meghna Delta, the world's largest river delta system, historically recorded as having over 700 rivers, among the highest concentrations worldwide, and is defined by an extensive river network, predominantly low-lying alluvial terrain, and over 60% arable land. The Gen-Z revolution toppled a fascist-leaning government but could not break the country out of the vicious cycle of dynastic politics, extortion, drug trafficking, bribery, and corruption, whereas neighboring Nepal has been able to bring about more substantive political change. Widespread educational underperformance persists, with over half of adolescents classified by the World Bank as "learning poor" in 2024 despite official literacy claims exceeding 70%. In such conditions, optimistic macroeconomic projections, including claims of a $470 billion GDP and a trillion-dollar economy target by 2034, are often viewed by critics as politically inflated narratives that periodically collapse when confronted with weak institutional and electoral accountability. The country is experiencing rising fiscal and external financial pressure, with public debt around 42% of GDP and foreign debt exceeding $113 billion by late 2025. These pressures are worsened by illicit financial outflows of over $8 billion annually through trade mis-invoicing and informal channels, raising concerns over debt sustainability, financial governance, and long-term stability. Climate change imposes a major economic burden on Bangladesh, with annual losses from tropical cyclones estimated at $1 billion, extreme heat costing an additional $1.78 billion per year, rural households spending $2 billion on adaptation, and the country facing a per capita climate debt of nearly $80, bringing total climate-related debt to $12.78 billion between 2009 and 2022. The Russia–Ukraine war triggered severe economic disruption in Bangladesh, driving food inflation and fuel shortages by disrupting imports of wheat, edible oil, and fertilizer—whose prices rose by 105%—and contributing to record commodity prices, higher transport costs, and sustained inflation throughout FY 2022–23. During the political transition in Bangladesh in early August 2024, unrest was largely driven by youth unemployment and inequality; the economy was under severe strain, with weakening external stability and widespread dissatisfaction, foreign exchange reserves falling to nearly half over roughly three years (by some estimates more), and the banking sector deteriorating sharply, including a nearly 96% rise in non-performing loans in less than a year. Bangladesh's ready-made garment (RMG) sector, the backbone of its economy, contributes roughly 85% of export earnings, over 13% of GDP, employs more than 4 million workers (mostly women), and generated about $48 billion in FY2023–24, but was significantly disrupted by the 2023–24 Red Sea crisis through higher shipping costs and delayed apparel exports. The 2026 Middle East escalations further compound these pressures through rising energy costs, disrupted supply chains, and inflationary pressures that could potentially slow GDP growth to 3.9%, along with higher fuel and LNG import costs of $7–8 billion annually, reduced remittance inflows, and additional risks to apparel exports. The chapter on Bangladesh discusses how COVID-19, climate change, and global shocks have severely weakened exports, employment, and poverty outcomes, including a major collapse in the RMG sector and widespread job losses. It highlights rising climate risks with large-scale displacement and potential GDP losses from sea-level rise and flooding. It further notes that Red Sea crisis, political turmoil, refugee pressures, inflation, currency depreciation, and falling reserves—have deepened economic fragility, food insecurity, and structural vulnerabilities.

Therefore, India, Pakistan, and Bangladesh all experience overlapping socioeconomic pressures from COVID-19, climate change, and global geopolitical shocks that disrupt trade, energy security, inflation, and livelihoods. India shows relative resilience due to its economic scale and diversification, though inequality and climate stress remain severe structural constraints. Pakistan faces the deepest fragility, with debt, governance issues, security instability, and climate disasters reinforcing chronic economic instability. Bangladesh remains highly exposed due to export dependence, climate vulnerability, and external financial pressures, making it sensitive to global shocks. Such comparative understanding helps readers grasp how global crises shape countries differently, enabling more informed analysis of development, policy, and regional risk.

