

EMERGING STRATEGIES AND ECONOMIC IMPACT OF COVID-19: A CASE STUDY OF GULF COOPERATION COUNCIL COUNTRIES (GCC)

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ABSTRACT

The importance of this study comes from explaining the economic impacts of COVID-19 will help in developing strategies that will help reduce these impacts. Therefore, this study aims to discuss the strategies that emerged due to combating the economic implications of the COVID-19 on the GCC. This study will evaluate the impact of COVID-19 on Gross Domestic Product (GDP), unemployment rates, electronic commerce, and other economic sectors in GCC. The methodology used is to scrutinize the outcomes of prior studies and assess the results to the output to attend to the problem statement. The results indicate that there are significant economic impacts of this emerging virus on the economies of the Gulf States, where GDP can drop to 3% and more than 3% in some Gulf States. The effects of the COVID-19 on oil prices will affect the Gulf economies since they depend heavily on financing their budgets. The unemployment rates and foreign trade will also be vulnerable to this virus. The results also indicate that the continuation of the COVID-19 crisis will have repercussions that are more negative on the Gulf economy and the gross domestic product of the Gulf States.

Keywords: Emerging Strategies, COVID-19, Economic Impact, GCC, GDP.

INTRODUCTION

In March 2020, the World Health Organization (WHO) declared that COVID-19 has become a global pandemic that should be addressed and all the precautionary measures should be taken to face Coronavirus. As a result, the impact of this pandemic has extended to economic sectors, which quickly declined where most of GDP around the world has decreased significantly. Coronavirus was first discovered in China, and by March 2020 it moved to Europe, especially Italy, and in April 2020 it moved to the USA and other countries. Due to this pandemic, a global economic recession has started immediately with the spread of this virus. Also, most educational institutions in most countries have been closed and have turned to online education. Despite all these precautionary measures, the number of cases and deaths has increased worldwide, prompting countries to close borders for arrivals from the most affected countries and apply strict Self-Quarantine procedures. Many procedures have been taken by governments around the world to achieve a balance between health and economic considerations, such as supporting unemployed workers and helping companies that have become in financial

hardship, as well as providing financial support to health sectors and finally implementing a global vaccination campaign that began by 2021. This study is important because it examines the different effects of COVID-19 on the different aspects of the economy. Thus, the problem of this study can be formulated with the following question: Does COVID-19 affect the various sectors of the global economy and GCC economy in particular?

LITERATURE REVIEW

Crises usually occur in any economic system, which leads to the occurrence of economic crises that generates of some economic calamity such as declining prices, economic downturn, high unemployment, inflation, as well as the direct impact of economic crises on various sectors, whether manufacturing, service or merchandising sectors. These crises usually have many consequences, such as bankruptcy, a decline in production or a decrease in sales volume, negatively affecting the economy. One global economic crisis that affected countries was the Great Depression of 1929 due to borrowing and speculation, which led to a collapse in stock prices in the market. Also, the OPEC oil crisis occurred in 1973, due to the embargo imposed by OPEC member states, bringing a barrel of oil to \$12, which led to a collapse in stock prices until 1974. The Asian crisis that began its features in July 1997, coinciding with the collapse of the Thai baht currency, as the Thai government was forced not to peg its local currency to the US dollar, and this crisis led to a sharp decline in the currency rate, and a rise in public debt. The global financial crisis in 2008, which made a general recession in the global economy. The last crisis is COVID-19, which started in early 2020 and changed the world's face in all aspects, especially the economic aspect. The COVID-19 swept overall businesses in the planet, GCC, which is main the source of energy globally, is not an exclusion of this pandemic. Companies have launched several organizational solutions to deal with a business crisis's adverse consequences. According to the study of (Lowth et al., 2010), revision and scrutinization of the processes may indicate that the companies find out the need to pay more attention to specific unidentified gaps before the crisis. Thus, they start to take corrective actions to meet the new challenges. Furthermore, Kitching et al. (2009) explore that the threat by the crisis may lead companies to investigate cost issues associated with exploring creative ideas while investigating ways and means of achieving business continuity. They mentioned that the government role is crucial to initiate and inspire transformation where it can support and help as it is the force that controls the economy's mechanisms. Thus, act as a source of change to reorganize the business set up. In any economy, there are diversified companies' operating to serve society. Mainly the agility and flexibility are essential in terms of the degree of responses to rectify the situation. It affects the way they respond to various threats. The COVID-19 is one of these overwhelming crises that affected all economies of the world. Also, contingency planning varies from one company to another, depending on their weaknesses and strengths. A study found that companies with a quick and varied supply chain are more probably to tolerate their processes during the crises. Companies that are agile and flexible, immediately acclimatize to fluctuations (Feng, 2020).

