The Consequences Of The Corona Virus For The World Economy’s Future

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Abstract:
It is impossible to overstate how much of an influence and effect the Coronavirus has had on nearly every business around the globe. This is because it is impossible to overstate the magnitude of the influence and effect. The consequences of the pandemic on small and medium-sized enterprises are contributing to the downturn in the state of the global economy. The observable repercussions include, among other things, an increase in unemployment, a fall in the service sector, a downturn in the manufacturing sector, a decline in international commerce, and a contraction of the world economy. Moreover, the manufacturing sector has been hit particularly hard. One of the most heavily impacted industries worldwide is the aviation industry, followed by tourism and hospitality, manufacturing, transportation, health, agriculture, and sports. This study looks at the state of the global economy before and after the pandemic. It focuses on the catastrophe recovery plan to determine how the global economy may gradually improve and outperform expectations. This will allow world trade and the economy to improve gradually.

Key words: health crises. COVID-19, high economy.

Introduction:
Trillions of dollars have been estimated as the cost of the corona virus pandemic's destructive impacts and detrimental impact on both the economies of particular countries and the global economy as a whole. The world economy is currently in a complete disaster, every industry has been severely impacted, millions of jobs have been destroyed, millions have already perished, and more are expected to do so. Although some nations have taken extreme steps in response to the effects and impacts on their economies, the world will not fully recover for some time. Numerous companies have closed and are in urgent need of bailouts from the governments of their respective countries. they have to be made alive once more. Since the government is unable to assist everyone due to their shared disability, most small and medium-sized organizations and businesses will require some time to establish themselves. There is a fundamental need to look at the global economy before the pandemic and further compare it with the current status in order to truly
measure the extent of the crisis. This will make it easier to assess the extent of the coronavirus pandemic's harm and how the world economy will recover and stabilize itself.

Research problem:

What are the most critical repercussions resulting from the emerging Coronavirus (Covid-19) on the higher economy?

Sub-problems: To enrich the topic further, we have developed a set of sub-questions as follows:

- Did the emerging Coronavirus (Covid-19) constitute a global health crisis?
- How did the new Coronavirus, Covid-19, affect the higher economy?
- What are the most important measures and policies taken at the high level to confront the emerging Coronavirus (Covid-19)?

Research hypothesis:

To answer the main problem and sub-questions, we formulated the following hypotheses:

- The new Coronavirus, Covid-19, formed a global health crisis that affected the economic and social conditions at a high level.
- The new Coronavirus, Covid-19, has spread to many countries and affected the higher economy through various channels.
- Many countries have taken many practical measures and policies to confront the spread of the Coronavirus, which helped control its negative repercussions.

Research objectives:

This paper begins to clarify the following:

- The global (biological) health crisis and identifying the most critical type of event in the history of the skin, the most dangerous of which is the emerging crisis of the Coronavirus, Covid-19.

I was clarifying the repercussions of the new Coronavirus, Covid-19, on the economic and social conditions of the higher economy in general.

I clarified the most important measures and policies taken at the global level to confront the new Corona epidemic.

Research importance In recent years, the globe has witnessed several other health crises that have plagued many countries, such as the influenza epidemic, Ebola, the Zika virus, and others; the Coronavirus is only a striking illustration of this.
This secret virus has worried many countries around the world due to its rapid spread between countries and dire economic and social implications for humanity. The reason for this rapid spread among countries and its negative economic and social ramifications on humanity is as follows:

Some people called it a biological war between the two most prominent global poles and the two most significant powers in the twentieth century, China and the United States. This emerging health crisis would cause shocks to supply and demand different from those experienced in previous nations. The new Coronavirus introduced the world to an economic and financial crisis that was considered the most severe and violent in the history of humanity. Due to the gravity of the situation, which could drag the entire world into a state of high recession, it is necessary to develop fundamental policies in the economies that are impacted by the pandemic, which will assist those economies in overcoming the period during which the pandemic is spreading, while also protecting the integrity of the network of economic and financial relations between economic dealers in each nation. Additionally, it is necessary to prioritize the human component in terms of protecting His health and safety to the greatest extent possible.

In this regard, many affected countries have taken the necessary measures to limit its spread to temporary outbreaks. However, this type of health crisis, with an international dimension, has lent itself to a large and exacerbating extent. Public authorities in all countries must develop strategies and communication mechanisms that enable them, in particular, to control them and contain their effects. The resulting negativity is on the social and economic levels in particular.

**Research methodology:** By researching this topic, we relied on the following:

- Historical, descriptive approach: describing the emerging Coronavirus and tracing the stage of its spread.