Donald S. Shepard
Brandeis University
Waltham, MA 02453
USA

Preface

This book opens with an inquiry into how history, geography, and global disruption converge to shape the contemporary condition of the South Asian region. The partition of British India was not merely a political event but a foundational fracture that continues to echo through the subcontinent's economic and civilizational landscape. Its colonial inheritance left behind asymmetries of extraction that still shape the grammar of inequality and dependency. In the postcolonial unfolding, India, Pakistan, and Bangladesh emerged as distinct experiments in statehood, each carrying different answers to the same unresolved question of collective survival. Yet their divergence has never fully escaped a shared atmosphere of inherited instability and recurring disruption. Contemporary crises have only thickened this historical residue, as pandemic shocks, climate volatility, and global conflicts dissolve the boundaries between domestic fragility and external exposure. The region now functions less as separated nation-states and more as an interconnected field of stress transmission. India's scale projects resilience, but beneath it lies a dense architecture of inequality and ecological strain. Pakistan moves through cycles where structural weakness and geopolitical proximity continuously amplify one another. Bangladesh, suspended between demographic intensity and environmental precarity, absorbs external shocks with limited buffers. Across all three, climate change operates not as an external factor but as an existential condition reshaping livelihoods and geography itself. Conflicts abroad ripple inward through energy, food, and financial channels, collapsing distance between distant wars and local prices. The pandemic exposed how quickly growth narratives can dissolve under biological interruption and institutional strain. What emerges is not a region in transition but a region in permanent negotiation with instability. In this shared condition, development itself becomes less a destination than a continuous attempt to remain coherent under pressure.

Abdul Kader Mohiuddin
Alumnus, Faculty of Pharmacy
Dhaka University, Dhaka, Bangladesh

Úrsula Oswald-Spring
Regional Multidisciplinary Research Center
National University of Mexico
Mexico City, Mexico

&

Omar S. Rasheed
University of Almería, Carretera Sacramento
S/N, La Cañada de San Urbano, 04120
Almería, Spain

List of Contributors

Adeel Jalal Malik	Department of Development Studies, COMSATS University Islamabad, Abbottabad Campus, Pakistan
Arif Alam Alam	Department of Development Studies, COMSATS University Islamabad, Abbottabad Campus, Pakistan
Bhaumik Bipinchandra Patel	Department of General Surgery, GMERS Medical College and Civil Hospital, Gandhinagar-382012, India
Hina Sharif	SINA Health, Education & Welfare Trust, Karachi, Pakistan
Ikram Shah	Department of Development Studies, COMSATS University Islamabad, Abbottabad Campus, Pakistan
Kshipra Gyanendra Pandey	Department of Biosciences, Indrashil University, Rajpur, Gujarat-382740, India
Ritu Bhaumik Patel	Department of Biosciences, Indrashil University, Rajpur, Gujarat-382740, India
Shah Sumaya Jan	Department of Anatomy, Government Medical College, Srinagar, Jammu & Kashmir, India
Sheikh Mohd Saleem	EMTCT, UNICEF, New Delhi, India

Segment 1 (Post-Colonial Regions)

CHAPTER 1

India: Challenges of the Next Global Superpower

Ritu Bhaumik Patel[1,*], **Kshipra Gyanendra Pandey**[1] and **Bhaumik Bipinchandra Patel**[2]

[1] *Department of Biosciences, Indrashil University, Rajpur, Gujarat-382740, India*

[2] *Department of General Surgery, GMERS Medical College and Civil Hospital, Gandhinagar-382012, India*

Abstract: India is a country with diverse cultures, traditions, and the beauty of different religions. It has the world's largest population with democracy, the second-largest road network, labor force and arable land for agriculture, the fourth-strongest military, the fifth-largest economy, and the seventh-largest land area. Due to the country's massive population, the COVID-19 pandemic presented significant complications. This crisis dramatically impeded the economy of the nation and could be considered as bad as the Great Depression of 1930. Climate change due to pollution and global warming further compounds the burden on livelihoods. Being an agriculture-based country, climate change has a severe impact on the agriculture sector, along with the manufacturing and construction sectors. Cyclones, unpredictable monsoon rains, and rising temperatures disturb the daily lives and livelihoods of many commodities. India has experienced periods of tension with its neighboring countries, Pakistan and China, along their shared borders. India has strategic partnerships with several countries that encompass a range of areas, including defense, trade, technology, education, and counterterrorism. In 2022, even after the war started, New Delhi continued to buy Russian oil at discounted rates and exported more than 50 items, including foods, ceramics, and chemicals to Russia. As a result, India has emerged as one of the biggest beneficiaries of the war in Ukraine. India, being a significant buyer of defense equipment from Russia, has faced difficulties due to US sanctions.

Keywords: Agriculture, Border tensions, Currency devaluation, Diplomatic relations, Dollar crisis, Energy crisis, Exacerbation of inequality, Food crisis, Greenhouse emissions, Heat waves, Inflation, Intra-region conflicts, Kashmir conflict, Petrochemical industry, Sino-Indian war, Unemployment, Vaccine hesitation, Water-related repercussions.

