

## Features of the Economic Crisis Under the COVID-19 Pandemic and the Threat of the Zombie-ing of the Economy

Vladimer Papava

*Academy Member, Ivane Javakhishvili Tbilisi State University, Tbilisi, Georgia*

The paper studies the main features of the economic crisis which is the result of the COVID-19 pandemic. It is justified that this crisis did not originate in the economy itself but that it is the result of the inability of modern medicine to cope with the coronavirus. Therefore, in this case, the economy is a hostage to medicine. It is shown that the economic crisis differs from those economic crises that also occurred in the twentieth century for non-economic reasons. In the post-crisis period, the problem of reducing the budget deficit will be especially acute for almost all countries. Apparently, central banks, especially in import-dependent countries, will have to abandon the inflation targeting regime. Particular attention is paid to the problem of the zombie-ing of the economy with anti-crisis methods of supporting companies that had to reduce or completely suspend their economic activity. One of the challenges of the post-crisis period will be such a change in bankruptcy legislation that will help to get rid of the economy of zombie-firms and zombie-banks. © 2020 Bull. Georg. Natl. Acad. Sci.

COVID-19 pandemic, economic crisis, economic crisis, budget deficit, inflation targeting, zombie-ing of the economy, zombie-firms, zombie-banks, bankruptcy legislation

In history, the 2020<sup>th</sup> will be marked as the year of the COVID-19 pandemic [1] and the economic crisis which it caused [2].

The new coronavirus – COVID-19 virus appeared in China and then made its way around the world. The emergence and mass spread of COVID-19 was so unexpected that many countries were not prepared for the phenomenon. Moreover, some countries from the very beginning tried to hide the real situation of the spread of the coronavirus (e.g., [3, 4]).

Countries did have different approaches to solving the problems related with the COVID-19

pandemic. Despite the real differences in the approaches of different countries, most of them came to the unanimously correct decision that, without the active involvement of the government, these problems could not be resolved in principle [5]. Moreover, the COVID-19 pandemic will require a revision of the patent system with a view to eliminating any barriers to the future spread of the coronavirus vaccine [6].

Since the coronavirus passes from person to person, many types of economic activity have been stopped to prevent its spread [7]. This forced lockdown of economic activity triggered an

economic crisis both in every country and globally. According to one estimate, the spread of the coronavirus has developed into an “economic pandemic” [8].

Obviously, the 2020 economic crisis is of medical origin. In other words, in fact, the economy has become a hostage to medicine [9]. This situation is fundamentally different from what happened before the COVID-19 pandemic when economists studied the impact of economic crises on the healthcare system (e.g., [10]). Currently, economists aim to study the impact of the COVID-19 pandemic on the economy.

Until the problem of a vaccination or a treatment for COVID-19 is resolved by medicine, the crisis situation in the economy cannot be fundamentally changed. Consequently, the economy will have to remain in the “captivity” of the COVID-19 pandemic for some time to come.

The term “coronomics” was invented to refer to the new sub-sector of economics that studies economics under the influence of the coronavirus pandemic [11]. This term coronomics is obtained by combining two terms – “corona” and “economics” [12]. A similar term later appeared – “coronanomics” [13].

Using the term coronomics, we can state that the economic crisis caused by the COVID-19 pandemic is a “coronomic crisis” [9].

Some time ago economists followed the so-called “two-quarter criteria” according to which the recession assumes that the GDP is declining for at least two consecutive quarters. In order to be sure of the coronomic crisis, it is not necessary to wait two quarters at all – so it is obvious that the lockdown of economic activity on a global scale has triggered a significant economic recession [14].

It is equally important to take into account the fact that there are no guarantees that the global economy will not again be affected by a similar pandemic in the future. Consequently, countries will have to learn how to live and engage in

economic activity under the context of viral pandemics [15].

It is necessary to characterize the features of the coronomic crisis in order to understand how it differs from a purely economic crisis.

