CHAPTER 1
CURRENT TRENDS IN ECONOMIC DEVELOPMENT

THE IMPACT OF COVID-19 ON THE ECONOMY AND MANAGEMENT OF INTERNATIONAL COMPANIES

Taha Mohamed Daab[1]

[1]*Postgraduate student, «KROK» University, Kyiv, Ukraine, e-mail: tahadaab@gmial.com, ORCID: https://orcid.org/0000-0001-6761-964X*

Citation:
Daab, T. M. (2022). The impact of COVID-19 on the economy and management of international companies. *Economics, Finance and Management Review*, (1), 4–17. https://doi.org/10.36690/2674-5208-2022-1-4

Received: February 11, 2022
Approved: March 27, 2022
Published: March 30, 2022

Abstract. *The Coronavirus (COVID-19) pandemic has dealt a severe blow to a global economy already in fragility. Although the full scale of the human and economic impacts of the pandemic will not be clear for some time ،the losses in these two areas will be significant. Already existing macroeconomic weaknesses make emerging market and developing countries vulnerable to economic and financial turmoil ،and this may limit the capacity and effectiveness of policy support at a time when it is most needed at the global and national levels. These implications are the necessity to close all institutions that have been affected. With the pandemic ،which was represented in schools ،universities ،companies ، factories ،places of entertainment and tourism companies ،the government had to take a set of decisions and measures to confront the economic and health crisis ، which resulted in economic and social repercussions that had an impact on society ،and then was the state's focus on Egyptian workers ،especially workers In the private and informal sectors ،which resulted in the deterioration of their conditions and the loss of their basic materials to meet the basic needs of their families. The study consisted of knowing what the Corona pandemic is ،how it affected global economies ،the effects that resulted from the Corona pandemic and its impact on business sectors ،and also knowing the most important consequences of the global crisis on unemployment rates ،through this and in light of the crisis the International Labor Organization of the United Nations A report indicating the most important consequences that occurred in the business sector as a result of the outbreak of the new Corona virus "COVID-19" and the following measures that include reducing employment and also reducing the number of working hours and sectors most affected by the spread of the Corona virus.*

Keywords: *world economy; financial markets; unemployment rates; economic; pandemic; global economy; global economic indicators; precautionary measures; COVID-19.*

JEL Classification: D22, L20, L25, O10, E65, D78
Formulas: 0; fig.: 2; tabl.: 1; bibl.: 14

Introduction. The world is experiencing the emerging crisis and epidemic of Corona (COVID-19), and due to its strangeness and danger, it has attracted the attention of all scholars. With different specializations, even writers and philosophers in their intellectual tourism. There is no doubt that this communicative cognitive act was created. An important and necessary thing. Without any regard for geographic borders, dissemination of news, ideas, and facts about the epidemic is absolute and without Restriction, consider it a human right, as long as it has broken the monopoly of science and the complex of concentration in Western civilization, all this human indecency It closed the last stage in the normal life of man in the economic and social field At the heart of this reality and as a problem, the study poses the following: What is the impact of the Corona pandemic on the formulation of the international economic realitynd the making of critical decisions in it?

We are now experiencing a health crisis in the wake of a multi-dimensional economic crisis. It is the crisis of the epidemic and the economic catastrophe, which It has turned into a mercurial relationship that escapes the grip of human control. The solution remains to prevail over wisdom and reason, the final touchstone. The economic reality in the time of the pandemic and the human being in it has a starting point on earth. This problem is subdivided into questions the following:

- What are the dimensions of the international economic decline that the world has known under the Corona pandemic?
- What are the justifications for the state of economic stagnation in the industrial developed world specifically at the time of the pandemic?
- To what extent did the international bodies interact with the pandemic and did they respond with balanced decisions to manage the global economy?
- What are the possible economic challenges for post-pandemic societies internationally and in the Arab world?

Literature review. Many researchers and specialists, whether they are individuals, entities or organizations, have made numerous contributions to study the impact of the Corona virus epidemic on the economy in general and on the management of businesses and companies, whether they are public or private. But from my point of view, I will present to you the subject of studying the effects of the Corona virus, especially on the sectors of industry and administration, and the repercussions of the crisis on the labor market and employment, the high unemployment rate and the effects that these factors have. And comparing the countries of the world in terms of the difference in the percentage of impact in general and comparing the lifestyle and its quality in each country, and what are the steps that must be taken to reduce this impact.