* **Corresponding author Ritu Bhaumik Patel:** Department of Biosciences, Indrashil University, Rajpur, Gujarat-382740, India; E-mail: rituchoudhary8nov@gmail.com

Abdul Kader Mohiuddin, Úrsula Oswald-Spring & Omar S. Rasheed (Eds.)

INTRODUCTION

India, the world's most populous nation and its largest democracy, holds the position of the third-largest economy in Asia, the fifth-largest globally, and theseventh-largest country by land area (Fig. **1**) (IDS News, 2024; IMF, 2024; Inamdar, 2024; UN DESA, 2023). Geographically, it is bounded by the ArabianSea to the southwest, the Bay of Bengal to the southeast, and the Indian Ocean to the south. The nation shares land borders with Pakistan to the west, China, Nepal, and Bhutan to the north, and Bangladesh and Myanmar to the east. Additionally, its southern maritime neighbors include Sri Lanka and the Maldives, alongside its extensive coastline along the Indian Ocean.

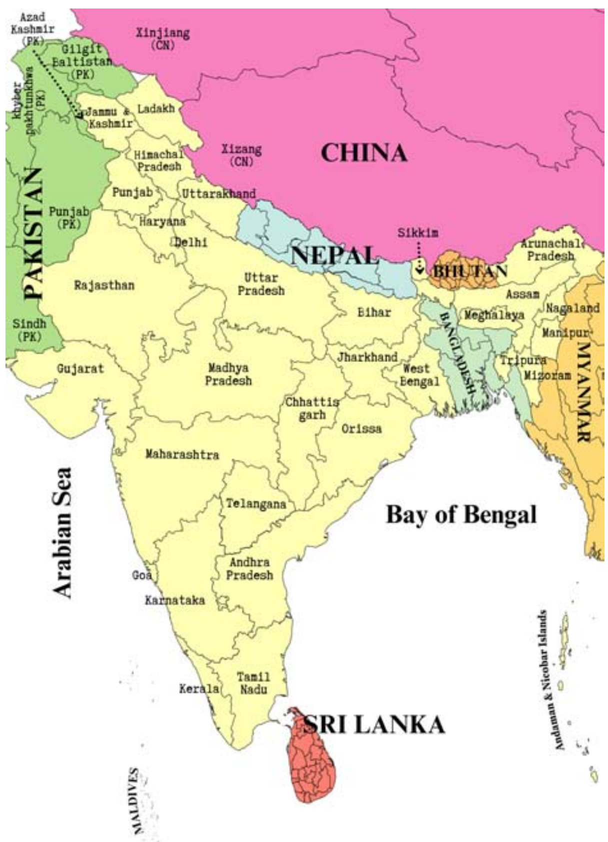


Fig. (1). The Republic of India (Generated by MapChart).

The World Bank projected that India would sustain growth above 6% by 2027 (World Bank, 2026), while Morgan Stanley’s 2022 forecast envisaged that India’s GDP would more than double by 2031 (Lee, 2022). Concurrently, India’s Commerce and Industry Minister stated at the Global Economic Cooperation

Summit that the country was progressing toward a $30–35 trillion economy by 2047. Indeed, by June 2023, the Indian economy had attained a nominal value of $3.75 trillion, marking nearly 115% growth over the preceding decade. In 2022, it surpassed the United Kingdom to emerge as the world's fifth-largest economy, ranking third in purchasing power parity and fifth in market exchange rates. Analysts at Morgan Stanley projected that India would overtake Japan and Germany to secure the third spot globally by 2027 (Tripathy, 2023; Inamdar, 2024). With the second-largest labor force in the world, numbering over 523 million according to the World Bank, more than 45% of the Indian workforce remained employed in the agriculture sector (Madhok, 2023). India's agricultural sector is bolstered by key crops such as potatoes, rice, wheat, cotton, jute, tea, sugarcane, and oilseeds, reflecting its agrarian economy's diversity and importance (Naresh, 2023).The services sector dominated the economy, contributing 55.6% to the GDP, followed by the industrial sector at 26.3% and agriculture at 18.1% (Wallach & Jamshed, 2022). In 2023, India received the world's largest remittance inflows, amounting to $125 billion—surpassing the combined total of the second and third-ranking countries, China and Mexico. These remittances were primarily sent by 35 million Indians working abroad, with the United States, the United Kingdom, and Singapore emerging as the top sources (World Bank Group, 2023).