This study aims to demonstrate the impact of COVID-19 pandemic on the various economies of the Gulf States, considering that this has become a global epidemic. The implications on the world's economies, especially the Gulf economies, are throbbing with an urgent need to transform actions. The primary objective here is to demonstrate the impact of COVID-19 on various economic sectors countries of the world with an emphasis on the GCC. Gulf Cooperation Countries (GCC) and the world live in anxiety and worry because of the repercussions of COVID-19. All countries and GCC have mobilized all its medical, social, and

educational energies to confront this. This pandemic has become an enormous burden on the Gulf and global economies through the slowing down of the economies of the world and the Gulf countries (Rodela et al., 2020). The spread of the virus began at the end of 2019; China was the most affected as statistics showed. Iran followed which is the second most affected country after China (Behzadifar et al., 2020; BBC News, 2020; OECD, 2020). Furthermore, the spread of the virus in the European countries, especially Italy, was overwhelming because it surpasses the number of infections and deaths in both China and Iran. Spain, France, and then the USA, which gave rise to the spread of COVID-19 all around the world without exception. The importance of this study stems from showing the repercussions of COVID19 in the Gulf region. GCC countries and other countries of the world are facing the risks associated with this pandemic. This study may help these countries to take all the necessary actions that can reduce the adverse effects of COVID-19, such as the decline in the Gross Domestic Product (GDP) of these countries and unemployment issues. Most significantly, the oil market prices have declined, which had affected all economic plans of these countries. Besides, this work can be a basis and assist decision-makers to build future strategic plans for coping with emergent situations similar or different to this epidemic. The countries of the GCC began to take precautionary measures to prevent its spread among its population and to limit its economic effects (Gulf Health Council, 2020). Thus, the GCC closure of their borders raised several concerns about the ability of their health care systems in GCC to cope with this epidemic, mainly after COVID-19 becoming a Pandemic. This analogy must lead us to examine what are the economic drivers of the GCC economy. The spread of COVID 19 hindered the plans and drivers of the economy had a drastic downturn. The economic progress nearly halted, which had reflections on all aspects of life. COVID-19 directly affected the economies of the region and the world (Zaremba et al., 2020; United Nations, 2020). The slowdown of the Chinese economy increased the impact on GCC, and this caused damage as China relies heavily on Gulf oil. COVID-19 affected the average daily consumption of crude oil in China to its lowest level in 15 months. Statistics showed that China's GDP shrank to 6.8% in the period from January to March of the year 2020 when compared to the same period in 2019. Thus, this is the first decline since 1992. Given that China is the largest energy consumer in the world, this has increased the concerns of the global oil sector and the GCC. The result is a decrease in crude oil prices to below 25 dollars per barrel, and the price of a barrel of oil may range between 30 to 40 dollars per barrel until the end of the current year 2020. It will constitute a considerable burden on the economy of the GCC, which depends heavily on oil as the leading source of national income (Arab Markets, 2020). The GCC states expressed their support for the Chinese government by providing all kinds of medical material and moral assistance to enable them to cope with this problem. It was not a coincidence since China is the largest economic partner of the GCC countries. The two-way trade between China and the Gulf countries constitutes a large volume. The Gulf States rely mainly on China as a primary source to feed its markets, and in return, China relies on securing energy mainly from the GCC. Consequently, the trade between the two parties is considered to be balanced and may tend to favor the countries of the GCC in some Gulf countries such as the UAE and Bahrain, since these two countries buy more from China than they sell (Chen, 2011). The obvious shortcoming of this trade equation between the Gulf countries and China lies in the fact that a loss of a significant market like China may seriously harm the Gulf economy. Economic reports say that 85% to 90% of GCC financial revenues come from energy, and 67% of Gulf energy exports are with East Asia, especially China (Atlantic Council, 2020). Besides influencing trade and the economy, other economic influences have already affected the Gulf countries. The