Aims. The main objectives of the study lies in addressing a current, influential and urgent topic, which is the Corona pandemic, which stopped the major economic powers and the effectiveness of their economic systems to the threshold of stagnation and despair. This study provides a deep intellectual entry, as this study includes a cognitive approach to the facts and challenges that impose the inevitability of changing the current and weak economy that brings together money, business, governments and rich countries, in a new international system, and then raises questions that need discussion and investigation, to reach a set of conclusions Scientific studies that benefit researchers, decision makers and even business managers who are at the heart of microeconomic systems and its requirements for survival and growth in times of epidemics and crises.

Methodology. The study was limited to reviewing and analyzing the most prominent literature that dealt with the topic of epidemics, disasters, the global economy, and the scarcity of scientific resources, with the exception of some articles and regulations issued by international organizations. The content of this article is a modest attempt at understanding and economic analysis in relation to the health crisis and has been guided by the descriptive-analytical approach based on asking and answering questions and approximating scientifically with the benefit of understanding the present to avoid errors in the future and removing confusion about the hidden secrets of this well-studied phenomenon “the epidemic and the world” economic disaster.

Results. Through the results of the research, it was found that there is a weakness in the precautionary measures to confront the Corona pandemic, both in terms of economic and social terms, at the internal and external levels for all countries of the world, which in turn contributed to the increase in negativity. The effects resulting from the study of economic indicators that showed the size of the losses resulting from this epidemic.

Companies are currently facing high levels of uncertainty, particularly with regard to their international operations. Geopolitical tensions are rising, and the US-China trade war may be just beginning. Countries around the world are seeking policies to counter the economic fallout of the COVID-19 pandemic and secure growth in the post-COVID-19 era. Globalization is also increasingly being scrutinized, and protectionist sentiment is spreading, even in countries like the US and UK, which have adopted an open market approach and have benefited greatly from increased global interdependence. The changes caused by COVID-19 are likely to have a lasting impact that will challenge us far beyond the current pandemic. Recent data and ongoing research on the world's largest multinational corporations suggest that the following trends will be especially relevant when formulating projections about how the international business landscape will evolve in the wake of the pandemic.

COVID-19 and Effects on the World Economy and Financial Markets. The effects of COVID-19 on the world economy have been substantial and widespread. Among the key areas affected is the economic activity, which has been reduced dramatically. find that industrial production fell by (15%) over the 30 days period from introducing the pandemic containment measures. The decline in economic activity is due to the health measures introduced in the work place and the need to close a number of factories and business units as a result of the surge in virus cases. The per capita income is now anticipated to contract in most countries with a (7%) drop expected in advanced economies and a fall by (2.5%) expected in emerging markets and developing economies (World Bank, 2020a, Para 4). While normality has returned to the level of business in some countries, such as China, the level of global economic output continues to be significantly lower than the one observed in the year before. If this is to continue for a long time, the shock to the world economy is likely to be enormous and will result in much larger budget deficits in most countries, which are already facing an unprecedented task in order to sustain public funding. In the Euro zone, for instance, the budget deficit is now predicted to rise to (8.5%) of the GDP in 2020 compared to (0.6%) in 2019 (Haroutunian, Hauptmeier, & Leiner-Killinger, 2020, Para 4). The scale of the deficit is, to a large extent, larger in the countries with high debt-to-GDP ratios at the time of entering the pandemic crisis. With the decline in commodity prices, such as oil and metals, governments are facing further burdens in their balance of payments and many countries have subscribed for the IMF rescue package. Oil crude prices remain the most affected by the sharp fall in demand with the average price falling by (50%) in the first quarter of 2020 This is likely to cause a significant impact on the budget of oil producing countries and fiscal measures are needed to sustain public spending.

The cost of the packages offered as part of the liquidity and guarantee measures have been large in most countries with the US recording a fiscal package of (9.1%) of its total GDP, while Germany had a rate of (8.3%) and the UK of (8%) (Anderson et al, 2020, table 1). A report by the World Bank also reveals that public debt has surged in emerging markets following the pandemic crisis (World Bank, 2020a, para 7). The high level of the stimulus packages used to counter the effects of the pandemic is adding further pressure on the government budgets, raising public debt and the cost of servicing the national debt further. Therefore, it is imperative to strike a balance between the economic measures required as a response to the effects of the coronavirus and the size of the financial packages offered in order to better manage future public debt. Countries also need to be transparent in terms of the mechanisms they implement in managing the debt to avoid any future possible shocks to the economy. In less developed countries, COVID-19 has created pressures on the financing scheme set for their economic and social development. A research carried out by the OECD shows that the funding scheme is likely to decrease by $700 billion in 2020, which creates further risks to development worldwide as global climate changes (OECD, 2020c, p. 1). With many individuals losing their jobs and lack of public investments, poverty will further worsen in these countries. According to an estimation made by the World Bank, COVID-19 will place 71 million people under extreme poverty raising the global extreme poverty rate to (8.82%) compared to (8.23%) in 2019 (World Bank, 2020b, p. 1). Supporting the hardest hit countries through interest free loans and grants would help to lower the severity of the financial and social impact caused by COVID-19.