According to the Observatory of the Economic Complexity (OEC), the nation has emerged as the world's largest exporter of diamonds and rice, while also holding the distinction of being the leading importer of coal briquettes and diamonds. In 2022, India's primary exports included refined petroleum ($86.2 billion), diamonds ($25.9 billion), and packaged medicaments ($19.5 billion), with the United States, the UAE, and the Netherlands ranking as its top trading partners. Simultaneously, its chief imports were crude petroleum ($170 billion), coal briquettes ($58.7 billion), and gold ($35.8 billion), primarily sourced from China, the UAE, and Saudi Arabia. With consumer spending projected to quadruple to nearly $6 trillion by 2030, India is set to become the third-largest consumer market globally, trailing only the United States and China (Tedeneke, 2019). A Statista report further revealed that in 2023, India's total exports exceeded $430 billion, while imports reached $670 billion, leading to a trade deficit of approximately $240 billion. On the innovation front, the World Intellectual Property Organization (WIPO) ranked India 40th globally on the Global Innovation Index in 2022, marking a steady climb from 46th in 2021 and 81st in 2015 (Suneja, 2022).

By July 2023, Worldometer reported that India had suffered a staggering toll from the COVID-19 pandemic, with cases surpassing half of the country's population and nearly 7 million deaths. The challenge of overcoming vaccine hesitancy

CHAPTER 2

Pakistan: Challenges Amid Multiple Disasters

Ikram Shah[1,*], **Adeel Jalal Malik**[1] and **Arif Alam**[1]

[1] *Department of Development Studies, COMSATS University Islamabad, Abbottabad Campus, Pakistan*

Abstract: Pakistan faces a multitude of complex challenges, and the convergence of these issues has significant implications for both public health and the economy. The governance system, inherited from British India, proved inadequate in handling the crisis. The bureaucracy faced criticism for inefficiency and corruption, further exacerbating the challenges. The pandemic exacerbated Pakistan's existing economic difficulties, leading to unemployment, poverty, a decline in per capita income, a negative economic growth rate, and a reduction in exports. Also, the country is highly vulnerable to both violence and natural disasters. The vulnerability is deeply rooted in the country's history, and it has significant implications for its socio-political and economic landscape. The country was struggling amid a public health disaster due to massive monsoon rainfalls and flooding, affecting 33 million people. The combination of political instability and the regular occurrence of large-scale natural disasters poses significant challenges for governance, disaster management, and the overall well-being of the population. Taking the latest IMF program in 2019, with conditions like reducing the current account deficit, had a significant impact on GDP growth. The country's inflation rate is among the highest in history, aggravated by the depreciation of the Pakistani rupee. The barter trade agreement between Pakistan, Russia, Iran, and Afghanistan represents a strategic move by Pakistan to address its pressing economic challenges, particularly its depleted foreign reserves, but potential risks exist, especially given the complex geopolitical landscape. The internal challenges and political instability also contribute to its shifting position on the world stage.

Keywords: Border disputes, Corruption, Debt crisis, Food inflation, Fragile political system, India-pakistan relationship, Kashmir dispute, Right-wing violence, Sectarian conflict, Terrorist attacks, Vaccine hesitancy.

INTRODUCTION

Pakistan, the fifth most populous nation with diverse landscapes, features regions such as Sindh, which hosts the major economic hub, Karachi, and Baluchistan, the largest yet least populous province. It is rich in mineral resources and shares

* **Corresponding author Ikram Shah:** Department of Development Studies, COMSATS University Islamabad, Abbottabad Campus, Pakistan; E-mail: ikramshah@cuiatd.edu.pk

Abdul Kader Mohiuddin, Úrsula Oswald-Spring & Omar S. Rasheed (Eds.)

borders with India, Afghanistan, Iran, and China, highlighting its strategic geographic significance in South Asia. The location of Pakistan has played a crucial role in its regional and international relations (Fig. **1**). Pakistan's economy, with a GDP of $373 billion (as of 2024, according to the World Bank estimate), faces numerous challenges such as political and economic uncertainties, including financial crises, rampant inflation, trade deficits, depleted foreign reserves, and currency depreciation. The country faces overpopulation, terrorism, bad governance, and low literacy. The country's GDP growth fell to 1.9% in 2019, down from a decade-high of 5.8% (Sohail *et al*., 2023). Since its inception, Pakistan's literacy rate has been significantly lower than that of other developing countries, which has become a barrier to implementing policies to promote sustainable macro and microeconomic growth, meet international commitments, and ensure the well-being of citizens.