Kingdom of Saudi Arabia (KSA) has stopped Hajj and Umrah for citizens and residents, and it has suspended entry of foreign pilgrims coming to visit Mecca and Medina, which had adverse economic effects on the Saudi economy. Hajj is an essential source of income for Saudi Arabia. Dubai has enjoyed a boom in the number of Chinese tourists in recent years and has received nearly a million Chinese in 2019 (Arabian Business, 2019; Medawar, 2019). Since the start of COVID-19, Dubai hotels have witnessed the lowest daily average since 2003. In addition to reduced commercial travels and cancelled conferences, the longevity of this crisis will have significant economic consequences for the region and the world. Below are the most important economic effects of COVID-19 on the GCC economy: COVID 19 resulted in the fall of Oil prices to an unexpected level with the collapse in demand for crude oil. In addition, Brent crude fell to 22.58 dollars (18.19 pounds) per barrel at the end of March 2020, which is the lowest level since November 2002. Currently, the price of Brent crude is approximately 35 dollars per barrel according to the Saudi capital markets report, while Saudi oil reached 33.583 dollars according to the same (BBC News, 2020). The decrease in demand and the reduction or stoppage in production for some companies was significant due the decline in world oil prices. In March 2020, lengthy discussions took place between KSA and Russia, which resulted in the inability of the KSA to persuade Russia to reduce production and supply in the global market. Thus, this created a creeping crisis due to the decline in oil prices, which was the beginning of adverse effects on the economies of the whole world, especially the countries of the Gulf Cooperation Council. There is no doubt that the price of oil will not recover quickly unless the demand escalates again. The return of the product life cycle to normal, and it is related to the end of the COVID-19 crisis. News from medical laboratories around the world indicates that finding a vaccine for COVID-19 may get to the end of the current year 2020, which may delay the return to everyday life. Thus, this may delay economic recovery around the world. The massive decline of the world economy could be recovered in 2021 (Zayed et al., 2021). Information factors should be associated with productive forces in a digital economy (Stepnov et al., 2021). Digital transformation depends on the global digital economic development (Andreev et al., 2021). Stable economic relations are the key to successful economic integration (Zhappassova et al., 2021). Zayed et al. (2021) explained the impacts of COVID-19 on the international financial management. Shahriar et al. (2021) described the adverse effects of COVID-19 on the income, labor market and employability in Bangladesh. Iqbal et al. (2020) illustrated few adverse effects of COVID-19 on the demand and supply side in the international economy.

METHODOLOGY

This research is of exploratory and explanatory nature. It employs an informative methodological approach. In this approach, the researchers have constructed and taken authenticity via their thoughts to the meaning of the existing knowledge on Covid19 position in the GCC States and the factors that necessities are developing new strategies—through exhaustive literature review, construed and established by the researchers grounded on their extensive resources and particular knowledge. Our method rests on debating the present inclinations of the pandemic and the changes that occurred as the spread continues. We used secondary data and literature to discuss the potential risks and strategies of the GCC member states. Researchers collected data from diverse sources, including statistical reviews, UN reports, and other related sources. Our methodology trailed an orderly perceptive using various but interrelated procedures for each GCC member state regarding combating the pandemic. Then we discussed how GC member states and highlighted risks associated with the pandemic, which allowed us to recap and complete the paper.