As known, the classic type of economic crisis is characterized by the emergence of a crisis in the economy itself. In other words, the causes of the classic economic crisis are endogenous. As for the coronomic crisis, the causes of its occurrence are not generated in the economy itself but are provoked by the source (mass spread of coronavirus) which is outside the sphere of the economy. Therefore, the causes of the coronomic crisis are exogenous [9].

In economic history, there have been crises whose causes were not economic in nature. For example, there is the economic crises caused by World War II and the collapse of the Communist system. However, these crises differ substantially from the coronomic crisis. In particular, after the end of World War II, cities and infrastructure were destroyed which required their restoration; at the same time, under the conditions of the coronomic crisis, there is no destruction – there is only a lockdown of the functioning of the economy.

There are fundamental differences between the coronomic crisis and the economic crisis caused by the collapse of the Communist system. In particular, the latter was the result of a change in economic systems, i.e., the transition from a command economy to a market economy. At the same time, in the context of the coronomic crisis, there is no change in the economic system as the crisis itself is taking place within the framework of the market economy. The most important thing is that, as mentioned above, the likelihood of a recurrence of a COVID-19 pandemic is relatively high while the transition from a command economy to a market economy was a one-time act.

Because of the uncertainty of the future of the coronavirus, and also due to the lack of a specific time frame for the development of effective

methods of treatment and the creation and distribution of a corresponding vaccine, the level of uncertainty in the economy is high. As a result, the behavior of economic agents seems difficult to predict in the coronomic crisis [16].

The coronomic crisis manifested itself in the fact that many countries of the world, including the USA, China and most EU countries, suspended their economies (e.g. [17]). The lockdown of economic activity primarily concerned tourism and passenger transport and caused a collapse in stock exchanges which directly affected the real sector of the economy. The fact that the set of economic resources that can be used during the coronomic crisis is mainly related to the global financial and the economic crisis of 2008-2009 [18]. At the same time, it is necessary to remember that a direct comparison of the global financial and economic crisis of 2008-2009 with the coronomic crisis is a mistake [19]. It should be borne in mind that the coronomic crisis is unique in nature [20].

The coronomic crisis entailed a reduction in demand and no less than a reduction in supply [21]. With increasing uncertainty, the demand for essential goods began to grow which ultimately led to an increase in inflation. Central banks do not have instruments to influence inflation in the face of reduced supply which affected the inability of inflation targeting to restrain inflation [22]. This effect was especially evident in import-dependent countries which once again confirmed that the mechanism of inflation targeting in such countries practically does not work [23]. Gradually, many economists conclude that the coronomic crisis revealed many of the shortcomings of the inflation targeting mechanism [24].

To overcome the coronomic crisis, it is necessary to develop anti-crisis measures and a post-crisis program for economic restoration and development.

The lockdown of economic activity will inevitably have a negative effect on the planned tax revenues of the national budgets of the countries

affected by the coronomic crisis. In order to help those parts of the population that have lost their jobs and, accordingly, their income, they will receive social assistance from governments. Providing assistance to businesses consists of using tax incentives by governments as well as providing special subsidies to businesses. During the pandemic, all governments are increasing budget funding for health care. All of these measures taken by governments have an anti-crisis character.

As a result of the coronomic crisis and anti-crisis measures the national budget deficit is growing and its reduction will be one of the main tasks of the post-crisis period. At the same time, the programs of the post-crisis period for each country must reflect measures not only to restore the previous models of the economy but to qualitatively rethink it, taking into account the new realities of the post-pandemic period [25].

It should be noted that anti-crisis measures, by their nature, can create conditions for promoting the zombie-ing of the economy.

As known, the phenomenon of a zombie-economy is connected, first of all, with Japan where it originated in the 1990s (e.g. [26]). The zombie economy is based on insolvent, virtually bankrupt firms that, despite this fact, continue to exist which is why they are called "zombies". Zombie firms exist through access to credit for their functioning [27].

The lending mechanism is based on the issuance by the government of guarantees for the repayment of loans as a result of which banks provide loans to these enterprises on favorable terms (for example, at low interest rates as compared to average market ones) [28]. As a result of this, there is a process zombie-ing of those banks that issue loans to insolvent firms under government guarantees [29: 368]. The government is behind these banks and offers support through zombie-firms [30: 164]. A network of zombie-firms and zombie-banks create a zombie-economy.