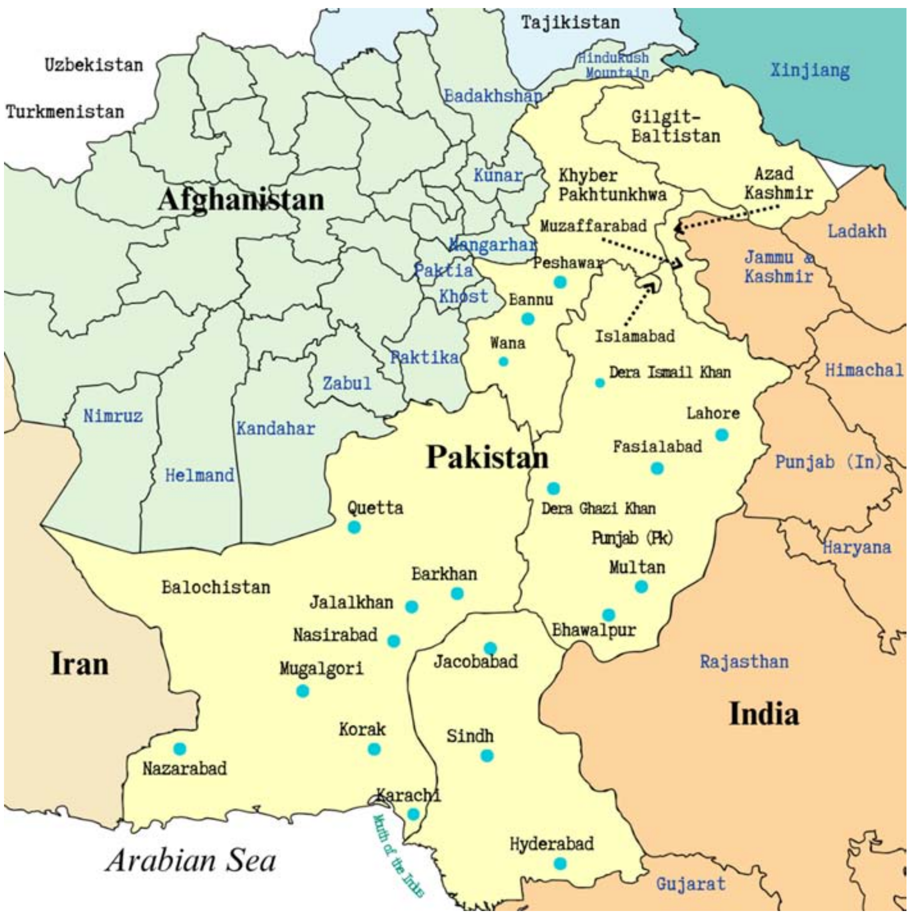


Fig. (1). Islamic Republic of Pakistan (Map generated with MapChart).

The COVID-19 pandemic has exacerbated these issues, leading to a plummet in foreign exchange reserves and a surplus of the Pakistani rupee, resulting in a negative GDP growth rate of -0.4% for the fiscal year 2020. The pandemic has also led to a wave of unemployment and poverty, with 18 million people thrown into poverty and disrupted global trade, resulting in a 6.36% decrease in exports and an 8.56% decrease in imports (Saad Zaidi, 2023). The country has sought IMF bailout packages and borrowed from countries such as China, Saudi Arabia, and the USA to address issues. To secure IMF funding, the country has removed exchange rate caps, increased taxes, removed subsidies, and raised key interest rates to a record high of 21% (Haider, 2023b; Mangi, 2023; Shahid, 2023). The gross national debt was over $1.3 trillion in June 2021, with a majority of it coming from Pakistan Investment Bonds, Treasury Bills, and the National Savings Scheme. Multilateral, bilateral, and commercial lenders account for the majority of foreign debt. With huge currency devaluation, Pakistan's debt had been increasing relative to GDP, surpassing 80%, as indicated in the Economic Survey 2020–21 (Ramzan *et al*., 2023).

