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Evaluation of a Set of Measures to Stimulate the Country's Economy After the Exposure to the COVID-19 Virus: Lithuanian case

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Abstract
In the wake of the economic changes brought about by the global COVID-19 pandemic, both states and organizations unifying them, have taken urgent action to mitigate the socio-economic impact and support economic recovery. Nevertheless, not all designed and implemented emergency measures have achieved the desired results. The purpose of the research is therefore to examine the effectiveness of these measures. Due to the limited amount of data, time period, and other conditions, only Pearson and Spearman correlation analysis was used to achieve the goal. Summarizing the results of the study, it can be stated that the biggest influence on the country's economy in the short term was the choice of measures to stimulate the country's economy after COVID-19 virus, rather than the restriction of movement or the number of COVID-19 patients. However, the wage subsidy used by most countries in the world has been identified as the best means of stabilizing the economy in the short term.
Keywords:COVID-19, economic impact, stimulus package.

Introduction

It can be argued that the study calls for a fundamentally different approach, although many practitioners compare the crisis caused by the COVID-19 virus with the 2008 global financial crisis or SARS crisis, but scientists like Ashraf, B.N. (2020) [1], McKibbin, W., Fernando, R. (2020) [2], Maital, S., Barzani, E. (2020) [3] almost unanimously agree that the economic crisis caused by the COVID-19 virus cannot be compared to the above, precisely because it is a global pandemic involving small and medium-sized economies having a direct negative impact on all supply chains, resulting in decline of supply and demand. It should be emphasized that while the economic impact will be similar to previous crises, several exceptional features of the pandemic have put direct pressure on national and local authorities solely due to the sharp increase in health care funding to combat the spread of COVID-19. Because this pandemic causes both an overall supply and demand shock, it would be very difficult to eliminate the effects using standard macroeconomic measures [4]. That is why, as stated by Gharehgozli, O., Nayebvali, P., Gharehgozli, A., Zamanian, Z. (2020) [5], Inoue, H., Todo, Y. (2020), Baldwin, R., Tomiura, E. (2020) [6] in order to examine the real impact of the COVID-19 virus on national economies, the available data should be viewed from three perspectives: production chains; tourism, transport and services; and commodity demand and price dynamics. Cutler, D. (2020) [7], Gómez-Pineda, JG (2020) [8], Nicola, M., Alsafi, Z., Sohrabi, C., Kerwan, A., Al-Jabir, A., Iosifidis, C., Agha , R. (2020) [9] have shown in research that these relationships and actions have different weights in different countries, so it is likely that each of the assessment perspectives will have a different “shape” from the economic shock caused by COVID-19 to recovery. Mann, C.L. (2020) [10], meanwhile, argues that a global pandemic crisis is likely to be U-shaped

