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## PUBLIC DEBT AFTER THE COVID-19

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### ABSTRACT

The Covid-19 pandemic brought a number of challenges to all countries of the world. Among the most affected areas is the economy that is going through a difficult situation, that also we should see as an opportunity to restart the global economy in another point of view. But the question that arises is where to start. In fact, some boundaries need to be considered. One of the main aspects of the economy, the limits of which are extremely important, is public debt. This article presents an overview of the public debt situation, how it is projected to be by the end of 2020, providing some proposal on how public debt can be reduced. There are three main questions the article poses: 1. Has the public debt of developed countries reached unsustainable levels? 2. How will the debt be refinanced after the pandemic? 3. Where will states find the money to cover the deficit, but also to pay off dues? The first problem encountered is that the debt is being repaid with more debts, making central banks use the technique of injecting money into the economy. In all economic crises, central banks have increased money in circulation that is a temporary solution and does not last forever. In the article is treated the monetary policy that might be used from the government to pursue the period after the pandemic. Each option comes with a solution, but that solutions are not "ideal". The side effects of these options can bring unpleasant results.

**Keywords:** Covid-19, economy, public debt, money, deficit, Central Bank, money injection, monetary policy, solution.