RESULTS & DISCUSSION

Effect of COVID-19 on GCC Economies

In this part of the study, we will discuss the consequences of Corona on the economies of the Gulf Cooperation Council countries, especially in economic terms and the effects that COVID-19 has had on the various economic sectors. We will explore meticulously each country of the GCC. The following paragraphs will examine the results of previous studies and evaluate the results to the output to attend to the problem statement. KSA is the largest economy in the Middle East and the wealthiest Arab country in the region. The extensive public works policy adopted by the authorities, as well as foreign direct investment and the integrity of the banking and financial system, have enabled the country to become the number one regional economy and one of the largest in the world. However, Saudi Arabia's economy is almost entirely dependent on oil since GDP growth is related to real oil growth. OPEC production cuts in 2019 reduced GDP growth to 0.3% versus 2.4% in 2018. IMF forecasts, updated on April 14, 2020, revealed that due to the COVID-19 pandemic, GDP growth is expected to decrease KSA total to -2.3% in 2020 and will rise back to 2.9% in 2021; however, this depends on the global economic recovery after the epidemic (Nordeo, 2020). The poor economic performance in recent years is partly due to oil production cuts under OPEC agreements. In addition, the UAE continued its program for corporate restructuring, government investment cuts, and meeting falling real estate prices. However, economic activity in the UAE will recover in the future. The country recorded a modest 1.3% growth in 2019 amid a slowdown in the global economy, trade, geopolitical tensions, and weak energy demand. IMF's updated forecast on April 14, 2020, revealed that due to the COVID-19 pandemic, GDP growth dropped to -3.5% in 2020 and reach 3.3% in 2021, which is contingent on the global economy. After recovering from the pandemic, the government plans to give financial incentives to empower private investment (Nordeo, 2020). Mitigating the economic effects of COVID-19 is the direct challenge for the United Arab Emirates due to its impact on the sectors in which the UAE has diversified successfully. Despite its relatively diversified economy compared to its neighbors in the countries of the Gulf Cooperation Council, UAE is still dependent on regional oil-driven liquidity. Therefore, it is also vulnerable to the collapse in oil prices (Nordeo, 2020). The economy of Bahrain is related to the fluctuations of global crude oil prices like the rest of the region. However, its impact is much narrower compared to other Gulf countries due to the relatively diverse nature of the Bahraini economy, which intends to have different sources of national income. As such, the Bahraini economy grew slightly by 1.8% in 2019 despite the significant downturn in the oil industry. The International Monetary Fund updated on April 14, 2020, revealed that due to the COVID-19 epidemic, Bahrain's GDP growth might decline to -3.6% in 2020 and to rise to 3% in 2021 however, is dependent on the global economic recovery after the pandemic (Nordeo, 2020). The Bahraini non-oil economy is increasingly working on continuous support for the private sector and attracting investments to the Kingdom of Bahrain. To enhance the Kingdom's position among the leading countries at the regional level in the areas of investment and trade, Bahrain is working on ensuring the achievement of the goals of vision 2030 which was launched in October 2008 by His Majesty King Hamad Bin Isa Al Khalifah (God protect and preserve him). The goal of the government is to enable the country to overcome all the effects of COVID-19 in a manner that achieves safety for citizens and residents and ensure the sustainable growth of various sectors. After a slight recovery in 2018, economic growth in Kuwait slowed to 0.7% in 2019 as lower oil production and weak oil prices offset the continued expansion of the non-oil sector. Also, much lower than the International Monetary Fund's preliminary estimate of 4.1% of

