



## **Working from Home – A Distant Dream**

“Covid-19 has brought economic inequalities to the limelight, yet we choose to be blind.”

The global pandemic has affected the world economy in multiple ways. With social distancing measures being implemented, several companies have decided to adopt the policy of “work from home” which is beneficial in many ways. Apart from the obvious advantage of not having to physically interact with co-workers on a daily basis in the midst of a pandemic, it also allows companies to cut overhead costs like electricity, cleaning services and water usage in the office space and helps reduce worker absenteeism. Technology has become the messiah as it enables us to carry on with our work without having to risk our lives by going out.

However, the question we all need to be asking is who reaps the benefits of this new trend? The answer is a very niche population. A report by Gartner, a leading IT firm, highlights that 54% of Indian companies do not have the resources to facilitate work from home. This is true for most non-IT companies and small businesses. Apart from lack of stable internet connectivity in various areas, there is also a huge dearth of capital. A lot of these companies may have had desktops in the office setup and cannot afford to provide their employees with resources to work from home.

Furthermore, we cannot ignore the massive number of people who depend on the unorganised sector and physical labour to earn their bread and butter. Daily wage labourers, plumbers, electricians, gardeners and painters cannot work from home because their occupation doesn’t allow them to do so. A security guard doesn’t have the luxury of opting to work from home. As far as he is concerned, he needs to put food on the table for his family whether or not there is a pandemic. According to Oxfam International Estimates, by the end of the year 12,000 people could die of hunger due to COVID-19 everyday, even more than the number of deaths due to the disease itself. 132 million more people than previously projected could face crisis level hunger in 2020. We seem to have forgotten the long list of terms and conditions that apply for someone seeking financial relief from the government packages. As the pandemic continues, the poor bear the brunt of a weakening economy the most. Covid-19 has brought inequalities to the limelight, yet we choose to be blind.

**Vedika Bagla**



## **World economy and working from home**

From watching “Pandemic” on Netflix to actually being staged in it, we have all seen an evolution in almost all spheres of our being. Following a health pandemic, we have now taken steps into emotional, political and economic pandemics as well. Being physically confined to our houses, our infrastructure in transport remains bare. Communicating and connecting with the world above our screens is considered a mammoth exercise today.

What couldn't have been done face to face has today taken the form of work/study from home. While statistics show an upward graph in matters of productivity, it has led to granting furlough to workers and let alone the deep isolation, stress and ill-health. Work from home has also showed to decrease team cohesion. While Stanford University shows statistics of only 26% of the U.S.A physically working in offices, there's a huge chunk of 74% working behind screens at home. Facebook announced that it would allow as many as half of its nearly fifty thousand employees to work from home permanently, following some smaller tech firms such as Twitter. Working from home as a long term plan will lead to decline in migration patterns. It will also lead to decline in big city centres as companies will move away from dense office spaces.

If one of the key elements of the world economy is inter-connectedness, it is safe to say that the pandemic has left a steep impression in the world's economy as a whole. Coming to the statistics, according to the IMF, the yearly unemployment rate has hit 10.4% in the United States, whereas France has seen a 41% rate of furlough along this year. Given the drastic rates of people losing jobs, the question of a recession now blots the picture. The IMF says that the global economy will shrink by 3% this year. It described the decline as the worst since the Great Depression of the 1930s. The pandemic being a product of globalisation (flow of infected individuals from one part of the country to another) puts an obvious halt on the travel industry. Combining each country's loss in revenue, the financial impact on Covid-19 on world tourism and travel has resulted in a total revenue loss of \$195 billion so far. France, the most visited country with over 89 million tourists each year has seen a revenue loss of 8.7 million Euros alone.

The statistics paint the picture of the global scenario themselves. Given the thread that holds all global chains together is growing weaker, the “new normal” will see a global economy struggling to forget its past. The economy is balancing itself on the thumbnail of technology. It's long term effects will drive out of the mist only after the pandemic plays out.