- The analytical approach: by analyzing the most critical economic and social repercussions of the new Coronavirus on the economic and social conditions globally and locally, using a case study method of the descriptive analytical approach when studying the global situation in light of the spread of the new Corona epidemic (Covid-19).

**GLOBAL ECONOMY BEFORE THE PANDEMIC:**

Many people would be curious about how the global economy was doing before the outbreak in late 2019. In actuality, the economy had been ailing for some time before to the corona virus outbreak. "Many of those upon whom our survival depends are not paid suitably," writes Kate (2020). According to her further explanation, "advertising executives, marketers, stockbrokers, and football players sit at home while care workers, cleaners, nurses, truck drivers, supermarket cashiers, and fruit pickers continue their work." This has the effect of dividing the labor market into two primary groups: essentials and non-essentials. Because of the protracted trade war between China and the United States, individual economies around the world were already facing major issues.
Global alliances were reorganized as a result of the trade war, and new markets, distribution routes, and commercial partners were also developed, along with new developing economies while some economies fell further into recession. All of them have already disrupted international trade and led the global economy to falter, taking time to recover. Overall, it was evident that the world economy was not as strong as it had been represented before the corona virus pandemic hit. The global economy, which is already divided and has not yet fully recovered, was essentially exposed by this. As a result, in order to formulate a recovery strategy that would be effective over the course of a prolonged period of time, it is essential to conduct research and assessments on the effects and repercussions that the Corona virus epidemic has had on the world economy. The COVID-19 viral pandemic is a very unusual worldwide phenomenon that has profoundly individual causes and widespread impacts. On September 20, 2021, viral infections throughout the United States caused more deaths than the 675,446 people who died as a result of the Spanish flu in 1918. This death toll had previously held the record for the highest pandemic-related death toll in the United States. The outbreak has had a significantly negative influence on the growth of the global economy in 2020 and has disrupted life in all nations and communities to an extent that has not been witnessed in over a century. It is estimated that the virus led the annualized rate of economic growth in the world to decline to approximately -3.2% in 2020, with a recovery to 5.9% projected for 2021. After a projected decrease of 5.3% in 2020, it is forecast that global trade will climb by 8.0% the following year in 2021. The fiscal and monetary measures that governments enacted in 2020 contributed to the reason that the economic slowdown in 2020 was not as severe as previously projected, according to a consensus of estimates.

The majority of countries throughout the world witnessed a significant slowdown in economic growth during the second quarter of the year 2020, followed by a rapid comeback during the third quarter and generally positive growth ever since. The overall repercussions for the economy of the world are continuing to worsen, despite the fact that they are becoming less severe. In particular, the protracted nature of the health crisis is having an influence on the economy of the world in ways that go beyond what is normally discussed, potentially having long-term and severe repercussions. The projections for the economy take into account the ongoing threats to a sustainable global recovery posed by a comeback of contagious diseases as well as the anticipated inflationary pressures brought on by a buildup of unmet consumer demand powered by rising personal savings. Both of these factors are causing inflationary pressures to be anticipated. Ongoing disruptions to the supply chain can be inferred from shortages on the demand side. The contraction of labor markets, bottlenecks in manufacturing and supply chains, disruptions in global energy markets, and limits on shipping and transportation are all contributing to the intensification of inflationary pressures.

**EFFECT AND IMPACT OF CORONA VIRUS PANDEMIC:**

According to Yen (2020), "the corona virus epidemic has spread to 185 nations and territories, infecting more over 2.7 million individuals and killing over 190,000 people globally," the effect
and impact of the pandemic are terrible. Given how widespread the virus is, the number is anticipated to increase over time. The global economy may not be able to recover to its pre-pandemic state, according to reality. The world’s economy “is unlikely to return to pre-pandemic levels before 2022 at the earliest,” claims Richard (2020). The following are the effects and impacts:

1. **Increased unemployment:**

The fact that so many businesses were forced to temporarily halt operations is one of the pandemic's most severe effects and impacts. Many employees lost their employment as a result, especially in small and medium-sized businesses. Record job losses have been experienced worldwide as a result of the lockdown strategy used to stop the virus's spread. Over the course of five weeks, there were over 26 million job losses in the US alone. The jobless rate increased in South Korea, Australia, and other countries as well. This is a crucial fact, as the graph demonstrates, as unemployment rates are rising globally.