The pandemic has also contributed to an acceleration in the unemployment rate resulting in more inequalities in the society and contributing to a rise in mental health cases (Blustein et al., 2020, p. 2). Governments have had to set large financial packages to support the unemployed with the amount set running in trillions of dollars. However, despite the efforts made and the large amounts spent, many households, particularly in developing countries, have been left without income and have to rely on donations for their basic daily spending. To address this detrimental situation, more international co-ordination is required to help those countries with poor economic conditions, and international organizations such as the IMF and the World Bank should offer more financial assistance to these countries. This would include, for example, emergency loans that can be repaid on long-term basis, and guiding the governments in their fiscal and monetary policies. In addition, COVID-19 brought high volatility to equities and fixed income securities. Stock markets across the globe experienced a sharp fall in the price of listed shares in the first weeks of the pandemic, particularly for the industries affected most by the lockdown measures, such as airlines, hospitality, and petroleum. Despite the rebound observed in the price of a number of equities, the pandemic is still driving investors' confidence low and affecting market sentiments. Overall, research shows a negative correlation between stock market returns and COVID-19 (alAwadhi, al-Saifi, al-Awadhi, & al-Hammadi, 2020, p. 4). The market reaction is also greater towards the virus cases number than death numbers and seemed to be higher during the early days when the cases are confirmed (Ashraf, 2020, p. 6). Research further reveals that bond spreads and maturities have both been affected by the aftermaths of COVID-19 with maturities exceeding those observed during normal times (Halling, Yu, & Zechner, 2020, p. 530).

COVID-19 and Government Economic Measures. Countries across the globe introduced different economic measures to deal with the effects brought about by COVID-19. The measures include fiscal stimulus in the form of state guarantees of loans extended to companies, deferring the tax and social security, and increasing the level of public spending aimed at supporting businesses and enhancing investments. Governments also provided financial packages to support households and the unemployed. In many countries, including for example, the UK and the US, employees were furloughed and the self-employed were paid a large proportion of their monthly earnings. Employees of the private sector also received financial assistance in countries such as Saudi Arabia and the United Arab Emirates. Tax rebates have been adopted as well to lower the financial burden on households. In some countries, value added tax (VAT) has been reduced or abolished, at least in the short-term, and different incentive schemes have been used to encourage spending and prop up consumption (IMF, 2020).

In countries such as Germany, credit guarantees have been offered to exporters, and firms were also given access to public guarantees (IMF, 2020, fiscal response section under Germany). While in the UK, the eat-out scheme to help restaurants has been very successful in getting clients back to the restaurants (Roberts, 2020, pares 22-25).

The fiscal measures also contained substantial financial packages for the health sector, particularly in advanced economies. Heavy spending has been set for health equipment and virus testing and tracking (e.g., $100 billion in the US) (IMF, 2020, fiscal response section under US). Large grants have been made available for research and development with a significant proportion of these grants set aside to develop a vaccine for the virus (IMF, 2020). With the absence of a first vaccine in the market, the heavy spending on health is likely to continue particularly in the winter time due to the expected rise in flu cases.

Certain governments provided separate funds to back the IMF's attempt to support low-income countries. The US, for example, used part of its large international fund assistance, $49.9 billion, to inject funds to the IMF borrowing scheme. While the UK extended £2.2 billion as a loan to the IMF Poverty Reduction and Growth Trust in addition to other funds made available under the IMF Catastrophe Containment and Relief Trust (IMF, 2020, fiscal response section under the US, UK, & Japan). Japan also pledged large funds to the IMF funding schemes designed to help low-income countries. These schemes are vital at supporting individuals who face severe poverty, which escalated further as a result of the pandemic.

Monetary and further macro measures have been adopted to improve the resilience of financial institutions. In Australia, for instance, funds have been allocated into mortgage and asset-backed securities to finance certain categories of banks and non-banking institutions (IMF, 2020, fiscal response section under Australia). In Italy and some other European countries, banks were allowed, temporarily, to hold below the minimum capital and liquidity requirements. While in India long-term repo operations and reduction in cash reserve ratio have been pursued (IMF, 2020, monetary and macro-financial section under Italy, India, and other countries). These measures have enabled banks to withstand the financial pressures brought by the decline in savings and extensive use of credit by both households and firms.

