

1st DSI Corona Pandemic Survey 2020

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Introduction

It is widely expected that the current corona pandemic will cause the global economy to face the deepest recession since the "Great Crash" of 1929 and its following decade.

The aim of the 1st DSI Corona Pandemic Survey was to get a more global view of the current situation. How do economists around the globe actually assess the situation?

662 scientists and university lecturers from faculties of economics and social sciences worldwide participated in the 1st DSI Corona Pandemic Survey (1st week in June 2020).

At this point we would like to thank again all participants around the world who made this survey possible.

Summary

Asked about the further development of the pandemic, 83% of the participants expect a second wave to occur this year, but with less serious effects on the economy (46%) than in the initial crisis situation. But for at least 37% a second lockdown is likely in 2020.

In addition to optimists (11%), who believe the crisis will be over in just one year, 81% expect a global economic recovery within the next four years.

Costs of the pandemic

38% expect global government debt to increase by up to 20%. 43% even forecast a debt increase of more than 20%.

41% expect world GDP to decline by more than 5% year-on-year when the pandemic breaks out in 2020.

43% take a relaxed view of the use of monetary "bazookas" by governments and central banks and expect a smooth economic recovery. However, these optimists are opposed by a majority of sceptics:

- 36% expect another financial crisis
- 10% spectacular state bankruptcies and
- 6% the collapse of the EURO

How will the economy get back on track?

A majority of 63% of respondents see the best way out of the lockdown in public support measures for the private sector.

And who will pay the "bill"?

44% of the respondents favour burden-sharing by the more wealthy. But the instruments also include inflation (32%), higher consumption taxes or shadow budgets. Even a tough austerity policy has its supporters (14%).

Who are the economic winners, who are the losers of the pandemic?

Three subject areas were surveyed:

- Countries
- Economic sectors
- Income (quintiles)

Countries

For 64% of the participants, Central/South America leads the loser group, followed by the United States of America/Canada for 56%, Russia 52%, Africa and Europe 48% each. Only 1% (Central/South America), 4% (Russia), 5% (Africa), 6% (US/Canada, Europe) see them as winners.

On the other hand, the expectations for China, Asia and Australia to emerge stronger from the crisis are more positive, with 39%, 32% and 23% respectively seeing them as winners of the pandemic. Only 23%/24%/19% see them as losers.

Economic sectors

Among the economic sectors, tourism leads the list of losers for 75%. Nearly 60% also see the car industry, along with its supplier industry, as being dramatically affected by the pandemic.

The winners are expected by 69% of participants in the pharmaceutical industry, by 65% in the communications sector, 62% see them among healthcare providers and 60% in the technology sector.

Income

74% of the participants expect the lowest-income fifth of the population as the absolute losers of the pandemic crisis. But for the weaker 50-60% of incomes overall, the prognosis is bad. However 45% of the participants see the wealthiest fifth as the winners of the crisis.

Finally, a "survival tip" from the survey participants in times of corona: 68% voted for „Stay healthy“.