The Japanese experience shows that the government supports insolvent firms in order to

maintain voter support in upcoming political elections.

It is necessary to take into account the fact that a zombie-economy is usually formed in the bowels of a financial crisis. In conditions of stagnation, production and trade stall for a relatively long period which is accompanied by an increase in the number of unemployed and a decrease in wages and living standards. Governments, as a rule, are obliged to take the economy out of this state and it uses budget financing to support the banking and the entire economic system of the country. Not only during the financial crisis but also after its completion, the non-viable part of the economy is trying to maintain financial support from the government which it used in the context of stagnation (e.g. [31, 32]).

During the global financial and economic crisis of 2008-2009, many governments around the world used the Japanese experience of the zombie-ing of the economy [33-36]. Tools for the zombie-ing of the economy in the context of the global financial and economic crisis 2008-2009 were actively used in post-Communist countries as well [37, 38]. The zombie-ing of the economy contributed to the formation of the main actor of this process – *Zombie Economicus* [39].

Gradually, the problem of the zombie-ing of the economy becomes more and more urgent [40].

Before the start of the coronomic crisis, a zombie sector of the economy already existed in the economies of many countries. In addition, in the economy of any country there are always firms that have some financial difficulties. This crisis has suspended not only “healthy” companies but all companies, including zombie-firms and potential zombie-firm candidates. As mentioned above, during the coronomic crisis, the government is also required to support companies and banks at the

expense of the national budget. In times of crisis, it is almost impossible on the part of the government to provide financial support exclusively to “healthy” companies. As a rule, financial assistance from the government is received not only by “healthy” companies, but by both zombie-firms and candidate zombie-firms as well [41].

Thus, one of the features of the coronomic crisis is not only the preservation of already zombie-firms and zombie-banks but also the transformation of companies into actual zombies that had financial complications even before the crisis. Consequently, one of the serious problems of the post-crisis period will be the expansion of the zombie sector of the economy.

The mechanism of getting rid of zombie-firms and zombie-banks, as known, is to enact bankruptcy legislation of insolvent economic entities. The accumulated international experience in the use of bankruptcy legislation, unfortunately, indicates its relatively low efficiency [42].

Taking into account the fact that until the treatment drugs for COVID-19 are developed and a corresponding vaccine is created, government support for the firms and banks will continue. Since the likelihood of infections similar to COVID-19 in the foreseeable future is not low, this system of government support for the economy can last relatively long. Therefore, the process of the zombie-ing of the economy can drag on in time.

Thus, the coronomic crisis not only “fixes” the existing zombie status for insolvent firms but at the same time expands the scope for the process of the zombie-ing of the economy.

One of the challenges of the post-crisis period is a qualitative update of the bankruptcy law in order to effectively rid the economy of zombie-firms and zombie-banks.

## ეკონომიკა

# COVID-19-ის პანდემიით გამოწვეული ეკონომიკური კრიზისის თავისებურებები და ეკონომიკის ზომბირების საფრთხე

## ვ. პაპავა

აკადემიის წევრი, ივანე ჯავახიშვილის სახ. თბილისის სახელმწიფო უნივერსიტეტი, თბილისი, საქართველო

