

Barron's – Wave Of COVID-19 Bankruptcies Poses Next Threat To US Economy

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By [John Biers](#)



Larger companies have generally survived the initial blow from the coronavirus crisis, but still face existential challenges to get through what will probably be a long and grinding recovery.

Since COVID-19 shuttered much of the global economy, airlines, major retail chains, oil companies and other hard-hit businesses have been able to tap bank facilities and public debt markets for the funds they need to keep paying the bills and stay afloat.

The US Congress moved with remarkable speed to approve rescue measures for small businesses, large industries and workers, amounting to nearly \$3 trillion.

But that infusion simply “bought time... it postponed” bankruptcies, David Kotok, cofounder of Cumberland Advisors, said of the massive federal push to support the economy.

Kotok – who thinks it will take around five years for the US

economy to fully recover – expects casualties in other sectors, including travel, leisure, real estate, energy and “more that haven’t surfaced yet,” he told AFP this week.

Read the full article at Barron’s:
<https://www.barrons.com/news/wave-of-covid-19-bankruptcies-poses-next-threat-to-us-economy-01589419806>

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