The environmental crisis events from 1999 to 2018 have resulted in a loss of 0.53% of Pakistan's GDP per unit. The damage extends to 197,230 villages, underscoring the broad geographical reach of these events. The floods in 2022 resulted in a staggering loss of life, with 1730 reported deaths. One-third of Pakistan has been completely submerged by historic flooding (Sands, 2022; Siddiqa, 2022). However, more than nine million people are expected to fall below the poverty line due to these events (Zaidi & Memon, 2023). The destruction exposed the inadequacies of the country's healthcare system, with merely 2% of the GDP accounting for public health (Shaikh *et al*., 2023). Displacement from homes also affected mental health, leading to food shortages, starvation, malnutrition, and a lack of potable water.

Environmental degradation has imposed a profound and persistent economic burden on Pakistan, with estimates suggesting that environmental damage has cost the country at least 6% of its GDP annually, according to an earlier World Bank report (World Bank, 2006). Air pollution alone has emerged as a critical national challenge, with Senator Sherry Rehman stating that it costs approximately $22 billion each year—equivalent to around 6.5% of GDP—while severe smog conditions in Punjab have affected nearly 11 million children under the age of five (Yusuf, 2025). Reflecting the worsening environmental crisis, the Swiss air quality monitoring firm IQAir ranked Pakistan as the world's most polluted country in 2025, with PM2.5 concentrations reaching levels up to thirteen times higher than the standards recommended by the WHO (Reuters, 2026). The public health implications of this environmental deterioration have been particularly severe for children, as Pakistan already records the highest child diarrhoea

CHAPTER 3

Bangladesh: The Glory of LDC Graduation Severely Jeopardized by Inflation and Energy Crunches

Sheikh Mohd Saleem[1,*], **Shah Sumaya Jan**[2] and **Hina Sharif**[3]

[1] *EMTCT, UNICEF, New Delhi, India*

[2] *Department of Anatomy, Government Medical College, Srinagar, Jammu & Kashmir, India*

[3] *SINA Health, Education & Welfare Trust, Karachi, Pakistan*

Abstract: Bangladesh's socioeconomic landscape faced multifaceted challenges amid the COVID-19 pandemic, global conflicts, and climate extremes. The pandemic exacerbated poverty, unemployment, and public health crises, with urban slum dwellers and rural populations bearing the brunt. The nation's ready-made garment sector, a key economic driver, experienced a catastrophic decline in exports, while remittances plummeted due to economic contractions in migrant-hosting countries. Compounding this, the Russia-Ukraine war triggered soaring energy and fertilizer prices, intensifying inflation and trade deficits. Geopolitical crises, including the Red Sea disruptions, inflated shipping costs, and delayed exports, are impacting garment exports to Europe and the U.S. The influx of 1.2 million Rohingya refugees further strained resources, exacerbating environmental degradation and local tensions. Climate extremes, driven by rising sea levels and erratic weather, are projected to displace millions and devastate agricultural GDP. The economic fallout deepened with currency depreciation, political instability, and corruption. Amid these crises, Bangladesh secured an IMF bailout but struggled to balance recovery with governance flaws. Women and marginalized groups faced heightened vulnerabilities, while educational disruptions underscored digital divides and economic disparities. Despite stimulus measures, structural inefficiencies hindered equitable recovery. The confluence of external shocks, systemic corruption, and governance challenges jeopardized Bangladesh's progress toward LDC graduation, requiring urgent reforms, resilience building, and targeted international cooperation to mitigate the cascading impacts on its economy and society.

Keywords: Catastrophic health costs, currency devaluation, dense population, food adulteration, inflation, non-performing loans, poverty, ready-made garments, Rohingya crisis, social safety, megaprojects, unemployment.

* **Corresponding author Sheikh Mohd Saleem:** EMTCT, UNICEF, New Delhi, India; E-mail: saleem.900@gmail.com

Abdul Kader Mohiuddin, Úrsula Oswald-Spring & Omar S. Rasheed (Eds.)

INTRODUCTION

Bangladesh, a South Asian nation with a population exceeding 180 million by 2025, stands as one of the most densely populated countries, with a GDP of $434.7 billion and a GDP per capita of $2,529 in 2023, according to World Bank statistics (Fig. **1**). Services, industry, and agriculture primarily drive its economy, while its capital, Dhaka, is projected to become the world's fourth-most populouscity by 2030, following Delhi, Tokyo, and Shanghai (Sarker *et al*., 2022). Despite its resource constraints, Bangladesh ranks fourth among the most peaceful countries in South Asia. However, challenges persist, with 41.7 million people—representing 3.8% of the global extreme poor—living in extreme poverty as of 2022, alongside 6.5% of the population facing severe deprivation (Aderinto *et al*., 2024). Gaining independence from Pakistan in 1971 after a revolutionary liberation war, Bangladesh is now home to 1.5 million Rohingya refugees, the largest stateless population globally, as reported by UN agencies and international organizations. Additionally, urban areas grapple with widespread food adulteration, poor sanitation, and unsafe drinking water, compounding the country's public health challenges (Mohiuddin, 2019a).