The base interest rate has also been reduced by a number of central banks with the rate being zero in a number of countries including the Euro zone. Besides, the deposit rate facility has turned negative in some countries, (-0.50%) in the Euro area (Deutsche Bundesbank, 2020, p. 15). The cut in interest rate is to encourage banks to borrow from the central bank and extend more credit to businesses and individuals. Likewise, the capital buffer has been reduced to enable banks to set more funds aside for financing Interestingly, most countries kept their exchange rate regimes unchanged despite the pressures imposed on some of the national currencies. This can be attributed to the uncertainties associated with any exchange rate measure alongside the substantial fiscal and monetary changes introduced to contain the effects of the pandemic.

COVID-19 and Corporate Financial Measures and Impact. In addition to the fiscal and monetary measures, a number of decisions have been made to support corporations and small and medium enterprises (SMEs). Countries used different financial packages and approaches to help business firms, including free interest rate loans, grants, and equity acquisitions. The scale of the financial support also varied from one country to another. Industrialized countries, such as China, France, Germany, Japan, the UK, and the US offered sizeable packages to firms. In China, for instance, financial authorities made RMB 1.8 trillion available to manufacturers, agriculture sector, and SMEs in the form of re-lending and re-discounting (IMF, 2020, monetary and macro-financial section under China). While France, Germany, and the UK extended large funds to firms and SMEs in the form of grants and tax holidays (IMF, 2020, fiscal response section under the UK, France, & Germany). In the US, $2.3 trillion were included as part of the coronavirus economic relief package (IMF, 2020, fiscal response section under the US). However, despite the efforts made, a number of businesses were forced to close down or to reduce their work force. Similarly, various financial schemes have been introduced to support businesses in developing countries. In South Africa, for example, funds have been made available to SMEs and small farmers. Refinancing facilities have been introduced in India to help SMEs, rural banks, and housing companies (IMF, 2020, fiscal, monetary and macro-financial sections under South Africa & India). What is apparent from these schemes is that each country took into account the severity of the financial effect caused by the pandemic on the different sectors of the national economy. Nevertheless, like advanced economies, the program set has not fully prevented some companies from collapsing or reducing their work force. To avoid large job losses, subsidization of a number of industries is followed in various countries with some governments targeting the sectors that are most affected by the pandemic, such as tourism and airlines. The schemes introduced were in most cases highly effective at preventing companies from closure. But these schemes are less likely to continue in the foreseeable future due to their direct financial burden on the governments that did pursue them. Besides governments' interventions, corporations set their own measures to cope with the sharp fall in liquidity due to the pandemic. A number of airline companies, for instance, decided to reduce their fleet or lease back part of their aircrafts. They also sought debt restructuring from their creditors and placed a number of their employees on government's financial support schemes (Albers & Rundshagen, 2020, on the various measures taken by airline companies and their respective governments). These measures have enabled a large proportion of the airline companies to survive the turmoil caused by the pandemic. However, certain companies did not survive the effects caused by the pandemic, such as Virgin Australia. Many companies have also been subject to downgrading by credit agencies including British Airways, Easy Jet, and Lufthansa. Despite the gradual opening of the airline routes, many airline companies still face liquidity crises particularly in the countries where companies did not receive enough financial support and most routes remained closed Similar to the airline and oil industries, hospitality and tourism industries incurred significant losses because of the restrictions imposed on peoples' movements, social distancing, and quarantine measures to prevent the spread of the virus (for Chin, Tan, & Phuah, 2020). Most countries remained closed until the mid of June 2020 when the re-opening of the economy started to take effect. The loss of the tourism industry is estimated at $1.2 trillion with possible job losses of 120 million (UNWTO, 2020, p. 1). While OECD estimates the fall in international tourism to be between 60% to 80% (OECD, 2020b, p. 1).

Oil companies also faced a sharp fall in their incomes due to the substantial fall in oil prices and low demand for oil-related commodities. The price war between major oil-producing countries and problems associated with the supply chain has added pressure to an industry already in turmoil. Further consolidation and restructuring of debt is expected for the oil companies that are most affected by the drop in demand due to COVID-19. Other companies are likely to receive state help particularly in countries where the energy sector represents a symbol of the country's economic power. Figure 1 shows the sudden drop in oil price when COVID-19 first emerged in January 2020. Afterwards, the price recovered gradually although it was still below the price it reached the year before. Despite these major economic effects, some scholars perceive the pandemic as an opportunity to revive the industry through its transformation, revisiting the standards set for the sector, and promoting educational and training programs that take into account the new environment created by the pandemic (Sigala, 2020, pp. 319-320). This should cover the social, ethical, and practical elements of the industry, which are based on the new measures set to restart the sector after months of closure. OECD also calls for more co-ordination at a global level and involving other businesses that are linked to the tourism industry (OECD, 2020b, pp. 15-16).

