

MODERN GLOBAL CRISES: REASONS, CONSEQUENCES AND WAYS TO OVERCOME COVID19 CRISIS

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A pandemic is a global outbreak of a new virus that is very different from modern seasonal viruses present in a given period. Viruses constantly change and these changes are not related to the person, so they can easily infect humans and spread effectively from person to person.

The outbreak of the coronavirus pandemic was undoubtedly another challenge for humanity as a whole. On the one hand, it is about the ability to instantly and effectively identify the causative agent of another disaster and develop appropriate strategies and pharmaceuticals for treatment. On the other hand, any epidemic, not to mention already about the pandemic, has quite catastrophic economic consequences of various character.

Trends in the development of Ukraine's economy are largely determined by the nature of its foreign economic relations, the degree of involvement of the country in the system of international division of labor (MRI). In modern conditions, MRI is accompanied by integration processes in different regions of the world, education and development of transnational corporations (TNCs), which indicates the increasing globalization of the world economy. In this regard, there is a growing need to study trends and patterns of development of the world economy, which are the subject of study of the proposed discipline.

In the context of intensification of globalization and integration processes, the formation of regional policy measures adequate to modern requirements is becoming important. In market economies, according to OECD research, the object of regional policy are various regional (spatial) inequalities (differences in living standards and conditions, employment and unemployment, the rate of economic development of individual regions, business conditions, etc.). The main causes of such inequalities include: differences in climatic conditions of life and entrepreneurship in individual countries; the scale, quality and directions of use of natural resources, which determine the "productivity" of the regions; outdated production structure, untimely introduction of innovations; agglomeration advantages and disadvantages (overpopulation); trends in economic development of the country; stage of technological development; physical factors of placement; production infrastructure; socio-cultural factors.

Almost from the beginning of 2020, the Ukrainian economy found itself in a new system of risks associated with the global economic recession, which laid the foundations for the slowdown in economic dynamics. The sudden cessation of a significant share of enterprises in various spheres of economic activity has significantly worsened the situation in the economy.

During March-April, measures were taken to mitigate the negative effects of quarantine on the Ukrainian economy and society. Three "packages" of legislative changes provided tax support for business. First of all - tax benefits for small

businesses and sole proprietors, reducing the regulatory burden. As well as additional support for workers who have lost their jobs to vulnerable groups.

In the banking sector, a mechanism for long-term refinancing of banks for up to 5 years has been introduced, the mandatory reserve algorithm has been changed, bank loans to borrowers affected by pandemic restrictions have been restructured, and a number of problem management requirements have been relaxed.

Due to the combination of the direct biological impact of the COVID19 pandemic and the coronavirus network infodemia, the global community plunged into a deep systemic crisis in March 2020. Due to its unique nature, the introduction of a special term "corona crisis" seems reasonable. This crisis is not a "classic" epidemic crisis. The main loss of labor potential occurs through quarantine measures. Rising protests are forcing governments to speed up the end of quarantine, even outside of biological indications. Declining consumer demand in the European Union and the United States will have a negative impact on imports from developing countries. The economies of all countries will feel the effects of reduced world production, disruption of trade chains, reduced investment. In the current conditions, the quarantine measures in China will have a great impact on the world economy, as the production facilities of many industrial and innovative companies of the world are located on the territory of this country. The closure of plants and factories, as well as reduced demand for Chinese products will have a negative impact on the profits of such companies.

As for industries, tourism is one of the most affected. Significant losses are also borne by airlines, whose demand for services has fallen to a minimum, which is obvious. Of course, the crisis did not bypass the automotive industry, as most supplies were related to China.

However, not all industries suffer losses. Some companies not only avoided the crisis, but also increased their revenues. Almost all of them are online services. They are followed by pharmaceuticals and delivery services. Governments around the world are committed to creating and implementing economic programs (fiscal stimulus) aimed at mitigating the effects of the COVID pandemic - 19 and stabilizing the economy. The largest is the program adopted by the US government - its volume amounted to 2.3 trillion. USD (about 11% of GDP). In addition to the United States, the top five countries in terms of funding for such economic programs also include Germany, China, Canada and Australia.

According to the analysis, the COVID-19 pandemic will affect all sectors of the economy, but to varying degrees. It is expected that significant losses will be avoided in industries related to the production and supply of food, the pharmaceutical industry and the IT industry. In turn, the most vulnerable industries accumulate about 40% of GDP and employment. Moreover, most companies in these industries are provided with resources to operate in quarantine for no more than 2 months.

Thus, the estimates of experts on data analysis, of course, has disappointing forecasts. But if you take the necessary precautions, there is still room for improvement. Accelerating the end of the pandemic will help to implement the planned actions to eliminate the effects of the pandemic faster.

Literature:

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