

Sustainable Economy in Light of COVID-19

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1. Introduction

Two years after the onset of the COVID-19 pandemic, the economy has adapted to the new market conditions that coexist with this global phenomenon. The beginning of the pandemic was marked by a significant decline in global markets: restrictions on transportation and logistics, industry decline and, worst of all, a huge number of global deaths resulted in plummeting economic circumstances. However, in the last year, there has been marked recovery in social and economic trends. The United Nations (UN) announced a 2030 sustainable chain development agenda, with the aim to address the challenges posed by the pandemic. It can be argued that, in the last year, the economy has stabilized to the COVID-19 pandemic, with national leaders emphasizing victory over this crisis and attempting to return the world to normal. If one searches Publons (Web of Science) for COVID-19 related publications, the browser will open more than 89,728 results (as of 5 April 2022). Nature.com declares that, in 2020, about 4% of the world's study output was dedicated to COVID-19 related publications, with more than 200,000 works being published in the first year of the pandemic [1].

This Special Issue, "The Influence of COVID-19 on Sustainable Economy", actively contributes to the scientific community by publishing studies that analyze this issue. Most of the published papers are dedicated to issues surrounding financial markets and sustainable economy under the conditions of the COVID-19 pandemic. All published studies contain an analysis of quantitative data, reflecting real cases which have been methodologically analyzed. The results of these works focus on the development of a post-COVID-19 era, opening a window of chance for sustainable economic transition. Numerous new business processes have been created and the economy has become digitalized, creating new opportunities for sustainable development. Thus, although the COVID-19 crisis completely upended life as we knew it, we are now faced with [2] a world of new investment opportunities. A post-COVID-19 era, with the advent of new financial technologies, could generate sustainable markets, as well as new infrastructures, products and services, increasing the efficiency of business and improving market competition.

2. Synthesis and Contributions

Twenty-nine manuscripts were submitted for consideration for the Special Issue, and all of them were subject to the rigorous *Sustainability* review process. In total, eight papers (including one *corrigendum*) were finally accepted for publication and inclusion in this Special Issue. The contributions are listed below:

- Contribution 1: Abd Aziz, N.A.; Hizam-Hanafiah, M.; Hasbollah, H.R.; Aziz, Z.A.; Hussin, N.S.N. Understanding the Survival Ability of Franchise Industries during the COVID-19 Crisis in Malaysia. *Sustainability* **2022**, *14*, 3212. <https://doi.org/10.3390/su14063212>.



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- Contribution 2: Vukovic, D.; Maiti, M.; Grubisic, Z.; Grigorieva, E.M.; Frömmel, M. COVID-19 Pandemic: Is the Crypto Market a Safe Haven? The Impact of the First Wave. *Sustainability* **2021**, *13*, 8578. <https://doi.org/10.3390/su13158578>.
- Contribution 3: Kocaarslan, B.; Soytaş, U. The Asymmetric Impact of Funding Liquidity Risk on the Volatility of Stock Portfolios during the COVID-19 Crisis. *Sustainability* **2021**, *13*, 2286. <https://doi.org/10.3390/su13042286>.
- Contribution 4: Oncioiu, I.; Duca, I.; Postole, M.A.; Georgescu, G.C.; Gherghina, R.; Grecu, R.-A. Transforming the COVID-19 Threat into an Opportunity: The Pandemic as a Stage to the Sustainable Economy. *Sustainability* **2021**, *13*, 2088. <https://doi.org/10.3390/su13042088>.
- Contribution 5: Gusheva, E.; de Gooyert, V. Can We Have Our Cake and Eat It? A Review of the Debate on Green Recovery from the COVID-19 Crisis. *Sustainability* **2021**, *13*, 874. <https://doi.org/10.3390/su13020874>.
- Contribution 6: Turnea, E.-S.; Neșțian, Ș.A.; Tiță, S.M.; Vodă, A.I.; Guță, A.L. Dismissals and Temporary Leaves in Romanian Companies in the Context of Low Demand and Cash Flow Problems during the COVID-19 Economic Lockdown. *Sustainability* **2020**, *12*, 8850. <https://doi.org/10.3390/su12218850>.
- Contribution 7: Engelhardt, N.; Krause, M.; Neukirchen, D.; Posch, P. What Drives Stocks during the Corona-Crash? News Attention vs. Rational Expectation. *Sustainability* **2020**, *12*, 5014. <https://doi.org/10.3390/su12125014>.
- Contribution 8 (corrigendum): Vukovic, D.; Maiti, M.; Grubisic, Z.; Grigorieva, E.M.; Frömmel, M. Correction: Vukovic et al. COVID-19 Pandemic: Is the Crypto Market a Safe Haven? The Impact of the First Wave. *Sustainability* **2021**, *13*, 8578. *Sustainability* **2021**, *13*, 12484. <https://doi.org/10.3390/su132212484>.

The contributions covered large geographical areas, from specific country cases (Malaysia, Romania, and the Netherlands) to groups of countries (European Union members), and world data cases (world stock markets and crypto markets). All contributions relate to the wider field of economy: contributions 4 and 5 focus on macro and sustainable economy; contributions 2, 3, and 7 focus on the financial markets; and contributions 1 and 6 focus on business and management issues (Table 1).

Table 1. Research areas and analyzed issues in this Special Issue.