growth. Government spending, employment, and credit growth may support economic activity in the short term. However, this will depend on stabilizing oil prices and increasing its production. IMF's updated forecast on April 14, 2020, revealed that due to the COVID-19 pandemic, GDP growth might drop to -1.1% in 2020 and then rise to 3.4% in 2021 however is dependent on the evolution of the global economy after recovery from COVID-19 epidemic (Nordeo, 2020). The Sultanate of Oman has experienced significant economic development since 2004, due to the optimum utilization of oil reserves. However, GDP growth rates in 2019 fell to 0.5% because of oil production according to the agreement with OPEC. IMF's reports forecast a drop to 2.8% in 2020 and reach 3% in 2021 however; it is subject to the development of the global economy after the end of COVID-19 (Nordeo, 2020). Despite the support, packages provided by the governments of the GCC unemployment rates within the GCC countries will tend to rise during the year 2020 due to the continuation of the COVID-19 pandemic. The spread of COVID-19 has disrupted many sectors in the GCC and the world as well. For example, its spread has resulted in the freezing of the travel and tourism sector, the suspension of flights, the announcement of curfews, the cancellation of international exhibitions and tournaments, the suspension of Umrah, the prevention of rallies, and the closure of huge malls in the GCC. As a result, these measures have led to an increase in unemployment rates in some of these countries, and it is expected that the number of unemployed in the region will increase if the measures taken in these countries continue to face COVID-19. The latest ILO statistics showed that one out of every 6 unemployed youth is caused by COVID-19 (International Labor Organization, 2020). Furthermore, the collapse of oil prices will lead to a decrease in the value of imports, which may restrict the flexibility of the economy of the GCC countries and create more unemployment. There are also many examples of the effects of the COVID-19 crisis on many sectors in the Gulf States. For example, the "*Karim*" private taxi services company in the Middle East (based in Dubai) decided to lay off 536 employees, representing 31% of its workforce due to the COVID-19 epidemic. The government holding company, which owns Emirates Airlines, also reduced the basic salary of most of its employees by 25% and 50%. In addition, an unofficial Kuwaiti study revealed that 24,000 Kuwaitis are threatened with layoffs if the crisis persists, and most of them are workers in small and medium projects (SNC-Lavlin, 2020). The COVID-19 crisis has imposed a new pattern of work (Remote Work) in most sectors. The Kingdom of Bahrain advances the rest of the world and the Gulf in terms of distance work indicators. This is because it has reached over 50% of all employees in some sectors and 100% in some other sectors such as the education sector, and this has proved its worth in managing the educational process in Bahrain. The Kingdom of Bahrain also adopted a distinguished method in dealing with the COVID-19 crisis by allowing most activities to practice its natural business within certain controls. For example, restaurants continued to conduct their business in the "Order System" while preventing the reception of customers inside restaurants. This made it possible to maintain employment in this important sector. Subsequently, governments ensured the maintenance of the continuity of social and economic life under the COVID-19 pandemic. It is worthy to note that the unemployment rate in the KSA at the end of 2019 was 12%, according to official data issued by the Saudi Statistics Authority. Kuwait also recorded very high unemployment rates among its citizens, amounting to 35% at the end of the year 2019, according to an official statistic issued by the Kuwaiti Civil Service Bureau. As for the UAE, it witnessed unemployment rates of 9.6% among citizens and 2.1% among expats, according to the Federal Competitiveness and Statistics Authority. For the same year, Bahrain records, according to the Minister of Labor and Social Development, an unemployment rate of 4%. However, the rate increases among young people to

20%, according to the General Federation of Bahrain Trade Unions. In the Sultanate of Oman, the unemployment rate reaches 17%, while the unemployment rate among young people is approximately 49% according to estimates by the World Bank. The United Nations economic and social estimates for Western Asia “ESCWA” shows that the number of jobs that are at risk of unemployment in the Arab world will reach 1.7 million jobs and more than one billion workers worldwide due to the COVID-19 epidemic. Must note that the oil, tourism, aviation, travel, and hospitality sectors are the most affected in the GCC due to COVID-19. Service sectors such as commercial malls, restaurants, and cafes follow this. The GCC governments were alert to the dangers associated with COVID-19. For this purpose, the table below shows that the effect on various sectors by curfew procedures. Table 1, shows almost all GCC countries scored more than 30% decline in Mobility except for Bahrain.