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rather than V-shaped, as has been the case in previous global epidemics, and that the services sector will have the hardest time recovering from social constraints, because it's recovery is predicted to be L-shaped. However, it should be borne in mind that the economic consequences of COVID-19 may be felt differently in each country. This is supported by Gössling, S., Scott, D., Hall, C.M. (2020) [11], who point out that countries with GDP largely depending on the tourism or transport sectors will fail to recover from the shock caused in these sectors, and the states, in contrast to others, will face a deeper economic crisis in the longer term. It should be noted that supply shocks in one state or industry become supply shocks in other industries or states, according to Guerrieri, V., Lorenzoni, G., Straub, L., Werning, I. (2020) [12] such supply chain contamination is an important element of the economic legacy of COVID-19. Given that the worst-affected countries account for a relatively large share of global demand, the supply chain disruptions will exacerbate direct supply shocks, making it more difficult for less affected countries to obtain the necessary imported raw materials from severely COVID-19-affected countries. All this, as Ivanov, D. (2020) [13] argues, will lead to large declines in trade flows at the global level, and that is why different countries have chosen somewhat unique measures to stimulate the economy. As the Fernandes, N. (2020) [14] research argues, the extent of the economic downturn in a country depends on the success of concrete measures taken to prevent the spread of the virus, implemented government policies to alleviate sudden liquidity problems in small and medium-sized enterprises, and the impact bared by households experiencing financial difficulties. In this context, Baldwin, R., di Mauro, B.W. (2020) [15] emphasize the importance of a range of targeted fiscal and monetary measures for businesses, households, and health care - when both monetary and fiscal policy measures are taken during a global pandemic, it is clear that the specific way in which liquidity is provided also depends on the institutional capacity of each country. Nevertheless, it should not be forgotten that during a recession, countries face financing problems due to pro-cyclical tax revenues and counter-cyclical expenditures. According to Greszler, R. (2020) [16], many states made quick political decisions that had a positive and negative impact on their economies — many countries plunged into recession. Research conducted by Ozili, P. K., Arun, T. (2020) [17] have shown that a social restriction policy longer than 30 days country is detrimental to the economy as the overall level of economic activity declines and this has a negative impact on stock prices. The ensuing recession experienced by many countries reflects a difficult economic policy choice between austerity and spending.
As practice shows, although many countries around the world have chosen the latter, this research has shown that implemented policies contradict each other. For example, monetary policy encourages economic operators to engage in new economic activities, while social distance restrictions severely hamper the economic activity. Research carried out by Guerrieri, V., Lorenzoni, G., Straub, L., Werning, I. (2020) [18] confirms that all fiscal and monetary policy measures to support business, such as wage subsidies, the granting of tax credits, are effective, but the level of effectiveness of the measures also depends directly on the extent to which the expected fiscal policy is open, as one - off support will not necessarily achieve its goal, and monetary policy during the recession, according to researchers, chooses a new transmission channel.

Materials and Methods

Various scientists such as Atkeson, A. (2020) [19], McKibbin, W., Fernando, R. (2020) [20], Ashraf, B. N. (2020) [21] have already tried in various ways to assess the economic impact of the COVID-19 pandemic and to predict macroeconomic indicators. A research review has shown that the economic impact of the virus can be measured in terms of economic growth, which is usually measured in terms of GDP growth rate. A detailed analysis of previous research by researchers has shown that, on the basis of GDP, it would be appropriate to take into account the composition of a country-specific indicator, as, for example, the supply chain disruptions discussed earlier and the resulting sharp decline in trade put more economic pressure on countries that are more dependent on foreign trade. Such a new analytical approach is also supported by Maliszewska, M., Mattoo, A.,

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Van Der Mensbrugghe, D. (2020) [22], who state that the higher the weight of the tourism sector in the country's gross domestic product, the greater the economic impact of COVID-19 virus. To date, the most analyzed valuation model is developed by Baldwin, R., di Mauro, B. W. (2020) [23], which transforms epidemiological assumptions into economic shocks in countries measured through the changes in labor supply and business costs in each sector. However, the only shortcoming of this model is that it is not adapted to analyze the impact of different sets of measures implemented to combat the effects of COVID-19 in different countries, taking into account the specificities of their GDP composition. Despite the existence of different assessment methodologies, in this sense, cross-sectional variation may offer a better laboratory for studying what happens when monetary policy does not react. It must also be agreed that, as in previous studies, the main limitation of this study is the short analysis period due to the limited data set for the study, so the possibility of an error cannot be ruled out. Nevertheless, in order to minimize the associated risks, the study was conducted twice with more new study variables. Twenty-six European Union countries have been selected for the primary research (Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal were selected for the original survey Romania, Slovenia, Finland, Sweden, UK), data of the first 2020 quarterly statistics has been gathered from Eurostat, Worldbank, OECD databases. In order to assess the economic stimulus measures, the latter are divided into certain packages according to their purpose and content - social support, social insurance and labor markets (see Table 1). Correlation analysis has been performed between all variables, i.e. between all numerical and rank variables using Pearson and Spearman correlation analysis, respectively. In order to identify the specific impact of funding instruments applied in Lithuania on the country's economy, and on this basis to develop a model for evaluating the effectiveness of the applied measures, a theory of Maliszewska, M., Mattoo, A., and Van Der Mensbrugghe, D. (2020) [24] was used, indicating that the change in the country's GDP in terms of the impact of COVID-19 on the country's economy is mainly influenced by the changes in consumer prices, wages, unemployment, export and import. Modelling of structural equations was used to achieve the said aim, which allows to analyse the correlation between one or more independent variables and one or more dependent variables. A statistical analysis of data collected from the Lithuanian Department of Statistics was performed using the software package for social sciences (SPSS for Windows 24.0) and the structural equation modelling program (AMOS for Windows 24.0). Spearman's rank correlation coefficients were calculated to determine the correlations between the variables, and the interaction model of variables was verified using the pathway analysis. A significant model ($\alpha = 0.05$) was confirmed using the modelling of structural equations, which can be applied to predict the impact of the analysed funding instruments on the country's GDP.