**Arav Malhotra**



### **Not all Heroes Wear Capes**

Due to the COVID-19 pandemic, it was estimated that most major economies of the world would lose at least 2.4% of the value of their GDP, leading economists to reduce their forecasts of global economic growth for 2020 from 3% to 2.4%. Just a 0.4% drop in growth amounts to almost 3.5 trillion dollars of loss of economic output in the US, and the Dow Jones reported its largest ever single day fall of around 3,000 points.

What do these statistics tell us? Firstly, the obvious, that because almost the entire labour force of the world was working from home (if they were lucky), or not even getting any work, the economy crashed. And crashed not once, but multiple times. But then the question arises: if basically everyone was not working anywhere near their full capacity, who was stopping the economy from coming to a complete standstill? Who was carrying the weight of the world on their shoulders?

It was, of course, the essential sectors. The doctors, the cleaners, the government employees. Basically anyone who's job was so important, that they could not be 'locked down'. Economists in the past took these jobs seriously, but shoved them into a small, separate sector at the back of their minds. And so did the public. But this virus helped us and everyone else understand their two-fold importance.

Firstly, the role everyone knew they performed of providing essential services, but did not make space for them in the economic charts or indexes or areas which should be showered with investment, any time after the tertiary sector's uprising. But the pandemic also threw light on their other, more economically eye-catching role, of being the safety nets. They are the heroes when the stocks crash, they are the heroes when the equilibrium is not met, they are the heroes when recession is near, and they are the heroes in this pandemic. Hopefully now we will bestow upon them the 'capes' they deserve.

**Jai Kapoor**



## **The Atlas of the Modern Economy**

The coming of the covid-19 pandemic, we have seen a change in almost every sphere of our lives. The hustle and bustle of the crowded metropolitans of the 21st century have been replaced with the screeching sounds of ambulances and police patrols, nothing is the same as it was before and perhaps nothing will be the same again.

As the infection makes its disastrous path, weaving across the work, creating havoc, we have been forced to shut ourselves inside our houses, leaving our bustling (so they say) economies on the shoulders of the proverbial Atlas. Atlas was a titan, the commander in chief of the arch nemesis of the gods of Olympus. When the gods led by Zeus, the god of thunder defeated the titans, they punished Atlas, the stalwart of the titans by forcing him to hold up the weight of the sky on his shoulders. He was trapped forever holding up the sky.

Now, in the present scenario, we see that we have retreated into the comforts of our homes and hearth, leaving the burden of the economy on the shoulders of our favourite person, 'the person next door'. It is not necessary for this person to exist, he could be God, the fanatic employer determined to run his business in spite of the ranging pandemic or maybe even the government, (God knows how people come up with that). Trains and buses are not plying on the roads, economic activity sits, restrained by chains of the lockdowns, factories and warehouses are shut, yet and we are having a nice good time, working from home, in front of our silicon glazed screens, while the economy runs on, driven by a good hearted intangible force!

Of course social distancing is necessary, and of course lives saved are much more important than rupees circulated in the market, but we must no longer be blind to the fact that our comfortable reveries are not as applicable to the harsh and grim reality that we might think. Due to the continuous lockdowns implemented by the governments in the earlier part of the pandemic, the economy has been stamped upon, pressed down and squeezed for all its worth. And even though the well-bred bourgeois have taken to the various channels of social media to propound the fact that the lockdown is a welcome break from the gritty schedules of ordinary lives, there are a million people out on the streets who do not even have the means to obtain a glass of water.

People are moving out of cities in an exodus which eclipses any that we may have seen before, the migrant labourers may have been romanticized and sung about in many television channels, but the fact remains that our atlas cannot hold up the sky for them. An example of this unfortunate situation is let's say 'the factory workers', already living hand to mouth, these people barely scraped a decent living before Corona bared its teeth. The factory owners and big industrialists retreated away to their palatial mansions and argued passionately in court about how their treasure hoards could not be disturbed to

feed these unfortunate people as they were no longer working. As these bourgeois sit like dragons curled upon their immaculately amassed fortunes, the economy sufferers. In a good many weeks during the lockdown there was no production of non-essential items, which are essential (ironically) in the long run, if we are to maintain our current level of economic stability.