სტატიაში შესწავლილია COVID-19-ის პანდემიით გამოწვეული ეკონომიკური კრიზისის ძირითადი თავისებურებები. დასაბუთებულია, რომ ეს კრიზისი ჩაისახა არა თავად ეკონომიკაში, არამედ, ის არის კორონავირუსთან მიმართებაში თანამედროვე მედიცინის უსუსურობის შედეგი. შედეგად, ეკონომიკა მედიცინის მძევალია. ნაჩვენებია, რომ კორონომიკური კრიზისი იმ ეკონომიკური კრიზისებისგანაა განსხვავდება, რომლებიც XX საუკუნეში ასევე გაჩნდა არაეკონომიკური მიზეზებით. პოსტკრიზისულ პერიოდში ყველა ქვეყნის წინაშე მწვავედ დადგება საბიუჯეტო დეფიციტის შემცირების პრობლემა. სავარაუდოდ ცენტრალურ ბანკებს მოუწევთ ინფლაციის თარგეთირების მექანიზმზე უარის თქმა, უმთავრესად იმპორტ-დამოკიდებულ ქვეყნებში. განსაკუთრებული ყურადღება აქვს დათმობილი ეკონომიკის ზომბირების პრობლემას ანტიკრიზისული მეთოდებით იმ კომპანიების დახმარებისას, რომელთაც მოუწიათ თავიანთი ეკონომიკური აქტიურობის ნაწილობრივად შემცირება ან სრული შეჩერება. პოსტკრიზისული პერიოდის ერთ-ერთი გამოწვევა იქნება გაკოტრების კანონმდებლობის იმგვარი ცვლილება, რომელიც ხელს შეუწყობს ეკონომიკის გათავისუფლებას ზომბიფირებიდან და ზომბი-ბანკებიდან.

## REFERENCES

1. WHO Director-General's Opening Remarks at the Media Briefing on COVID-19 - 11 March 2020. *World Health Organization*, March 11, 2020, online at <https://www.who.int/dg/speeches/detail/who-director-general-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020>.
2. Baldwin R., di Mauro B.W., eds. (2020) Mitigating the COVID economic crisis: act fast and do whatever it takes. London: CEPR Press, online at [https://voxeu.org/content/mitigating-covid-economic-crisis-act-fast-and-do-whatever-it-takes?fbclid=IwAR2tO7kRFEGS1\\_3J88oedtd1G3CARE4S0PFDSmOFJeSzH5tfEi6Odu55F8](https://voxeu.org/content/mitigating-covid-economic-crisis-act-fast-and-do-whatever-it-takes?fbclid=IwAR2tO7kRFEGS1_3J88oedtd1G3CARE4S0PFDSmOFJeSzH5tfEi6Odu55F8).
3. Pei M. (2020) Will the Coronavirus Topple China's one-party regime? *Project Syndicate*, March 4, online at [https://www.project-syndicate.org/commentary/coronavirus-china-political-consequences-by-minxin-pei-2020-03?utm\\_source=Project+Syndicate+Newsletter&utm\\_campaign=5a74e31e27-sunday\\_newsletter\\_08\\_03\\_2020&utm\\_medium=email&utm\\_term=0\\_73bad5b7d8-5a74e31e27-93567601&mc\\_cid=5a74e31e27&mc\\_eid=e9fb6cbcc0\)%20%E1%83%93%E1%83%90%20%E1%83%98%E1%83%A0%E1%83%90%E1%83%9C%E1%83%98%20\(https://thehill.com/opinion/international/486438-coronavirus-the-true-face-of-iran](https://www.project-syndicate.org/commentary/coronavirus-china-political-consequences-by-minxin-pei-2020-03?utm_source=Project+Syndicate+Newsletter&utm_campaign=5a74e31e27-sunday_newsletter_08_03_2020&utm_medium=email&utm_term=0_73bad5b7d8-5a74e31e27-93567601&mc_cid=5a74e31e27&mc_eid=e9fb6cbcc0)%20%E1%83%93%E1%83%90%20%E1%83%98%E1%83%A0%E1%83%90%E1%83%9C%E1%83%98%20(https://thehill.com/opinion/international/486438-coronavirus-the-true-face-of-iran).