Results and Discussion

Meanwhile, in terms of the social security package, as the analysis has shown, there are currently more than two hundred different measures, ranging from benefits for lower-middle-income pensioners to compensation for supplementary health insurance. A comparison of all three packages shows that most of the measures focus on the labour market package. It has been established that although wage subsidies are the main measure, the states also strengthen active labour market programs, especially encourage the development of professional skills and the entities providing employment mediation services. The collection of statistics and other data from primary sources revealed various discrepancies, which were confirmed by the results of the study, all of which presupposed the following recommendations:

- Countries that have used various monetary policy packages to combat the spread of the COVID-19 virus have often destabilized local labour markets. According to research review of the measures taken, unemployment benefits in many countries were close to or even above the minimum wage or higher than other

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social benefits that required doing the public works. As the practice of various countries has shown, it would be appropriate to allocate and adjust unemployment benefits according to economic circumstances in order to stem the rise in unemployment, speed up the retraining process while maintaining aggregate household demand and purchasing power, and help the unemployed find employment more quickly. In order to avoid destabilization of the labour market in the event of a recurrence of similar cases, researchers propose different approaches that can be broadly divided into two groups. The first includes support for workers earning the minimum wage to achieve and ensure the national average wage for all workers. The second group is aimed at encouraging the unemployed who have found a job so that they are interested in finding a job, rather than receiving a significant unemployment benefit compared to the minimum wage or other social benefits. It is considered that the introduction of these two measures, while increasing public spending, would not destabilize the labour market situation and ensure a decent household income in the long run, not in the short run.

- Many states have decided to provide wage compensation subsidies to employers for an average of eight months of 2020 in order to maintain a viable employment relationship. As shown by research conducted by Furman, J., Geithner, T., Hubbard, G., Kearney, M. S. (2020) [25], after the recovery of a country's economy, such subsidies should be paid not to businesses but directly to households. Wage subsidies, help maintain jobs for businesses only in the short run, as long as businesses recover from fundamentally changed cash flows. Meanwhile, in the long run, a recovered business continues to receive a wage subsidy, thus increasing its profits, but households only retain their jobs without receiving any additional income in the later period. It is the form in which, in the short run, a wage subsidy is paid to the employer and then to the household itself, as Fernandes, N. (2020) [26] states, would be a macroeconomic stabilizer during the economic downturn by providing fiscal incentives. This is supported by Gentilini, U., Almenfi, M., Orton, I., Dale, P. (2020) [27], who argue that support should be provided directly to households to ensure a minimum standard of living, so that beneficiaries would immediately spend additional payments received, thus providing a quick fiscal stimulus to the local economy. It has been noted, however, that many countries have used a wide range of measures that have been more business-oriented, while households have had only a few measures applied, many of which are wage-oriented, often reduced over the period in question, or receiving unemployment benefits.
- It has been observed that many monetary policy measures have focused exclusively on supporting one or several industrial sectors, which has not only distorted the competitive market but also destabilized the financial performance of the remaining sectors. It is considered that the monetary policy measures applied should not be limited to the financing of one factor, activity or sector, but should be comprehensive and broad.
- According to the study, the countries most affected by the COVID-19 virus in terms of fiscal discipline are those whose revenues are mainly tax revenues, so in order to mitigate the economic impact of similar pandemics on the national economy, tax policy should rely less on indirect taxes and income.
- The study revealed that many countries, even after announcing specific economic measures to combat the effects of the COVID-19 virus, would often change not only the measures themselves, but also their implementation procedures, with various exceptions or clarifications and changes in their administration. All of these actions have often led to dissatisfaction among both households and businesses, caused confusion in the submission of applications for support, and it is considered that adherence to a clear, well-defined public policy would reduce administrative costs for both the state and the beneficiaries or other beneficiaries.