2. **Service Industry Down:**

The service industry is vitally important to the economies of all countries, but especially the United States and China, which are respectively the largest economy and consumer market on the planet. The service industry has been a major contributor to both economic growth and employment opportunities. As a direct result of the lockdown policy, both economies experienced a pretty significant decline, particularly in terms of retail sales. Even while there has been an increase in the number of sales made online, this has not been enough to counteract the overall consequences of the reduction.
3. Slump in Manufacturing Industries:

Any country's economy depends heavily on manufacturing since it enables them to produce their goods and sell them on the international market to get money. The industrial sector has been severely impacted by the US-China trade war, and the corona virus outbreak has just destroyed the dreams of a pressured industry for a turnaround. A growing number of manufacturing enterprises would be adversely hurt as the number of nations that have implemented the lock down procedures continues to increase. In some cases, businesses have had no choice but to shut down, while others that are still operating have only been able to do so with significant constraints.

4. Fall in Global Trade:

The slowdown in global trade in 2019 was already evident; the corona virus pandemic will certainly exacerbate the issue. This is due to the World Trade Organization's (WTO) prediction that "world trade volume may decline by 12.9% or 31.9% in 2020." Additionally, according to other forecasts, "all regions will experience double-digit decreases in exports and imports in 2020." The pandemic's emergence has demonstrated that it will be more worse than anticipated. This implies a sharp decline in import and export. The prospect of a sharp decline in revenue has already cast a shadow on the future of international trade.
5. Global Growth

When the COVID-19 epidemic began, the global economy resumed its efforts toward a more generalized recovery. The residual effects of rising trade protectionism, trade disputes between significant trading partners, declining commodity and energy prices, and European economic concerns regarding the effects of the UK's exit from the European Union all posed threats to the growth of the global economy. All of these factors combined pose a threat to the expansion of the global economy. Each of these issues functioned independently as a manageable roadblock for the global economy. However, the challenges harmed the global economy when taken as a whole. They limited the ability of many national leaders to pursue the course of action of their choosing, particularly in the case of the most developed nations. Even while the economic repercussions are becoming less unpredictable, the combination of different government actions may continue to have a significant and long-lasting impact on how firms organize their workforces—concerning global trade networks and the responses of many governments to a public health crisis. Because of the virus's rapid spread and compounding impacts on regional and national economic growth rates, it has been extremely challenging to forecast the ramifications of the virus.

6. Shrinkage of Global Economy:

The fact that the pandemic outbreak has had a significant impact on economic activity around the world is not breaking news. This has caused several institutions to lower their economic forecasts for the world as a result. Additionally, according to the International Monetary Fund (IMF), As a result of the "global economy would decrease by 3%" this year, only a select few economies are expected to experience growth. This bears the consequence that the recovery will also only be partially effective because the level of economic activity, which was projected to stay low before the pandemic, will worsen. This was a prediction that was made before the epidemic. According to Yen, the total loss to the global GDP from the pandemic problem between 2020 and 2021 might be close to $9 trillion. Yen cites this potential loss (2020). According to the opinions of financial gurus, this is a very big deal.

MOST AFFECTED INDUSTRIES:
The corona virus pandemic's effects and impacts have in some ways affected sectors in every country and region, putting some to a complete halt. The most impacted industries must be carefully examined and assessed in order to determine the degree of the pandemic's harm to the world economy.

1. Aviation:

This sector is one of the industries that is being impacted the most all across the world. Revenue in the form of billions of dollars is generated each year as a result of the movement of millions of people between cities within one state, states within another state, nations within the same region, and various regions of the world. Most airlines have stopped flying as a result of the epidemic, although some are still flying today. This implies that there has already been a drop in tourism and income since the outbreak. In addition, if the epidemic persists, thousands of newly established employment in the airline industry could be in danger. The majority of airlines are already on the verge of bankruptcy, and they are asking their respective governments for sizable bailouts in order to survive the pandemic.

2. Tourism:

Every year, millions of tourists travel around the globe in quest of the top tourist spots. Social distancing, which calls for people to maintain a certain distance from one another to lessen the danger of transmitting the virus to others, has been implemented as one of the strategies to stop its spread since the pandemic first emerged. Other than that, some nations have ordered a complete lockdown and asked people to stay indoors. The result is that because of the large number of people who are constantly interacting there, the tourist hot sites have turned into the major target where the virus might readily propagate. There are currently no flights to these locations since the airline industry has been put on hold. A reality of the industry epidemic is the decline in sales and revenue as well as the thousands of jobs that are at risk.

3. Hospitality:

The hotel industry is also being impacted, and how it is impacted is comparable to how the epidemic affects the tourism industry. Suppose no one travels to popular tourist destinations. In that case, only some of the numerous hotels that typically accommodate the tens of millions of
tourists who flock to these sites yearly will have guests. Because of this, there will be a drop in the number of tourists, the number of hotel bookings, and eventually, the amount of revenue. The tourism and hospitality sector is responsible for the employment of millions of people worldwide; yet, if appropriate safety measures are not taken, many hotels will be forced to close their doors forever.