Research Area	Focus	Studies
Economy	Macroeconomy Sustainable economy Greenhouse gas emissions Green economy	Oncioiu et al. 2021 (Contribution 4) Gusheva and Gooyert 2021 (Contribution 5)
Finance	Financial markets The crypto market Portfolio selection and stock markets	Contributions 2, 3, and 7 Vukovic et al. 2021 (Contribution 2) Kocaarslan and Soytaş 2021 (Contribution 3), Engelhardt et al. 2020 (Contribution 7)
Business and Management	Industry analysis Corporate management	Abd Aziz et al. 2021 (Contribution 1) Turnea et al. 2020 (Contribution 6)

Contribution 1 (Abd Aziz et al., 2021) studied 12 franchise business owners and 4 franchise-related agencies in the Malaysian franchising industry during the COVID-19 crisis. Authors used in-depth interviews and the “Atlas.ti” method to analyze this issue. The novelty of this study is reflected in its suggestions to the Malaysian government and franchise-related agencies to create appropriate strategies, improve existing policies, and create effective franchising programs that can be sustained during a pandemic. Contribution 2 (Vukovic et al., 2021) focuses on the issues faced by global financial markets and cryptocurrencies, respectively, during the first wave of the COVID-19 crisis. The study analyzes the safety of the crypto market, developing a COVID-19 global composite index and applying ordinary least squares, quantile, and robust regressions models. All estimates

confirmed that there was no statistically significant direct influence of the COVID-19 crisis on crypto currency. One of the most important findings was that Tether could be used as a crypto market safe haven.

Contribution 3 (Kocaarslan and Soytaş 2021) also analyzed the state of the financial markets during the COVID-19 crisis. The authors applied a quantile regression model to analyze whether fluctuations in funding liquidity circumstances in interbank markets asymmetrically impacted the volatilities of stock portfolios during the COVID-19 crisis. The study tested macroeconomic factors and economic transmission channels to prove that the volatilities of high-risk portfolios increased more in response to a deterioration in funding liquidity conditions, which is a key feature of severe recession. Contribution 4 (Oncioiu et al., 2021) studied the macroeconomic conditions of the sustainable economies of the European Union member states. The study analyzed how supply and demand shocks affected greenhouse gas emissions using a complex regression model. According to the study results, the volume of greenhouse gas emissions declined by 9.8% in the European Union during the COVID-19 pandemic.

Contribution 5 (Gusheva and Gooyert 2021) studied the field of green and sustainable economy. Pertaining to the Netherlands, the authors applied systems thinking to test causal arguments concerning the crucial concepts encompassing green recovery, and identified issues of consensus and dissensus. According to the study results, green recovery contributes to curbing greenhouse gas emissions with increasing socioeconomic inequalities. Contribution 6 (Turnea et al., 2020) studied corporate management in Romania during the COVID-19 pandemic. The authors applied descriptive and regression analyses to test the data collected from company decision-makers to analyze the nexus between lower demand, cash flow issues, employee dismissals, and instances of temporary leave during the pandemic. Their findings confirmed the negative influence of the COVID-19 pandemic on all tested indicators.

Contribution 7 (Engelhardt et al., 2020) analyzes behavioral finance during the COVID-19 pandemic. The study tested rational expectations and news attention to the world's 64 largest national stock markets. The authors found that the stock markets declined a greater rate with news attention, and at a lesser rate with rational expectations. To test this, the study used the Susceptible–Infectious–Recovered regression model. The last contribution, number 8, is corrigendum of contribution 2.

This Special Issue contributes to both the theory and application of the proposed models, and discusses issues surrounding the financial markets, crypto currency management, corporate finance, business environment, macroeconomy issues, and green economy strategies.

3. Future Directions

There are several potential directions of study that could be adopted in the near future to implement a sustainable economy in light of the COVID-19 pandemic. This Special Issue, "The Influence of COVID-19 on Sustainable Economy", identifies the following directions:

1. The global economy has adapted to new conditions during the COVID-19 pandemic. We emphasize that the digitalization of the economy that occurred as a result of COVID-19 restrictions should be used to our advantage [3]. Before the COVID-19 pandemic, numerous studies had attempted to analyze the impact of crisis on financial markets [4,5] and forecast possible consequences [6]. The current pandemic has motivated many scholars to analyze new models and their applications;
2. Secondly, the COVID-19 crisis has illustrated the multidimensional relationship between nature, people, and social norms. This has demonstrated the strong nexus between green economy, sustainable economy, sustainable food production, the energy sectors and markets, inclusive (online) education, digital business and economy, lower gas emission, etc. For example, the nexus between the level of economic development and carbon price demonstrated a short-term negative correlation during the COVID-19 pandemic;

3. Lastly, governments have adopted new strategies to implement sustainable economic recovery plans to generate economic growth. These plans relate to concerns of the UN 2030 sustainable chain development agenda, such as digital environments and the economy, business, education, and labor, lower carbon emissions, rational food production, and many other issues related to the aftermath of COVID-19. Implementing these strategies will be challenging and costly. The transmission outcomes of these new policies should be identified and improved, with strong support from the government to create green industries and sustainable economies. This research direction will strongly influence future legislative and institutional changes and support.

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Conflicts of Interest: The authors declare no conflict of interest.

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