Other industries that are highly affected by COVID-19, include leisure and auto equipment. With most leisure events postponed or cancelled; the sector incurred hefty losses, while demand for auto parts and equipment dropped substantially in the first months of the pandemic. Despite the revival observed by mid-summer, both sectors remain significantly below their normal activity compared to 2019. With the world economy expected to take longer to recover, both sectors are predicted to continue experiencing a sharp fall in their revenues.

Some industries, instead, are reviving following the pandemic. This includes in particular pharmaceutical, groceries, and certain online-based businesses, such as those used for educational purposes or entertainments. Individuals and businesses alike continue adjusting to the new life and this is also reflected in their spending. Such spending habits are likely to continue as long as there is no permanent solution to the pandemic.

Figure 1. Crude Oil Prices, 2016-2020 during the time of COVID-19
Sourse: develop by author

Finally, unlike the financial crisis of 2007-2008, COVID-19 so far has not resulted in a severe impact on banks' income streams. However, this may start to materialize as savings drop and banks become hesitant to extend more credit to businesses due to their high risk.

Table 1. The economic effects of the emerging corona pandemic on some sectors Economic

Areas of economic sectors	Economic Impact
International Flight	Significant financial losses as a result of stopping tourist trips
Employment and unemployment levels	Unemployment increases
Commodities and food products	Fear, panic and high prices
financial market sector	The collapse of the financial markets, and the negative impact on stock returns
All economic sectors	Radical change in the sector management system
Logistics and supply sector	Changing the method of supply and how to manage the strategic stock, the negative impact of high prices associated with logistics and the supply chain

Sourse: develop by author

While central banks are offering more assistance to banks to continue their lending to firms and individuals through open market operations and other monetary policy instruments, these mechanisms may become less effective due to the sharp decline in the economic activity and high market uncertainty.

COVID-19 impact on international business. According to the International Monetary Fund's latest estimates (IMF 2021) the world's real GDP grew by 2.8 per cent in 2019, contracted by 3.3 per cent in 2020 as a result of the COVID-19 pandemic, and is expected to grow by 6 per cent in 2021. These figures may erroneously suggest that we can expect companies' international operations to return to pre-pandemic levels by 2022.

A closer look at macro-economic indicators reveals that while it is true that the world's GDP bounced back to its pre-COVID-19 level relatively quickly, the international business landscape will change significantly. Especially when we compare the pandemic-related effects on trade versus the impact it has had on the actual investments companies make to build, buy or reinvest in operations abroad. As far as trade is concerned, the WTO estimates (UNCTAD , 2021) , that the world merchandise trade volume will increase by 8 per cent in 2021 after dropping by 5.3 per cent in 2020, a much lower decline than initially expected. Conversely, when looking at global foreign direct investment (FDI) flows, UNCTAD (UNCTAD , 2021) , data indicate that FDI flows will take significantly longer to recover, as illustrated in the chart below.

The heightened levels of uncertainty and on-going protectionist pressures are likely to further exacerbate the dynamics described above and limit the recovery of companies' international investments for a protracted period.

1. Hospitality & travel were among the hardest-hit industries. COVID-19 has had the most significant impact on businesses in the hospitality and tourism sectors. Hotels, pubs, restaurants, and clubs worldwide have been forced to close their doors to guests to prevent the spread of the virus. Millions of jobs were cut, many independent companies went under, and billions of US dollars were lost due to canceled flights, vacations, and business trips. In May 2021, the UK announced its traffic light system for international travel, and though thousands of people have already taken advantage of it and been on vacation to countries on the "green list," it is estimated that international travel will not return to pre-pandemic levels until at least 2025.