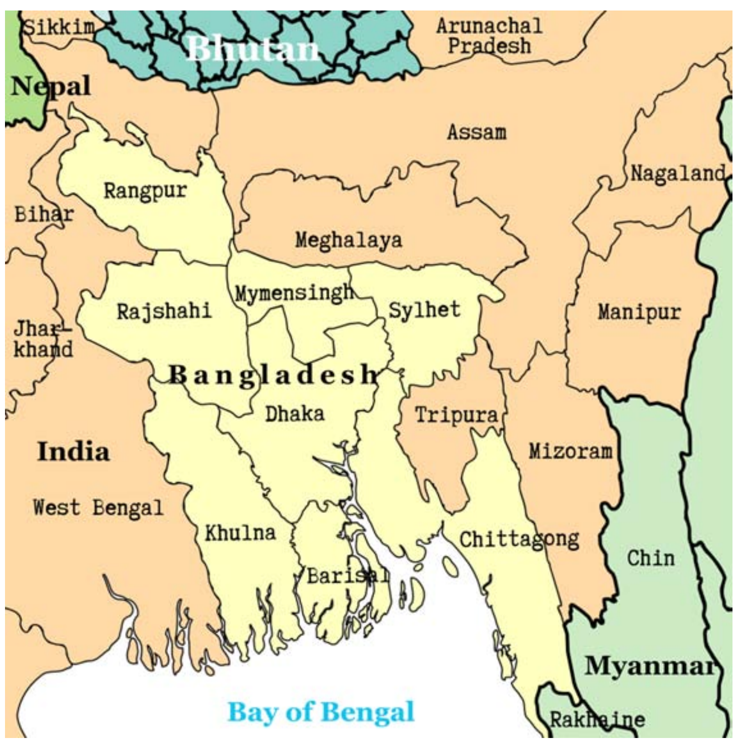


Fig. (1). People's Republic of Bangladesh (Author's own work by Canva Illustrator tool).

Bangladesh is a land shaped by the relentless deposition of silt transported by three principal rivers: the Brahmaputra-Jamuna, the Ganges, and the Meghna, along with their numerous tributaries. These water bodies collectively give rise to one of the largest deltas on the planet (Steckler *et al*., 2022) (Fig. **2**). In total, over 700 rivers interweave across the landscape, resulting in one of the most intricate river systems worldwide. Among the 238 major rivers in the region, the rest are smaller tributaries stemming from these transboundary rivers (Uddin & Jeong, 2021; Prothom Alo Correspondent, 2020). The National River Conservation Commission (NRCC) reports that more than 20 rivers flow through each district, with an astonishing maximum of 97 rivers coursing through the Sunamganj district (FE Report, 2023b).