4. Faddis C. S. (2020) Coronavirus: The true face of Iran. *The Hill*, March 3, online at <https://thehill.com/opinion/international/486438-coronavirus-the-true-face-of-iran>.
5. Stiglitz J. E. (2020) Plagued by Trumpism. *Project Syndicate*, March 9, online at [https://www.project-syndicate.org/commentary/trump-coronavirus-failure-of-small-government-by-joseph-e-stiglitz-2020-03?utm\\_source=Project+Syndicate+Newsletter&utm\\_campaign=cba7e1c6a1-sunday\\_newsletter\\_15\\_03\\_2020&utm\\_medium=email&utm\\_term=0\\_73bad5b7d8-cba7e1c6a1-93567601&mc\\_cid=cba7e1c6a1&mc\\_eid=e9fb6cbcc0](https://www.project-syndicate.org/commentary/trump-coronavirus-failure-of-small-government-by-joseph-e-stiglitz-2020-03?utm_source=Project+Syndicate+Newsletter&utm_campaign=cba7e1c6a1-sunday_newsletter_15_03_2020&utm_medium=email&utm_term=0_73bad5b7d8-cba7e1c6a1-93567601&mc_cid=cba7e1c6a1&mc_eid=e9fb6cbcc0).
6. Stiglitz J. E., Jayadev A., Prabhala A. (2020) Patents vs. the Pandemic. *Project Syndicate*, April 23, online at <https://www.project-syndicate.org/commentary/covid19-drugs-and-vaccine-demand-patent-reform-by-joseph-e-stiglitz-et-al-2020-04>.
7. Policy Responses to COVID-19. *International Monetary Fund*, April 10, 2020, online at <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#U>.
8. Riley C. (2020) Coronavirus is fast becoming an 'Economic Pandemic.' *CNN Business*, February 25, online at <https://edition.cnn.com/2020/02/24/business/coronavirus-global-economy/index.html>.
9. Papava V. (2020) Coronomic crisis: When the economy is a hostage to medicine. *Eurasia Review. Journal of Analysis and News*, March 29, online at <https://www.eurasiareview.com/29032020-coronomic-crisis-when-the-economy-is-a-hostage-to-medicine-oped/>.
10. Maresso A., Mladovsky P., Thomson S., Sagan A., Karanikolos M., Richardson E., et al. (2015) Economic crisis, health systems and health in Europe. Country experience. Copenhagen: World Health Organization, online at [http://www.euro.who.int/\\_data/assets/pdf\\_file/0010/279820/Web-economic-crisis-health-systems-and-health-web.pdf?ua=1](http://www.euro.who.int/_data/assets/pdf_file/0010/279820/Web-economic-crisis-health-systems-and-health-web.pdf?ua=1).
11. de Alwis A. (2020) Coronomics – Plan your eggs and the basket! *Daily FT*, February 6, online at <http://www.ft.lk/columns/Coronomics-%E2%80%93-Plan-your-eggs-and-the-basket-/4-695109>.
12. Fernando E. R. (2020) Coronomics and Sri Lanka. *Daily FT*, February 13, online at <http://www.ft.lk/columns/Coronomics-and-Sri-Lanka/4-695550>.
13. Eichengreen B. (2020) Coronanomics 101. *Project Syndicate*, March 10, online at [https://www.project-syndicate.org/commentary/limits-macroeconomic-tools-coronavirus-pandemic-by-barry-eichengreen-2020-03?utm\\_source=Project+Syndicate+Newsletter&utm\\_campaign=cba7e1c6a1-sunday\\_newsletter\\_15\\_03\\_2020&utm\\_medium=email&utm\\_term=0\\_73bad5b7d8-cba7e1c6a1-93567601&mc\\_cid=cba7e1c6a1&mc\\_eid=e9fb6cbcc0](https://www.project-syndicate.org/commentary/limits-macroeconomic-tools-coronavirus-pandemic-by-barry-eichengreen-2020-03?utm_source=Project+Syndicate+Newsletter&utm_campaign=cba7e1c6a1-sunday_newsletter_15_03_2020&utm_medium=email&utm_term=0_73bad5b7d8-cba7e1c6a1-93567601&mc_cid=cba7e1c6a1&mc_eid=e9fb6cbcc0).
14. World Economic Outlook, April 2020: the great lockdown. *International Monetary Fund*, April, 2020, online at <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>.
