

# IMPACT OF COVID-19 ON THE GLOBAL MARKETS: A FIRST ASSESSMENT

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## Editor Note

The Covid-19 pandemic is unprecedented in its global reach and impact, both in healthcare systems, in business and financial markets leading all economies to enormous monetary and fiscal policy interventions. It is also argued that this global crisis is “*posing formidable challenges to policymakers and to the empirical analysis of its direct and indirect effects within the interconnected global economy*”. Indeed, “*for the first time in history, a health crisis has shut down the entire global economy, painfully demonstrating how inseparable healthcare and the economy have become*” is reported by Deloitte (2020). In 2015, less than 3% of healthcare spending went to prevention in OECD countries, which has remained stable over the long-term. This observation is very important from an economic point of view and highlights the inefficiency of resources allocation. Some authors notice the inability of governments to handle both local and global epidemics, and that the cause is the excess neoliberalism, which negatively impacted investment in healthcare national systems, is the cause of the huge effect of covid-19 (Mellish et al., 2020; Goldstein et al., 2021) also discuss the impact of covid-19 pandemic to the global economy and the financial markets.

Many medical research papers provide evidence that we are not yet finished with covid-19 and that the problems will be long lasting. However, we now have enough evidence of the effects of the pandemic to the economy and the financial markets, so, it is good time for a first assessment and policy recommendations. In a paper appeared in this issue of JIACS (Siriopoulos 2021), I summarize some interesting results about financial markets and the covid-19 pandemic from recently published papers. I especially focus on risk/volatility and the contagion effects/spillovers in the financial markets due to covid-19 pandemic.

Hence, many questions are open about the importance of covid-19 to the economy and business, and the responses of policy makers. It would be interesting and useful to study the impact of covid-19 and its effects on real economy and markets and have comparisons between various countries and policies.

## REFERENCES

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