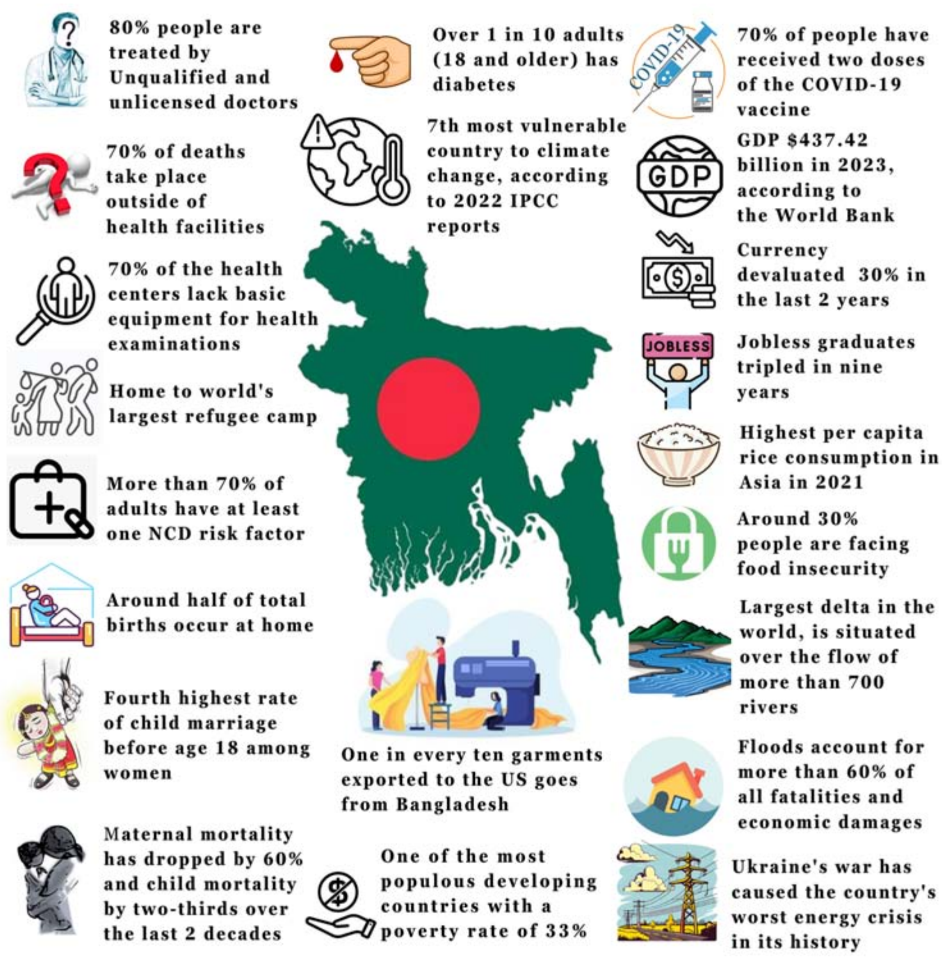


Fig. (2). Bangladesh's health and economy at a glance (Author's own work by Canva Illustrator tool).

SUBJECT INDEX

A

B

C

D

E

F

G

H

I

J

L

M

N

O

P

R

S

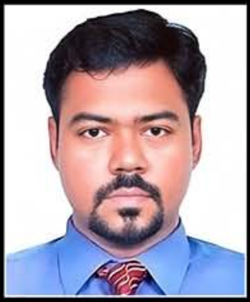
T

U

V

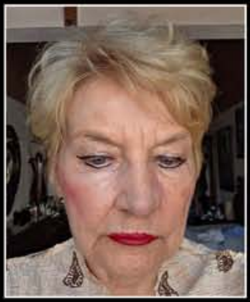
W

Y



Abdul Kader Mohiuddin

Abdul Kader Mohiuddin served as an Assistant Professor in the Faculty of Pharmacy at the World University of Bangladesh. In addition to nine years of teaching experience, he also worked for five years in strategic management roles within reputed pharmaceutical companies. He completed his M.Pharm in 2006 from the Department of Pharmaceutical Technology, Faculty of Pharmacy, University of Dhaka, and earned his MBA in 2007 from East West University.



Úrsula Oswald-Spring

Dr. Úrsula Oswald-Spring is a senior researcher at the Regional Center of Multidisciplinary Research at the National Autonomous University of Mexico (CRIM-UNAM), working on water scarcity and gender in the Megalopolis of Mexico, with a focus on gender equity, affected by climate change. She studied medicine, psychology, anthropology, and ecology in Madagascar, Paris, Zurich, and Mexico. She won the first Chair on Social Vulnerability at the United Nations University (UNU-EHS), is a member of IPCC and GEO 7, and was President and Secretary General of the International Peace Research Association. She also co-founded the Latin American Peace Research Council in 1977. She served as Secretary of Environmental Development in Morelos and was the first Ecology Attorney in Mexico. She has published 70 books and 345 scientific articles or chapters and has won multiple awards. She has collaborated with women, peasants, indigenous, persecuted, and marginalized social groups.

Omar S. Rasheed

Dr. Omar S. Rasheed is a clinical psychologist with extensive experience in Mental Health and Psychosocial Support (MHPSS) within humanitarian settings. Over the years, he has worked with a range of organizations across the Middle East, Africa, and Asia. His career spans multiple MHPSS roles, including psychologist, advisor, delegate, program manager, and coordinator, each contributing to a deep and practical understanding of how to address the mental health and psychosocial needs of individuals and communities affected by crises. He currently serves as the MHPSS Programme Coordinator at the ICRC, where he leads global MHPSS efforts, working closely with a dedicated team to ensure the delivery of effective and impactful support.