4. **Manufacturing:**

People cannot go to work, which hurts the manufacturing industry overall but notably on production activities that entail the interaction of people working near one another. This has affected manufacturing because fewer people can work in the production area at any given moment. As a result, output has dropped, leading to a reduction in product sales and, ultimately, a decrease in revenue. In domains where machines carry out most activities, operations have also been influenced, and this trend is expected to continue.

5. **Transportation:**

The most popular sector of the global economy is this one. Transport involves moving commodities and people from one location to another. Logistics is crucial to both, but it has been hampered because of how difficult it is to transfer people and things throughout the world. Businesses who run truck fleets utilized for deliveries between cities and states had their operations halted.

6. **Health:**

The health industry was also severely impacted. The epidemic exposed the healthcare sector in a way that many people had not anticipated. When the pandemic was at its worst, there weren't enough doctors and nurses in the world to treat all the people who required medical care. The fact that there wasn't enough medical equipment and that certain patients were occasionally neglected was another issue that came to light. Regular medical supplies immediately ran out due to the rapid rise in infected individuals, and because the manufacturing sector had been damaged, the rate of manufacture and production to replenish stock and inventory could not keep up. Many medical professionals also lost their lives while attempting to save others.

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8. Sports:

Another sector that has been heavily hit is the sports business. The amount of money made from ticket sales at the stadiums where the majority of these sports are played has drastically decreased. Some football players even had to forego money in order for the teams to survive. Since individuals are now spending less on those items because it is still unclear whether the pandemic will stop, merchandise sales for these clubs have also decreased. The epidemic has also had an impact on media broadcasts, advertisements, and sponsorships in all forms of sport. A reasonable length of time will pass before the lost revenue is regained. Major sporting events that were scheduled to earn billions of dollars in sponsorship fees, TV rights, and broadcasts have all been rescheduled.

Virtually every sector has been affected in some manner or another, yet, some of these impacts have had relatively modest implications, whereas others have had considerable ones. The question that immediately springs to mind is how the world will recover from the effects and ramifications of the epidemic that was caused by the coronavirus. It is vital to research disaster recovery programs that may be carried out across regions to assist specific industries in recovering from the losses they have sustained.

DISASTER RECOVERY PLAN:

The only question that remains in the midst of everything the pandemic has brought is, "How quickly can the world economy recover from this current state?" According to Hao (2020), who depicted the future from the perspective of China, "According to China's experience, it could take countries over three months to get their economies back on track if lockdown restrictions are eased." Additionally, he stressed that "by the last quarter of 2020, economic activity could recover to normal levels."

People have begun to reevaluate working remotely as a result of the pandemic. The infrastructure of the internet has also been changed by this. Since the COVID-19 breakout, the new infrastructure has, in Lei's words (2020), "played a crucial role in China's overall economy." Additionally, "Retail platforms built on a reliable supply chain ensure that the supply of products precisely matches people's requirements"

Further stating that "Offline retail outlets are exploring online sales potential, which accelerates the rebound in production and orders," Lei (2020) goes on to state. Further explanations on health services disclosed that "online medical advice and online pharmacies provide convenient online healthcare services, solving medical resource shortages" The availability of enabling support, which includes 5G networks, the Internet of Things (IoT), data centers, and artificial intelligence, is accountable for these improvements in internet infrastructure and the introduction of new electronic services.

During the height of the pandemic, many companies were forced to keep delivering essential services to their customers, which led to a significant increase in the use of work-from-home. In a
sense, this also enhanced the potential of working remotely, which, ever since the start of the pandemic, has been an increasingly viable option over time. The concept of working from home, which has many additional benefits, is gaining hold in an increasing number of businesses.

CONCLUSION:

The pandemic was unlike anything that had ever occurred before, and it has affected virtually every aspect of our day-to-day lives, both personally and professionally. A recession of the world economy, a fall in international trade, a slump in the manufacturing and service sectors, the loss of millions of jobs, and, most importantly, an increase in worldwide unemployment might be among the global repercussions of the pandemic. The sectors of aviation, tourism, hospitality, manufacturing, and transportation, as well as health care, agricultural production, and athletics, are among the most severely hit. Even though the facts, numbers, data, and forecasts imply that it may take some time for individual economies to stabilize, the pandemic has also created new markets and economic opportunities, which firms are taking advantage of immediately. These sectors rely substantially on the technologies and solutions offered by the internet. However, they call for lower investment in infrastructure and capital, fewer personnel, and greater levels of automation. The future is drawing closer all the time.

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