15. Gigerenzer G. (2020) Why What Does Not Kill Us Makes Us Panic. *Project Syndicate*, March 12, online at <https://www.project-syndicate.org/commentary/greater-risk-literacy-can-reduce-coronavirus-fear-by-gerd-gigerenzer-2020-03>.
16. Carlsson-Szlezak P., Reeves M., Swartz P. (2020) What coronavirus could mean for the global economy. *Harvard Business Review*, March 3, online at <https://hbr.org/2020/03/what-coronavirus-could-mean-for-the-global-economy>.
17. Roach S. S. (2020) When China sneezes. *Project Syndicate*, February 24, online at <https://www.project-syndicate.org/commentary/china-coronavirus-shock-prospects-for-global-recession-by-stephen-s-roach-2020-02>.
18. Hatheway L. (2020) A COVID-19 emergency response plan. *Project Syndicate*, February 27, online at <https://www.project-syndicate.org/commentary/covid-19-economy-response-plan-by-larry-hatheway-2020-02>.
19. Roach S. S. (2020) The false crisis comparison. *Project Syndicate*, March 19, online at <https://www.project-syndicate.org/commentary/covid-19-crisis-nothing-like-2008-by-stephen-s-roach-2020-03>.
20. Ajili W. (2020) Pourquoi la crise Covid-19 est-elle aussi inédite? *L'Economiste*, 1 mai, online at <https://www.leconomistemaghreb.com/2020/05/01/pourquoi-crise-covid-19-est-elle-aussi-inedite/>.
21. Rogoff K. (2020) That 1970s feeling. *Project Syndicate*, 2020, March 2, online at [https://www.project-syndicate.org/commentary/next-global-recession-hits-the-supply-side-by-kenneth-rogooff-2020-03?utm\\_source=Project+Syndicate+Newsletter&utm\\_campaign=5a74e31e27-sunday\\_newsletter\\_08\\_03\\_2020&utm\\_medium=email&utm\\_term=0\\_73bad5b7d8-5a74e31e27-93567601&mc\\_cid=5a74e31e27&mc\\_eid=e9fb6cbcc0](https://www.project-syndicate.org/commentary/next-global-recession-hits-the-supply-side-by-kenneth-rogooff-2020-03?utm_source=Project+Syndicate+Newsletter&utm_campaign=5a74e31e27-sunday_newsletter_08_03_2020&utm_medium=email&utm_term=0_73bad5b7d8-5a74e31e27-93567601&mc_cid=5a74e31e27&mc_eid=e9fb6cbcc0).
22. Papava V., Charaia V. (2019) On complex inflation targeting and modified inflation indicators (experience of Georgia). *Finance: Theory and Practice*, **23**, 3, online at <https://financetp.fa.ru/jour/article/view/855/575>.
23. Stiglitz J. E. (2008) The failure of inflation targeting. *Project Syndicate*, May 6, online at <https://www.project-syndicate.org/commentary/the-failure-of-inflation-targeting?barrier=accesspaylog>.
24. Taylor C. (2020) Why the coronavirus crisis may prompt Central Bankers to scrap inflation targeting. *CNBC*, April 27, online at <https://www.cnbc.com/2020/04/27/why-coronavirus-may-push-central-banks-to-scrap-inflation-targets.html>.
25. Schwab K. (2020) Time for a Great Reset. *Project Syndicate*, June 3, online at [https://www.project-syndicate.org/commentary/great-reset-capitalism-covid19-crisis-by-klaus-schwab-2020-06?utm\\_source=Project+Syndicate+Newsletter&utm\\_campaign=56f4462bc8-sunday\\_newsletter\\_07\\_06\\_2020&utm\\_medium=email&utm\\_term=0\\_73bad5b7d8-56f4462bc8-93567601&mc\\_cid=56f4462bc8&mc\\_eid=e9fb6cbcc0](https://www.project-syndicate.org/commentary/great-reset-capitalism-covid19-crisis-by-klaus-schwab-2020-06?utm_source=Project+Syndicate+Newsletter&utm_campaign=56f4462bc8-sunday_newsletter_07_06_2020&utm_medium=email&utm_term=0_73bad5b7d8-56f4462bc8-93567601&mc_cid=56f4462bc8&mc_eid=e9fb6cbcc0).