The spread of the new Corona virus in most countries of the world has affected many productive and economic sectors The global travel and tourism sector is one of the most economic sectors that incurred significant losses. Huge losses as a result of the spread of this virus, as the movement of tourism and aviation stopped completely, as the global tourism sector witnessed A crisis that he has not experienced since the Second World War, which led many countries to reduce their projected plans for amid a view pessimistic about the future of tourism activity, whose revenues are an important item in the economies of many countries, although all indications point to The global tourism sector will continue to grow in 2020 by 40% compared to 2019, but the virus that appeared in the late December 2019 in China overturned all scales and led to major losses in most countries of the world. International tourism suffered its worst year ever and this is the result of a decrease in the number of international tourists due to restrictions global travel as well as creating entire borders between countries to contain the virus. As for international tourism revenues, it is also expected to decline by (-75%) compared to the year 2019, to reach $511 billion.

2. Unemployment rates have risen. The spread of the emerging "Corona" virus continues to have a clear impact on economic sectors around the world, as most global economies have entered a phase of recession and stagnation, and cast a shadow over the employment sector, which is facing challenges and obstacles that threaten to raise unemployment rates to unprecedented levels.The Corona epidemic may disappear from the world in the coming months, as some expect, but its economic, social and health repercussions will continue to gnaw on human bodies, countries, and political and economic systems for years to come, as the dangerous epidemic has left serious repercussions that exceed the energy of the global system. As the more complex problem lies in the fact that the epidemic has brought about a fundamental change in the foundations of the global economic systems, to make the strongest economic systems that used to boast and transcend others with their strategic stock of cash, gold and the ingredients of industrial production in all its forms and forms, groaning under the weight of economic and social problems and the most serious problem Unemployment, which is the common denominator between all the countries of the world, rich and poor, after hundreds of millions lost their jobs and became a major problem for their countries' economic systems.

In this context, the problem of unemployment exacerbated after the Corona pandemic, and no country was spared from it, no matter how strong its economy was.. In a country with huge economic potential such as the United States of America, reports issued (until late May) confirm that more than 42 million Americans lost their jobs, and requested benefits. Urgent livelihood from the federal government, and $48 billion was disbursed to the unemployed, a number that America has not seen in its history. In Europe, the crisis of the Corona outbreak led to a rise in unemployment rates in Germany, where the Federal Employment Agency announced that the number of unemployed people until the end of last April rose to two million and 644,000 people, in addition to the total number of workers whose working hours were reduced to one million and 100 thousand people. The Corona crisis has also led to a rise in the unemployment rate in the European Union as a whole, as the “Eurostat” agency announced that the unemployment rate had risen by more than five percent. In various countries of the world, the unemployment rate caused by the Corona pandemic varies according to the capabilities of each country, and the United Nations report estimated that the number of unemployed people due to Corona globally exceeded 450 million during the past four months, while the International Labor Organization said that more than (sixth) of the world’s youth lost Their jobs, due to this epidemic, are explained in the fourth edition of its report on the impact of the Corona pandemic that 305 million young people around the world have lost their jobs. A United Nations report entitled “Shared responsibility and global solidarity, to confront the social and economic effects of the Corona pandemic” confirmed that this epidemic will have huge and long-term effects on the global economy, and the International Monetary Fund has confirmed that the world has entered an unprecedented recession, and that this recession will lose more One-quarter of the world's workers will be employed because of it, and they will be a heavy burden on their country's economy for a long time.

The World Economic Forum suggested that the global economic crisis caused by the spread of (Covid 19) will continue for another year and a half, which will result in an exacerbation of the global unemployment problem. It called on all countries of the world to take effective coexistence measures for their citizens until the wheel of work and production begins again, To absorb what can be absorbed from the unemployed and to provide government care for those who lost their jobs and were unable to find alternative work. In a report by the League of Arab States, it was expected that Arab countries would lose about 1.7 million jobs in 2020, and that the unemployment rate would rise due to the Corona pandemic by 1.2 percentage points. While the International Labor Organization report expects that the world will witness a reduction in jobs by about 200 million full-time employees, and it is also expected that 25 million jobs will be threatened due to (Covid 19), especially after the closure procedures in many countries, and the impact that this had on About 2.7 billion workers, or 4 out of every 5 of the world's workforce.

Although all regions of the world are suffering from the crisis caused by the virus, Arab countries and Europe have experienced the worst impact in the field of employment in relative terms. The biggest losses in terms of numbers are concentrated in the countries of Asia and the Pacific, which is the most populated area in the world. There are sectors that are considered the most affected by the disease and the decline in production, and among these sectors mentioned in the report are food and hotels, the wholesale and retail sector, and business and management services and manufacturing.