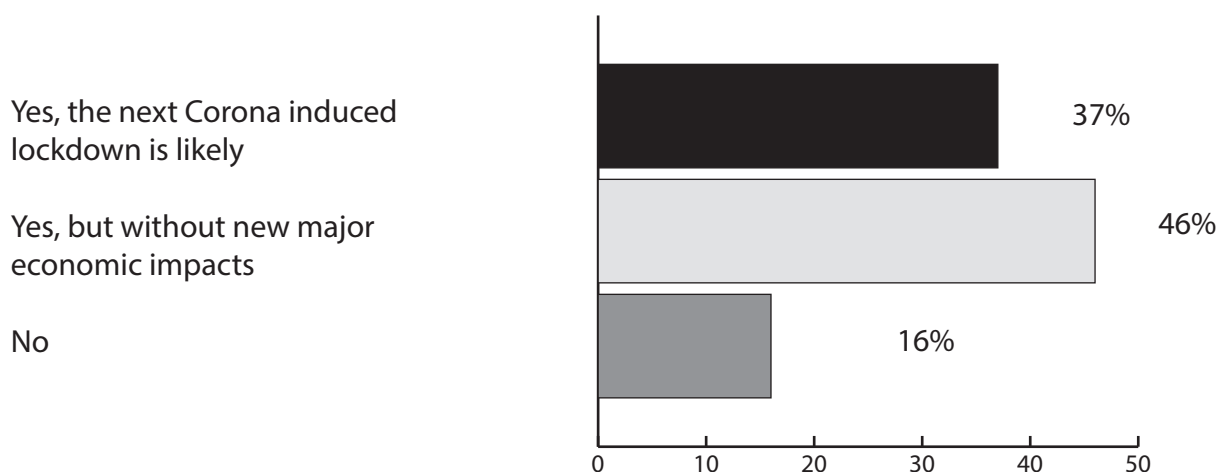
1st DSI Corona Pandemic Survey 2020

in detail

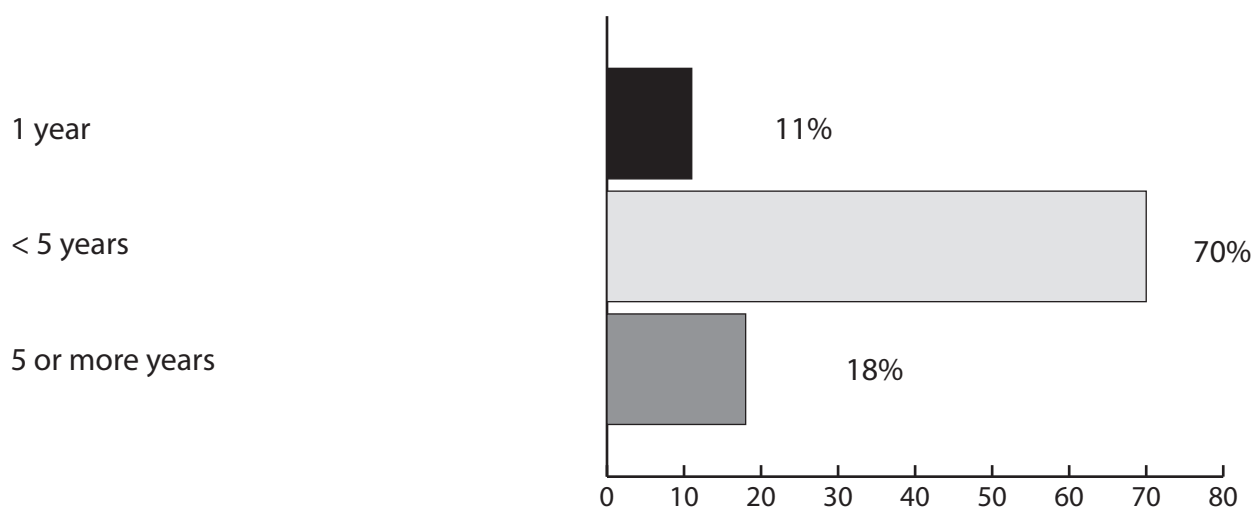
Survey period: June 1-7, 2020

Number of participants: 662

Do you expect a second wave of COVID-19 in 2020?

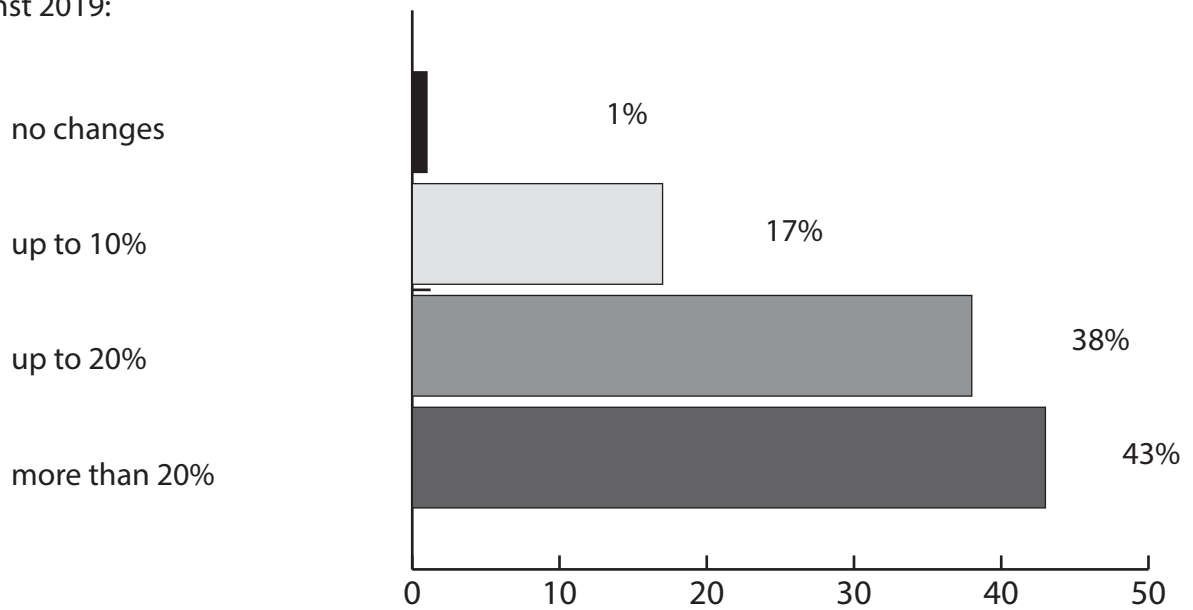


How long will it take for the global economy to recover from Corona Pandemic?