26. Hoshi T. (2006) Economics of the living dead. *The Japanese Economic Review*, **57**, 1.
27. Smith D. C. (2003) Loans to Japanese borrowers. *Japanese International Economics*, **17**, 3.
28. Hoshi T., Kashyap A. (2005) Solutions to Japan's banking problems: What might work and what definitely will fail. In *Reviving Japan's Economy: Problems and Prescriptions*. Ito T., Patrick H., Weinstein D.E., eds. Cambridge: The MIT Press.
29. Ahearne A. G., Shinada N. (2005) Zombie firms and economic stagnation in Japan. *International Economics and Economic Policy*, **2**, 4.
30. Kane E. J. (2000) Capital movements, banking insolvency, and silent runs in the Asian financial crisis. *Pacific-Basin Finance Journal*, **8**, 2.
31. Blažková I., Dvouletý O. (2020) Zombies: Who are they and how do firms become zombies? *Journal of Small Business Management*, February 11, online at <https://www.tandfonline.com/doi/full/10.1080/00472778.2019.1696100>.
32. Jingru L. (2017) Can "zombie enterprises" find self-help road through technological innovation? *Chinese Studies*, **6**, 3, online at <https://www.scirp.org/journal/paperinformation.aspx?paperid=77864>.
33. Desjardins L., Emerson R. (2011) *Zombie economics: a guide to personal finance*. New York: AVERY.
34. Harman C. (2009) *Zombie capitalism. global crisis and the relevance of Marx*. Chicago: Haymarket Books.
35. Onaran Y. (2012) *Zombie banks: how broken banks and debtor nations are crippling the global economy*. Hoboken: John Wiley & Sons.
36. Quiggin J. (2010) *Zombie economics: how dead ideas still walk among us*. Princeton: Princeton University Press.
37. Papava V. (2010) Economy of the post-Communist Capitalism under the financial crisis. *Studies in Economics and Finance*, **27**, 2.
38. Papava V. (2010) The economic development complex in the Black Sea Area: the impact of the global financial and economic crisis. Xenophon Paper, 9, online at [http://icbss.org/media/113\\_original.pdf](http://icbss.org/media/113_original.pdf).
39. Papava V. (2009) Is Zombie Economicus Coming? *The Market Oracle*, February 7, online at <http://www.marketoracle.co.uk/Article8736.html>.
40. Krugman P. (2020) *Arguing with zombies: economics, politics, and the fight for a better future*. New York: W.W Norton & Company.
41. Stiglitz J. E., Rashid H. (2020) Which economic stimulus works? *Project Syndicate*, June 8, online at [https://www.project-syndicate.org/commentary/stimulus-policies-must-benefit-real-economy-not-financial-speculation-by-joseph-e-stiglitz-and-hamid-rashid-2020-06?utm\\_source=Project+Syndicate+Newsletter&utm\\_campaign=c41ee7287a-sunday\\_newsletter\\_14\\_06\\_2020&utm\\_medium=email&utm\\_term=0\\_73bad5b7d8-c41ee7287a-93567601&mc\\_cid=c41ee7287a&mc\\_eid=e9fb6cbcc0](https://www.project-syndicate.org/commentary/stimulus-policies-must-benefit-real-economy-not-financial-speculation-by-joseph-e-stiglitz-and-hamid-rashid-2020-06?utm_source=Project+Syndicate+Newsletter&utm_campaign=c41ee7287a-sunday_newsletter_14_06_2020&utm_medium=email&utm_term=0_73bad5b7d8-c41ee7287a-93567601&mc_cid=c41ee7287a&mc_eid=e9fb6cbcc0).
42. White M. J. (2001) Bankruptcy procedures in countries undergoing financial crises. In *Resolution of Financial Distress: An International Perspective on the Design of Bankruptcy Laws*. Claessens S., Djankov S., and Mody A., eds. Washington, D.C.: The World Bank.

Received June, 2020