	Parks	Retail and Recreation	Workplaces	Grocery and Pharmacy	Transit Stations	Residential	Average
UAE	-58	-61	-57	-30	-79	31	-42.33
Saudi Arabia	-52	-55	-47	-24	-76	23	-38.5
Oman	-42	-55	-42	-38	-69	19	-37.83
Kuwait	-51	-59	-48	-33	-52	25	-36.33
Bahrain	-31	-39	-24	-16	-32	15	-21.17
Average	-44.83	-53.17	-42.33	-27	-60	22.83	-34.08

Source: Authors' Compilation

Sectors Expected to Grow following the COVID-19 Pandemic

The closure of universities and schools caused 1.6 billion learners to stop their education around the world when the epidemic started at the beginning of 2020. The search for alternative methods of the educational process using distance-learning technologies. Many social networking programs are online to facilitate the distance learning process, such as Zoom, Microsoft Teams, and other programs that have proven their efficiency in managing distance learning process. Meanwhile, open training courses and webinars, which are experiencing renewed interest among adults and business owners around the world, seek self-development and performance improvement, to create new sources of income during the crisis (International Bank, 2020). Online shopping has expanded dramatically over the past five years. The industry involved varies from the mining, manufacturing, and wholesale trade markets to taking advantage of opportunities in the simple parcel delivery sector. As the COVID-19 epidemic continues to spread and social divergence procedures increase, demand for delivery services may increase to include other sectors such as groceries, pharmacies, malls, and others (IBIS World, 2019). Demand for books may increase during the epidemic. The Australian government implemented stricter social distancing rules and required parents who can run their businesses from home to stay with their children. These measures are significantly boosting the demand for activities, books, and other products to keep children entertained while at home. Some booksellers have even offered a free connection to increase online sales while ensuring they continue to comply with the rules of social distancing to protect readers from exposure to COVID-19. Book sales may increase and improve under social divergence due to COVID-19, which has decreased by 7.1% annually over the past five years, as there was lesser book demand (IBIS World, 2019). With the partial or comprehensive curfew imposed by the authorities in many Gulf countries, e-stores were the only option for that shopping, since businesses closed their traditional stores such as electronics, clothing, kitchen appliances, household items, and

sports tools. In Saudi Arabia, e-commerce was very lively during March and April of the year 2020. Bin Dawood told retailers that since the escalation of the COVID-19 pandemic in the Kingdom and the imposition of precautionary measures, its average sales on a 10-day basis showed an increase of 200%. Demand had increased by 50% while downloads of electronic applications increased by 400%. The Chairman of the Commerce Committee in the Eastern Province Chamber in Saudi Arabia explained that e-commerce has developed for several reasons, most notably the reduction in costs and the system of dealing in commercial institutions. The availability of various communication platforms eased this process. In the UAE, the proportion of online purchases jumped to 500% during March 2020, according to official estimates. The first quarter of 2020 (the period of the global outbreak of the), e purchasing in the UAE increased by 300%. According to data from the UAE Ministry of Economy. Widespread purchases through websites and smart applications targeted essential food commodities, while demand for recreational and non-essential goods such as smart devices and others decreased. The data of the Telecommunications Regulatory Authority, there are about 52 approved e-stores under the current circumstances, and this has increased fears of the spread of COVID-19. In Bahraini, a newspaper sheds light on the obsession of Bahraini society, especially the youth, with e shopping during the current "COVID-19" crisis. The newspaper quoted a citizen saying that the spread of "COVID-19" contributed to the revival of electronic commerce within Bahraini society. They added that: *"The e-shopping sector has increased the paralysis of the global economy, caused by exceptional restrictions on the movement of individuals, which represents a future model for facing emergencies, crises, and disasters due to the massive storage and transportation infrastructure"*. In Kuwait, e-commerce was thriving in March 2020, as e shopping for food, drink, clothing, cosmetics, and medical supplies increased. The president of the International Club for Electronic Media said that the volume of e-commerce in Kuwait amounted to 1.1 billion dollars. The number of active accounts in this field is about 2.4 million accounts eighty percent of them have bank accounts, which includes 66% of Kuwaiti youth. On the other hand, 36% of the population depends on online shopping according to the local newspaper. Among the most prominent was the initiative launched by the Omani Ministry of Trade and Industry in cooperation with the Public Authority for Development of Small and Medium Enterprises *"Entrepreneurship"*, which bore the name *"Shop from Your Home"*. Therefore, the campaign received a comprehensive popular response according to the local *"Omani Affairs"* website (Arab News, 2020; Alkhaleej, 2020). Demand for drugs and medical services increased at the beginning of 2020 such as thermometers, facemasks, antiseptics, and many drugs that alleviate the health consequences of COVID-19. The COVID-19 pandemic constituted an excellent opportunity for many companies specialized in the production of medicines and medical tools needed to combat this. The COVID-19 pandemic revealed the fragility of the health systems in many countries of the world, whether developing or developed, which failed in those countries to respond to the health requirements of their citizens. Given that many people are at risk of losing their jobs as a result of this global recession, it becomes difficult for them to afford health care costs during COVID-19. Tech Wire Asia asserted that COVID-19 could help advance the virtual healthcare market into advanced stages. Since January 2020, Alibaba has reported that its application to Ali Health (Where is this?) has received more than 3,000 consulting requests per hour, while Doctor Tencent served 1.5 million consultation at the end.