The analysis of statistical data allows us to state that the change in the gross domestic product only to a small extent depends on the size of the number of patients in the country or the introduction of movement restrictions. A weak negative correlation was found between the number of viral cases and the change in gross domestic product (Spearman's correlation coefficient at 0.05 significance level is -0.415) and between the duration of movement restrictions and the change in gross domestic product (Pearson's correlation coefficient at 0.01 significance level is -0.504). This suggests that with the increase in the number of COVID-19 cases, as well as

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with the introduction of movement restrictions in the country, the gross domestic product is declining at a slower pace than expected. The result can be explained through the perspective of the measures introduced to stimulate the country's economy after the exposure to the COVID-19 virus. The investigation shows that not all measures imposed were effective for the country's economy, but as mentioned above, due to the relatively small amount of data and the period analyzed, the results of the investigation should be treated with due caution. Summarizing the obtained results, it can be stated that:

- Only additional state expenditures restored the country's gross domestic product (0.929). This only suggests that without additional financial support from the state to businesses, individuals or other entities, the countries in question would have faced greater economic consequences. The analysis of quarterly data showed that the earlier the state provided financial support, the less negatively its gross domestic product per capita was affected.
- Direct or indirect financial support attributable to social support had a negative impact on the country's gross domestic product change in the short run (-0.777). Thus, it can be argued that measures applied in practice in various countries such as compensation of rent, part of electricity or other similar services for the planned period, bank tax refunds, non-payment of interest on arrears, exemption from some taxes, free provision of health care services during a pandemic even to persons not holding the right to it, compensation for student loans, etc. has not had a positive effect on the country's economy, so the application of these and similar measures should be discussed in connection with the diversion of financial resources to other state support measures. However, it should be borne in mind that the application of these and similar measures has only been assessed in the short term and should be re-examined and their effects in the long term assessed.
- All measures included in the social support package had a negative impact on the change in the country's gross domestic product (-0.757). The study revealed that the application and appropriateness of all the measures that were included in the social support package in the context of the study raises a controversial issue. Thus, the introduction of measures, such as food aid, additional support for the unemployed, targeted or general support for the self-employed, support for childcare at home resulting from the introduction of movement restrictions, support for minimum living costs and etc., to stimulate the country's economy following the effects of the COVID-19 virus helped to partially ensure the social well-being of households, but it did not have a positive effect on the country's economy. On the other hand, the purpose of such and similar measures should not have been linked solely to the stabilization of the country's economy.
- The wage subsidy has the largest impact on the change in the country's gross domestic product (0.791). According to the analysis, almost all countries of the world, not only the analyzed European Union countries, have used the form of wage subsidies for legal entities as one of the main means of financial support, and this has proved to be probably the best means of stabilizing the economy in the short term.

Unexpected results were obtained when examining the composition of the country's gross domestic product - the analysis of the data of the first two quarters of 2020 in the analyzed European Union countries shows it can be argued that the economic impact of the COVID-19 virus was only partially influenced by the specifics of the country's sectors. Countries with a higher share of gross domestic product depending on the tourism sector see higher levels of incapacity for work, which has led to higher unemployment benefit payments (0.902). At the same time, this resulted in a wider range (0.957) of the entire social insurance package measures, such as incapacity benefits for high-risk people (to protect against COVID-19 infection), incapacity benefits for people with COVID-19 in self-isolation, or those in close contact with them, supplementary pensions, payment of a flat-rate benefit during the intended movement restriction period. The study found that in those countries with a higher contribution of the agricultural sector to GDP, the identified negative impact of the sector on gross domestic product (-0.815) was due to a decrease in exports, which was influenced by increased domestic consumption and decreased imports of goods and services. Summarizing the results of the study, it can be

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stated that the biggest influence on the country's economy in the short term was the choice of measures to stimulate the country's economy after COVID-19 virus, rather than the restriction of movement or the number of COVID-19 patients. Thus, after re-examination and evaluation of the results in the long run, it would be possible to confirm or deny the list of the most effective measures to stimulate the country's economy.