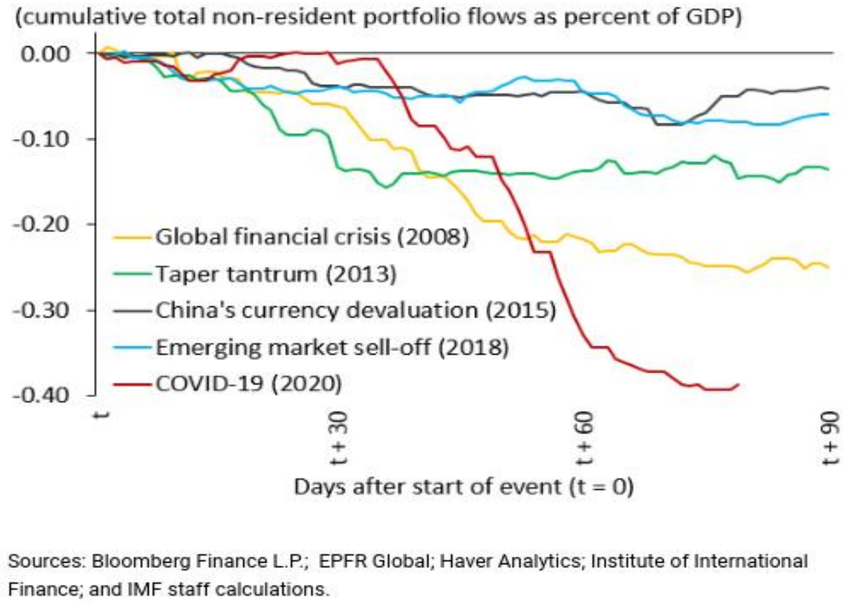

Figure 2. Global crisis plan

Sourse: develop by author

In addition, 136 million people work in the health and social professions around the world and are working on the front lines in the war against Corona, and the biggest threat facing this sector is infection with the Corona virus. Regardless of the place of residence in the world and the employment sector, the crisis has dramatic effects on the workforce around the world, and it is expected that the Corona crisis will lead to the abolition of 6.7 percent of the total working hours in the world in the second half of 2020, that is, what Equivalent to 195 million full-time jobs, of which 5 million are in the Arab countries.

3. Impact on international stock markets. The world's biggest stock exchanges, including the FTSE, Dow Jones Industrial Average, and the Nikkei, were hit hard during the first few months of the pandemic. Since the first vaccine was announced in November 2020, the major Asian and American stock markets are back on track, but the British FTSE is still in the red. However, the impact of COVID-19 upon international business has not been 100% negative Perhaps unsurprisingly, global pharmaceutical companies involved in developing the vaccine have seen significant rises in their share prices over the last 12 months. In 2020, Modern was by far the biggest beneficiary; its share value rose by a massive 715.5%, outstripping its nearest competitor, Novara, by over 200%.

COVID-19 has created a more diverse and creative workforce. The spread of COVID-19 has rapidly accelerated the rate of digitization within global companies. The shift from onsite to remote working has forced organizations to implement new practices that allow colleagues to communicate and teams to continue working together from home. In 2021, government restrictions still apply in many countries, and they vary from region to region, but as the majority of us begin to emerge cautiously from strict lockdowns, the question is whether or not employers will continue to offer remote/flexible working in a post-pandemic world.

In May 2020, Jack Dorsey, CEO of Twitter and Square, announced his employees could work from home "forever" if that was what they preferred. The pros and cons of remote working have been disputed since it became a widespread practice during the first wave of the pandemic. However, the majority of studies show that a dispersed workforce is more productive. Plus, now that location is no longer a barrier to employment, organizations embracing global, remote working are building more diverse teams, expanding their skill sets, and promoting creativity, all of which are net positives for any business.

Five ways while recovering from COVID-19:

1. Determining better viability, which is done by private stakeholders - those who have potential claims to the company and its assets - while governments can play the role of bringing together stakeholders. Determining viability requires several considerations, including: solvency (whether on the basis of financial position or liquidity), vulnerability (whether financial hardships are related to the coronavirus), the size of the company and its formal economic activity system (with direction of support for micro-enterprises The less formal is better through social protection mechanisms).
2. Corporate support programs should be conditional and linked to clear goals in the recovery process, such as fighting the virus, and the feasibility of operating at full capacity. It should also feature simple and transparent criteria. The support should also be based entirely on data to the extent possible, avoiding undue favoritism for state-owned enterprises.
3. Information about support programs, insolvency frameworks, and restructuring options must be communicated well and widely. Lack of awareness was a major barrier to obtaining policy support, particularly for disadvantaged groups.
4. The choice of financing instruments to support companies whether it be debt, equity, or a combination of the two must be determined by the size of the financial commitments. For viable companies with little debt, loan guarantees should remain the instrument of choice, but with less generous terms and conditions. For companies with significant financial commitments, it may be appropriate to provide an appropriate combination of equity/quasi-equity financing and debt restructuring. Even with support, some companies may need to restructure debt.
5. Strong insolvency and restructuring frameworks, including court-approved debt restructurings, out-of-court debt settlements and minor insolvency cases for SMEs, can help address financial hardship, preserve productive resources, and protect financial stability.