CONCLUSION & RECOMMENDATIONS

Because of the COVID-19 pandemic, it is necessary for governments, especially in the Gulf States, to take advantage of cooperation opportunities in ways that complement each country's advantages and strengthen regional ties. Disrupting global supply chains provides an opportunity to rethink. For example, Gulf countries can go to each other to import food, which boosts intra-regional trade. Besides, the expansion of information technology among the Gulf countries would stimulate social and economic activity. Gulf governments must provide cash transfers for the most vulnerable to avoid a humanitarian catastrophe and ensure health, safety, and security. Furthermore, there should be a clear focus on skills, especially the skills of women and youth, and government support to start-up companies and entrepreneurial activities. Despite the pandemic of COVID-19, Gulf countries can create great opportunities that increase gross domestic product, such as increasing job opportunities and increasing income to promote both national interests and Gulf stability. The Gulf States could adopt effective strategies to combat Covid19 implications. Gulf countries invested heavily in the Health Systems supported by a reliable infrastructure in hospitals and qualified health personnel who led the scene efficiently during the crisis. The decline in imports could result in global trade turmoil exacerbating the difficulty of preparing health systems to cope with an outbreak, resulting in a shortage of medical supplies and other goods, leading to very high prices. Gulf governments seek to protect their people from the economic impact of this global health crisis. It seeks to protect the most affected from being bankrupt or losing the source of their livelihood. Locally, all businesses need support to overcome the crisis. Governments should compensate affected business enterprises and should also treat, contain, and provide essential services to those affected. Governments should also allocate resources to governorates and regions to spend in areas or mobilize medical clinics and workers in the medical field. Furthermore, the Gulf States should provide institutional support to individuals on vacation days to stay in their homes to care for their children. COVID-19 crisis spread rapidly worldwide since the beginning of 2020, which has placed the world in confrontation with this epidemic. This epidemic has led to many health and economic risks. Returning things to normal is dependent on the measures taken to tackle COVID-19. The decline of gross domestic growth in 2020 in the world and the region is imperative in the presence of COVID-19. Therefore, it requires greater solidarity of the countries of the world to confront this epidemic and limit its impact on the economies of the world's countries. Thus, a few strategies emerged due to the Covid 19 pandemic. GCC initiated food supply safety network and acted efficiently to control and limit the health and economic impacts. Furthermore, dealing with society day to day activities they issued a bundle of resolutions to restrict and quarantine citizens. Meanwhile, a stimulant package was introduced to support the economic cycle. GCC showed concern and sympathy to other nation by giving humanitarian aid and solving any difficulties regarding oil supplies to the world.

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