An analysis of more extensive statistical data of Lithuania to identify the most effective measures revealed that compensations for the downtime of employees by introducing additional conditions was particularly effective – after the announcement of the compensation procedure in March 2020, the number of redundant employees in the country has decreased, compared to the same period in 2019. It can be figrargued that the dynamics of the number of redundancies were affected by the fact that employers had to maintain at least 50% of jobs for at least 3 months after the end of the payment of the wage subsidy in order to receive the said wage subsidies for employees in downtime. At the same time, the number of newly hired employees has also decreased in the country to a greater extent than the number of laid-off employees, which led to a significant increase in the unemployment rate in the country: from 6.1% in January to 9.8% in September of 2020. However, if the law would not have provided a safeguard, i.e. the provision for maintaining jobs, the current situation in the labour market would be very different. The conclusion that subsidies and other support measures have had a positive effect on businesses is also proven by the fact that the number of companies declaring zero revenue is likely to have become stable for the time being at 11.9% in September, compared to 10.1% in January of 2020 and 18.4 % in April of the same year, when it reached its peak. This only confirms that businesses restricted or suspended due to the introduction of quarantine in the country have been able to survive this period due to the application of the chosen financial instruments. Even though, according to the data of September, the percentage of companies affected by the COVID-19 pandemic that are included in the list of affected companies accounted for 33.27% of all operating businesses, however, in order to help businesses and citizens that have been adversely affected by the spread of COVID-19, a decision was made to not only financially compensate employee downtime from the state's funds, but to also allow businesses to defer the payment of taxes unpaid during the quarantine period for a period of up to five years, and provide subsidies for small businesses. According to market experts, in terms of popularity and the amount of business support in Lithuania, tax aid measures do stand out in the country. According to September 2020 statistics, tax arrears arising from the negative business impact of the COVID-19 pandemic amounted to 782 million euros and tax loans amounted to 100 million euros. It should be noted that despite the fact that 33.27% of companies operating in Lithuania are included in the list of companies affected by COVID-19, tax liabilities were temporarily deferred only in 24% of these companies. This proves that taxpayers, even in the face of the financial consequences of COVID-19, sought to pay all of their taxes in full, without excessively using the support provided by the state. However, it should be noted that this particular business support measure was one of the main reasons for the non-collection of budget revenues - in the first two quarters of 2020, 6.4% less revenue was collected in the state budget compared to the same period in 2019, however, given that the tax arrears reached 631 million euros during the period under review and the budget revenues are lower by 400 million euros, the change would be positive. It can be argued that this particular measure has briefly knocked the budget out of balance, however companies affected by the COVID-19 pandemic and facing financial difficulties will still have to pay all their unpaid taxes, which will become state budget revenue in future periods, as opposed to wage and other subsidies. According to market experts, one-off subsidies were granted too easily without taking into account the financial performance of micro-enterprises and self-employed individuals, in contrast to other companies that requested other forms of subsidies. As shown by the analysis of statistics of various EU countries, the wage subsidy measure has proven to be effective in all the analysed countries, thus it is likely that in similar situations it should become one of the first financial instruments to combat the negative consequences for businesses. This was also confirmed by the modelling of structural