Perhaps it is time to relieve Atlas of his immensely tiring duties, the man next door does need a break now and then, for we are no Olympians and cannot enchant our way into economic prosperity. Maybe with full precautions and a fair amount of sanitization, we can fire up the engines of our industrial machines, call back the unfortunate souls, who have trekked past this country to survive and share the load of our economy, as we all must. For only together can we reach the lofty goal of trillions in the measure of our economy, as set by our worthy government, and drag ourselves of the depreciation in double digits, we have seen.

**Manan Ahuja**



No less than six months ago, global economies resembled the bulls in 'Running of the bulls' festival in Spain- each economy competing mercilessly to outdo the growth achieved by the other with their stimulant being the flag of Capitalism and profit. Each business firm was in a position where they felt that they were the fastest bull in the race and if anyone tried to grab their share of the market, their 'horns' were there to push them out of the race. The only fear that firms/nations held six months ago was to lose the position of the 'fastest bull'. Cut to now, the term fear has an entirely different definition for firms are no longer the bulls in the race, they are the men who are being chased by the fear of their lives because now the question is of survival and not of being the fastest. The graphic shown exemplifies the scenario faced by any two firms, nations or industries in the COVID-19 milieu. With their production at a halt, their profits (or lack thereof) at an all-time low, and ambiguity of what the future holds for them; therefore, begetting the million-dollar question, "Now what?" With everyone trying to find new ways to define their new normal, industries/nations are also compelled to find their own niche of what 'normal' they would have to fabricate in order to restore their GDP's, which have sunk to rock bottom. The important thing to note, however, is that each nation and each industry must answer the question of "what, now" differently in order to trigger an upward sloping graph in the future that can be sustained in the long-term. What this means is that there is neither a common solution and not an easy answer to this very pertinent question. Starting with nations as a whole and their foreign exchange/trade, the pandemic has revealed the dependence of even the most developed countries on other nations for various resources and their helplessness when the supply chain was disrupted during these unprecedented times. The fact that this health and economic crisis hindered the movement of people and stopped supply chains must act as an incentive for nations to move towards the goal of self-sufficiency but at the same time not cut ties with the rest of the world when it comes to trade and foreign exchange. The question of whether globalisation will be altered in the post-COVID epoch is not easy to answer, however like a renowned Economist recently said in the Financial times, "Coronavirus is a global crisis, not a crisis of globalisation." Therefore, globalisation must be more inclusive, cooperative, functional but most of all, prepared to deal with halts in over-seas supply chains at any times. This calls for more skill-based training and investment in national firms at the grass root level. When it comes to lives vs. livelihood, nations must come to terms with the fact that without livelihood lives cannot be sustained for long. If not the Coronavirus, hunger and starvation will eventually be the epidemic that causes people to die if there is long term unemployment. Implementing mere schemes like MGNREGA will only be a temporary solution of what can be a long-lasting phenomenon. Governments must endeavour to launch more skill-based development programmes and subsequent employment schemes and provide support to firms to help their countrymen stay afloat. The tech boom that has been seen during the pandemic has forced many businesses to practice the provision of 'work from home'. OTT platforms, online e-commerce platforms etc. have seen their profits double and treble during this time. This provides compelling evidence that all firms and institutions must have the provision of making the best use of

technology to continue their endeavours and perhaps shift to a tech-based system all-together. While, this does come at the cost of a disciplined lifestyle, it's fair to assume that a person would feel much better about themselves sitting on their couch while knowing they are getting paid during that time, as opposed to being a couch potato themselves and wasting their time and potential. It is industries like the cinemas or public sporting events that really feel the pinch of the question of

'What now', for their business run on the presence of an audience, which unfortunately is the no. 1 on the list of 'No-No's' right now. For them, 'seeing the glass half-full' may be their best bet of survival. Half occupancy of seats may be their only choice at the moment if they wish to continue their business at all because the chances of a 'house-full' seem quite grim from where we're standing.

**Arshya Gaur**