Discussion. From the results of the presentation and analysis of the impact of the Corona pandemic on the economies of different countries and their internal and external repercussions, where we note that there are differences, both in the percentage of impact, as well as in the speed of treatment and lifestyle. Since these countries have similar factors such as language, religion, and similar customs and traditions, but we note the discrepancy in the effect through economic studies of the proportion and size of price reversals by looking at the graphs. However, it must be taken into account that countries have their own local currency, as the US dollar is used as the general standard.

Conclusions. Through the study, prospects for further research and in-depth knowledge were opened, and new frameworks were created for the topic of the epidemic. Especially since the topic is alive and continuous and raises a lot of possibilities and expectations today and tomorrow. It is possible to conduct field studies and surveys in the future in many of the variables calculated by this study. With understanding and theoretical approximation such as (human security, the wealth of nations, social distancing and its impact on the economy of institutions, home quarantine and its economic and social impact, measuring profitability, home employee, production rates, open science and its applications and his ethics in universities in order to serve the economies of countries…

References:

1. Ahmed, H. (2002). A microeconomic model of an Islamic bank (Islamic Research and Training Institute Research Paper No. 59). Jeddah, KSA: Islamic Research and Training Institute, Islamic Development Bank.
2. Albers, S., & Rundshagen, V. (2020). European airlines' strategic responses to the COVID-19 pandemic (January-May, 2020). *Journal of Air Transport Management*, 87, 1-7.
3. Anderson, J., Bergamini, E., Brekelmans, S., Cameron, A., Darvas, Z., Jíménez, M.D., & Midões, C. (2020). The fiscal response to the economic fallout from the coronavirus. *Bruegel datasets*. Retrieved from: https://bit.ly/3l2l9Hc.
4. Ashraf, B.N. (2020). Stock markets' reaction to COVID19: Cases or fatalities? *Research in International Business and Finance*, 54, 1-7.
5. Ashraf, D., Rizwan, M.S., & Ahmad, G. (2020). Islamic equity investments and the COVID-19 pandemic (Working paper). Retrieved from: https://bit.ly/ 3nOQlvI.
6. Al-Awadhi, A.M., Al-Saifi, K., Al-Awadhi, A., & AlHammadi, S. (2020). Death and contagious infectious diseases: Impact of the COVID-19 virus on stock market returns. Journal of Behavioral and Experimental Finance, 27, 1-5.
7. Mihus, I., Laptev, S., Parashchenko, L., Koval, Ya., Odarchyk, K., Panchenko, O. (2021). The impact of the COVID-19 pandemic on the loyalty of employees. Ad Alta-journal of interdisciplinary research. URL: http://www.magnanimitas.cz/ADALTA/110117/papers/A_07.pdf.
8. Blustein, D.L., Duffy, R., Ferreira, J.A., Cohen-Scali, V., Cinamon, R.G., & Allan, B.A. (2020). Unemployment in the time of COVID-19: A research agenda. Journal of Vocational Behavior, 119,1-4.
9. Bourkhis, K., & Nabi, M.S. (2013). Islamic and conventional banks' soundness during the 2007-2008 financial crisis. Review of Financial Economics, 22(2), 68-77.
10. Deb, P., Furceri, D., Ostry, J.D., & Tawk, N. (2020). The economic effects of COVID-19 containment measures. IMF Working Paper No. WP/20/158. Retrieved from: https://bit.ly/36YR7iJ.
11. Deutsche Bundesbank. (2020). Monthly report October 2020 (Vol. 72, No. 10). Frankfurt, Germany: Author. Retrieved from: https://bit.ly/392mRpz .
12. International Monetary Fund. (2021). IMF DATAMAPPER: GDP Growth. URL: https://www.imf.org/external/datamapper/ngdp_rpch@weo/oemdc/advec/weoworld/lby/can.
13. World trade primed for strong but uneven recovery after COVID-19 pandemic shock: Press Release (2021): World Trade Organization. URL: https://www.wto.org/english/news_e/pres21_e/pr876_e.htm.
14. UNCTAD (2021) World Investment Report 2021. URL: https://unctad.org/webflyer/world-investment-report-2021.