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equations (see Figure 1).The analysis of statistical data has shown that the application of certain financial instruments in Lithuania did not have a significant impact on the country's economy. Among such instruments were travel agency obligation securities, compensation of interest, and marketplace tax compensation. However, it should be noted that relatively little was spent on these measures - only 4.15% of the total financial support, even though it amounts to 24 million euros. Meanwhile, as already proven by the analysis of both scientific literature and statistical data, the most effective measure was wage subsidies (marked in Figure 2 as Measure No. 1), which accounted for 20.84% of the total amount of funding instruments or 120.5 million euros. The structural equations method enabled to verify the fact that its effects could be observed in corporate profitability, wage expenses and general company expenses, all of which mostly impacted the country's average wage, which in turn has had an impact on the country's GDP. An analysis was carried out on various sectors of activity, revealing that wage subsidies may have been excluded from the information and communication sector, as well as the real estate sector, since they had no impact on the performance of companies operating in these sectors, on which, based on the provided model, the country's GDP depends. However, they were vital for other service sectors, including art, entertainment, recreation, administrative and customer service, education, transport and custody activities. Meanwhile, an analysis of the manufacturing sector revealed that subsidies for downtime have affected all entities operating in this sector without any exception. The second funding instrument in Lithuania, identified as effectively covering four closely related measures, includes loans for payable invoices, loans for tourism and accommodation service providers, loans for businesses affected by COVID-19, and portfolio guarantees for loans. It should be noted that all of these applied measures accounted for as much as 51.68% of the total funding or 298.87 million euros. With the help of structural equations, it has been found that these particular measures had the greatest impact on the change in consumer prices through the value of corporate liabilities and purchased services, which in turn has affected the country's GDP. Interestingly, this measure has had a greater impact on entities operating in various areas of the manufacturing sector, instead of the services sector. The largest impact of this funding instrument was observed in companies producing industrial products, excluding refined petroleum products, and companies supplying electricity, gas, steam and air conditioning. For all other sectors, at least as shown by the analysis of the statistical data for the periods of I-IV quarter of 2019 and I-III quarter of 2020, the application of this measure did not have a significant impact on the performance of companies thereof. The impact of the third funding instrument - compensation of rent, accounting for 3.58% of the total funding or 20.72 million euros, could be observed in the operating expenses of enterprises, which significantly affected the country's export index, and which in turn affected the country's GDP. An analysis of the applied measure by sector revealed that, in the services sector, it had the greatest impact on the following activities: art, entertainment and recreation activities, healthcare and social service activities, administrative and customer service activities. In the manufacturing sector, it had the most significant impact on companies manufacturing industrial products, excluding refined petroleum products. In summary, it can be stated that different measures had an impact on different sectors of activity, which has had a positive impact on the country's economy, therefore it would be appropriate to apply differentiated funding instruments to different activities in the services and manufacturing sectors in the future, in the event of recurrence of a similar emergency situation.

Conclusions

The research shows that the choice of measures to stimulate the country's economy after exposure to the COVID-19 virus had the greatest impact to the country's economy in the short term, rather than the restriction of movement or the number of COVID-19 patients in the country. The results of the study suggest that not all the measures introduced were effective for the country's economy - measures applied in practice in various countries such as compensation of rent, part of electricity or other similar services for the planned period, bank

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tax refunds, non-payment of interest on arrears, exemption from some taxes, free provision of health care services during a pandemic even to persons not holding the right to it, compensation for student loans, etc. has not had a positive effect on the country's economy, so the application of these and similar measures should be discussed in connection with the diversion of financial resources to other state support measures. Nevertheless, due to the relatively small amount of data and the short period analyzed, the results of the study should be treated with sufficient caution and should be verified in a repeat study with an extended range of data. It is still established that the wage subsidy used by most countries in the world has been identified as the best means of stabilizing the economy in the short term. Countries that have used various monetary policy measures to combat the spread of the COVID-19 virus have often destabilized their local labour markets. According to an overview study of the measures taken, in many countries unemployment benefits were close to or even above the minimum wage or were higher than other social benefits which required their recipients to perform community service. As shown by the practice of various countries, it would be appropriate to adjust the size of unemployment benefits and allocate them according to the economic circumstances in order to halt the rise in unemployment, speed up the retraining process while maintaining the aggregate household demand and purchasing power, and help unemployed persons find employment more quickly. In order to avoid the destabilization of the labour market in the event of recurrence of similar cases, researchers propose the application of different approaches that can be essentially divided into two groups. The first one would include providing support for employees earning minimum wage in order to reach and ensure the national average wage for everyone. The second group would be aimed at encouraging unemployed individuals to find a job instead of living on significantly high unemployment benefits, compared to the minimum wage or other social benefits. It is considered that, even though the introduction of these two measures would increase the state's expenses, they would not destabilize the situation in the labour market and would ensure sufficient household income in the long run. The study found that, for those employers who were paid a wage subsidy, their liabilities either did not increase or increased relatively insignificantly even when their revenue dropped. It can therefore be stated that the received subsidies were useful and covered the cash flows of that period, thus, as shown by the overview study of companies, many of them sought to take advantage of the available wage subsidies by often unfairly increasing the wages of newly hired employees and then subsidizing them, and by re-announcing downtime as soon as their subsidies were reduced in order to repeatedly take advantage of higher subsidy payments. In light of the results of the present study, it is recommended to continue providing wage subsidies since, as shown by the performed empirical research, they were the main measure with significant impact on the change in the gross domestic product. However, it is also recommended to apply the following safeguards: to retain the employer's obligation to maintain subsidized jobs for a certain period of time, since this safeguard enables to minimize the number of redundancies; to not subsidize the wages of newly hired employees; to not increase the paid wage subsidies after the re-announcement of downtime; to pay wage subsidies only after performing an analysis of the solvency of the potential recipient, regardless of the specifics of the recipient's sector of activity; and to not differentiate the paid subsidies according to the type of contract (fixed-term or open-ended).