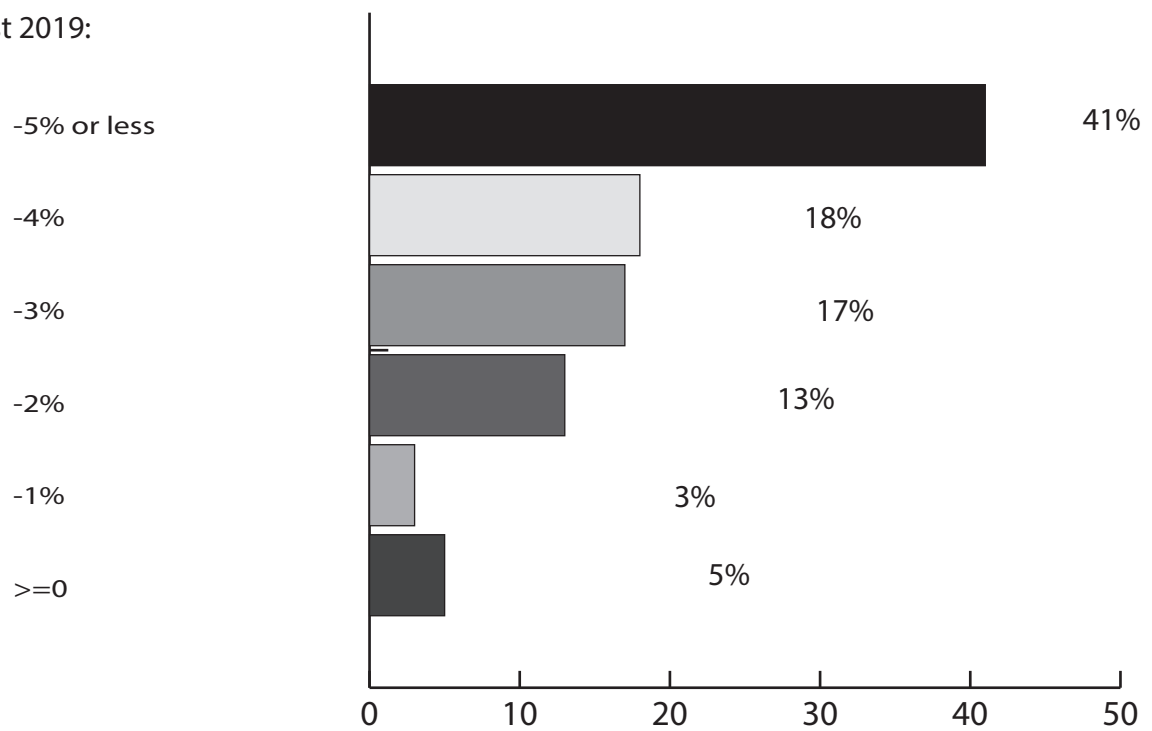
How much will public debt increase in 2020 because of Corona Pandemic?

against 2019:

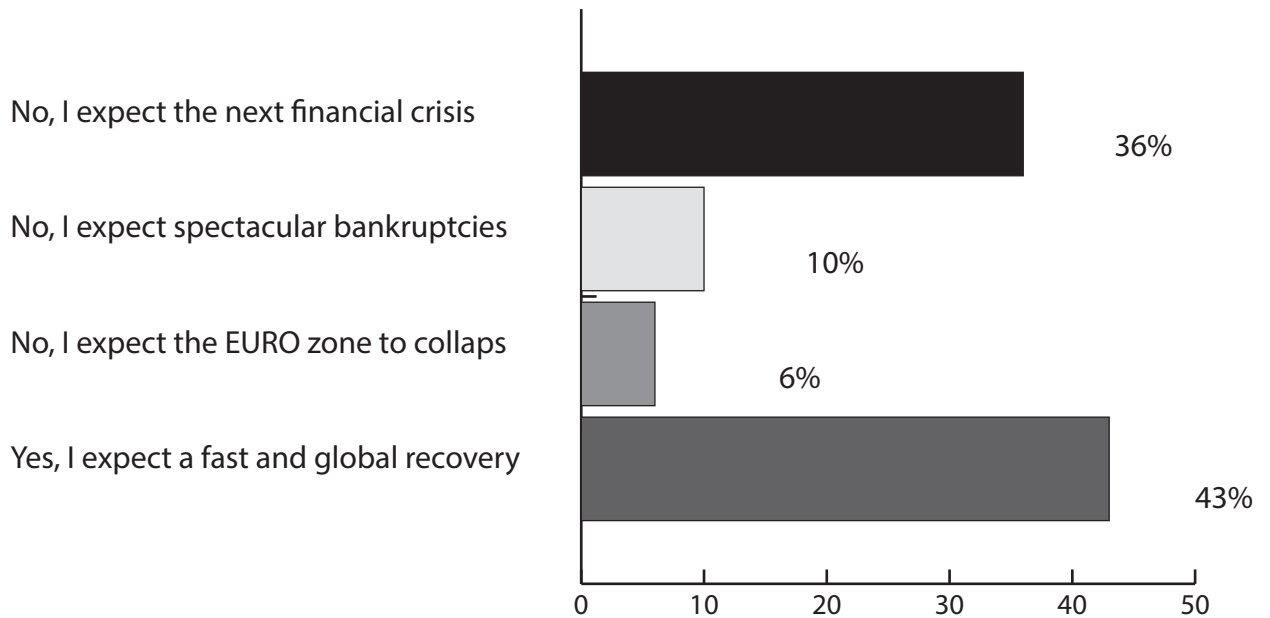


What development do you expect for the World GDP in 2020?

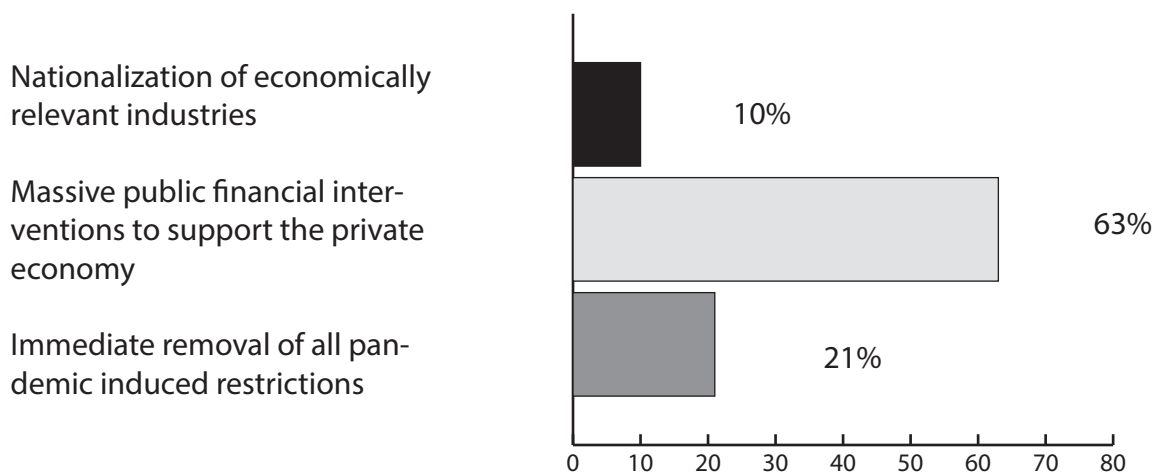
against 2019:



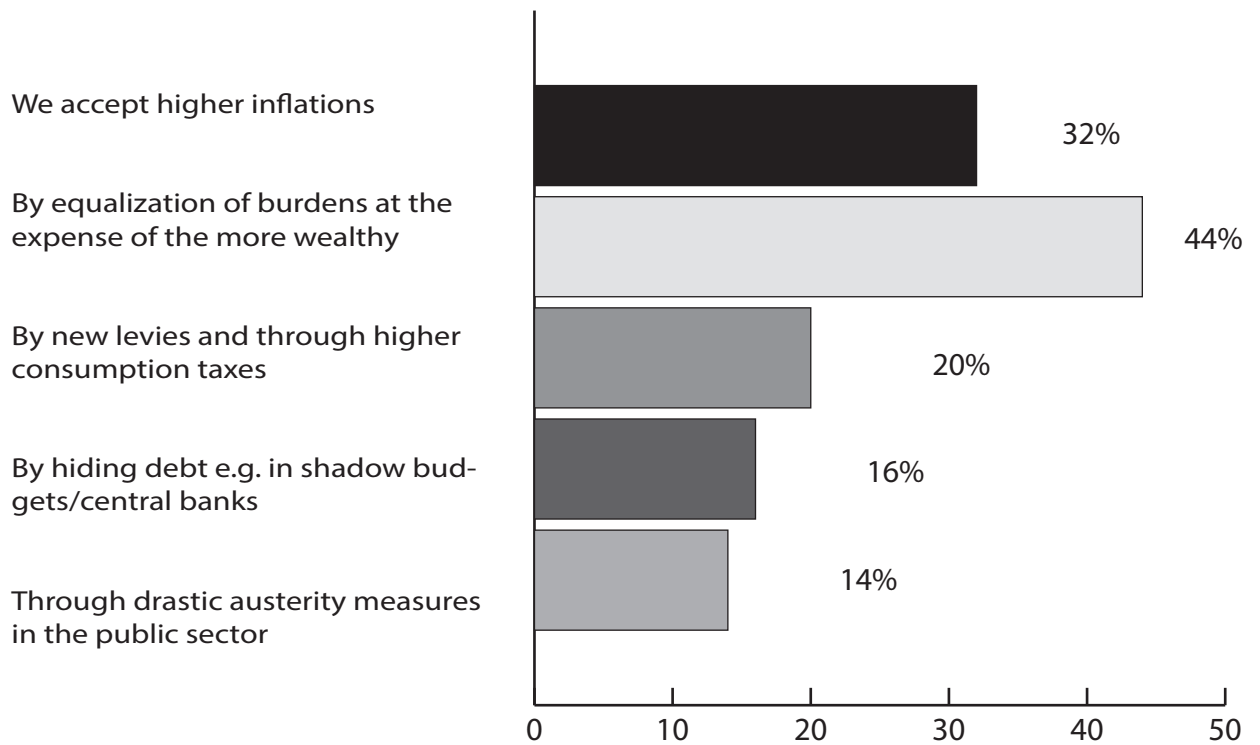
Will the monetary „bazookas“ of governments and central banks in USA, Europe and Asia be strong enough to meet the new challenges caused by Corona Pandemic on the financial markets as well?



What is the best way to get the economy back on track after the Corona lockdown?



How should we pay the bill caused by Corona?




Who will probably be the winners and losers of the Corona Pandemic? by country group, by economic sector, by income group

by country group (indexed by summing up the winner (+) and loser (-) votings in %)

Country groups ranked by index	winner/unspecific/loser (in %)
1. China +16	39/21/23
2. Australia +4	23/39/19
3. Asia -8	32/26/24
4. Europe -42	6/28/48
5. Africa -43	5/30/48
6. Russia -48	4/26/52
7. US/Canada -50	6/21/56
8. Mid-/South-Americas -63	1/17/64

by economic sector (indexed by summing up the winner (+) and loser (-) votings in %)

Economic sectors ranked by index		winner/unspecific/loser (in %)	
	1. Pharma	+67	69/8/2
	2. Communication	+61	65/9/4
	3. Healthcare Provider	+57	62/13/5
	4. Technology	+57	60/16/3
	5. Media	+33	43/26/10
	6. Renewable	+31	40/29/9
	7. Chemistry	+29	38/30/9
	8. Packing	+27	39/28/12
	9. Utilities	+14	24/44/10
	10. Transport	+12	32/21/20
	11. Asset Management	+ 7	22/41/15
	12. Financial Service Provider	+ 7	21/44/14
	13. Construction	+ 4	16/44/12
	14. Consumer Goods	+ 4	24/34/20
	15. Conglomerates	- 4	13/47/17
	16. Banks	- 9	15/40/24
	17. Mechanical Engineering	- 10	11/46/21
	18. Services	- 18	18/25/36
	19. Building Materials	- 28	6/40/34
	20. Mining	- 30	3/42/33
	21. Real Estate	- 37	6/30/43
	22. Metalworking	- 40	3/32/43
	23. Trade	- 43	6/23/49
	24. Fashion & Luxury	- 44	6/23/50
	25. Aerospace	- 47	6/20/53
	26. Oil & Gas	- 53	3/20/56
	27. Automotive Suppliers	- 55	3/18/58
	28. Car Manufacturer	- 56	3/17/59
	29. Tourism	- 74	1/3/75

by income group (indexed by summing up the winner (+) and loser (-) votings in %)

Income groups (quintiles) ranked by index		winner/unspecific/loser (in %)	
	1. 5th quintile	+29	45/19/16
	2. 4th quintile	- 4	19/37/23
	3. 3rd quintile	- 40	2/35/42
	4. 2nd quintile	- 67	1/10/68
	5. 1st quintile	- 72	2/5/74

What is your „survival“ tip in times of Corona Pandemic)