Conflicts of Interest

The authors declares that there is no conflict of interest regarding the publication of this paper.

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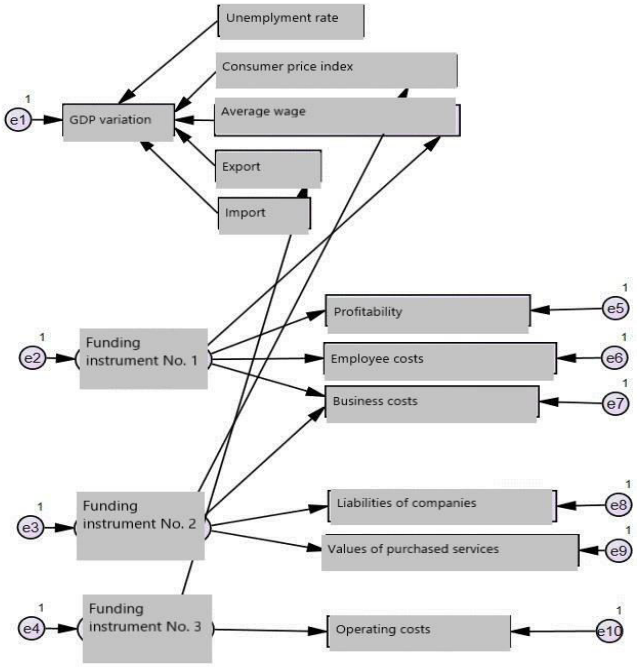
Supplementary Materials

Figure 1: List of Measures to Stimulate the Country's Economy After Exposure to the COVID-19 Virus

	Social insurance				Labor markets			SOCIAL ASSISTANCE		
	Paid leave/ unemployment	Health insurance support	Pensions and disability benefits	Social security contributions	Wage subsidy Activation	Labor regulation adjustment	Reducedwork time subsidy	Cash-based transfers	In-kind (in-kind/school feeding)	Utility and financial support
Austria	+				+			+		
Belgium	+	+		+						+
Bulgaria	+		+		+	+		+	+	
Croatia				+	+					
Czechia					+	+				
Denmark					+					
Estonia				+	+ +					
Finland	+			+						
France	+							+		
Germany	+		+	+	+		+	+		
Greece	+						+	+		+
Hungary	+		+			+				+
Ireland	+				+			+	+	
Italy	+				+ +	+		+	+	
Lithuania	+				+					+
Luxembourg	+				+					
Malta	+				+			+	+	
Netherlands				+	+		+	+		
Poland				+	+			+		
Portugal	+			+	+ +			+		
Romania	+				+			+		
Slovenia	+		+	+		+		+		
Spain	+			+				+	+	+
Sweden	+			+						
United Kingdom	+		+		+			+	+	+

Figure 2: Model for assessing the impact of funding instruments applied in Lithuania on the country's economy



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