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## From Barter to Bitcoin: the History of Money

Currency has come a long way since the days our ancestors primarily exchanged goods and services. But where did the idea of money come from?

Apr 10, 2021

Human transactions have come far since the Stone Age. The commodity trading of our ancestors eventually gave way to money, which in the past few thousand years has cycled through different forms, from metal to paper. In the 21st century, it often manifests as intangible electronic transfers and even cryptocurrencies.

Money is one of humanity's most momentous inventions. For millennia, it has made the world go round, and that's no new sentiment: As the Latin writer Publilius Syrus put it in the first century B.C., "Money alone sets all the world in motion." But what is this shape-shifting source of prosperity, anyway?

Besides, money is far more complex than the bills and coins we carry in our purses and wallets. Formal definitions typically note that it serves many purposes: a convenient unit of exchange, a way to store wealth long-term and a standardized measurement of value. This list only scratches the surface of money's uses.

The physicality of money might be its least important property. In fact, most economists agree it doesn't even *need* a physical form, especially in the modern age. David Orrell and Roman Chlupatý, in *The Evolution of Money*, write that "The concept of currency has become increasingly abstract, to the point where actual coins and notes form only a small portion of the money in existence."

### The Birth of Money

Most thinkers on the subject, from Aristotle to today's mainstream economists, have speculated that money emerged from a prehistoric barter economy, in which people traded goods and services directly.

Such a system requires that both parties want what the other has to offer, and that they can settle on the relative value of each item. Do 30 bananas equate to one fishing net? Three nets to an ox? Money, on the other hand, is what everyone wants, and it is the unit by which all else is measured. That means I can sell my bananas to someone else for money, the economical common denominator

## Banking and the Gold Standard

Coinage was far easier to transport and value — as opposed to weighing crude bits of metal — and it soon spread throughout the Greek city states and beyond.

Instead of constantly moving coins from place to place, the Chinese government kept the coins all in one place and issued pieces of paper. From his travels in the East, Marco Polo brought this concept back to Europe, where it gave rise to banking.

First in Italy, and later in England, people began to deposit their bullion with goldsmiths and notaries, which effectively acted as what we now call banks. Those establishments gave receipts for the deposits, and over time the receipts became a currency.

In this arrangement, the representative paper money is still supported by commodity money in the form of precious materials. Centuries later, gold and silver still remain the most universal symbols of wealth. To this day, the U.S. government stores roughly 5,000 tons of gold at Fort Knox. A few hundred miles east, the Federal Reserve Bank of New York guards the world's largest depository of gold — 6,190 tons, owned by clients around the world, as of 2019 — in a vault 80 feet beneath the streets of Manhattan.

The Gold Standard dominated international economics for centuries, tying the value of currencies to the value of the rare yellow metal. But in the past hundred years, governments have decoupled the two. The norm now is fiat money, which has no intrinsic value and is not backed by anything that does. You cannot walk to the bank, hand over a stack of hundred-dollar bills, and ask for a troy ounce of gold. These slips of paper are valuable only because the government says they are, and only so long as the citizens have faith in their government.

## Wealth on the Web

Even hard currency is getting harder to come by. We are now in a virtual regime, where most money is created at the whim of private banks, simply by entering a number into a computer account. Today, cash incarnate rarely needs to change hands. For decades, credit cards have allowed bits and bytes to stand in for greenbacks, and in the past few years cryptocurrencies have sparked what may be the next financial revolution.

Bitcoin — the best known in a growing constellation of cryptocurrencies — is an increasingly popular virtual money, created in 2009. Even more abstract than digital dollars, it is simply a series of balances in a decentralized online ledger, known as a blockchain. There are no physical bitcoins.

Using what's called *peer-to-peer* technology, cryptocurrencies remove banks and the government, allowing direct transactions between a vast community of users. Because so many people are independently keeping track of the transactions, it is all but impossible for anyone to cheat. This format removes the problem of trusting millions of people — you need only trust the system.

Economists still debate to what extent cryptocurrencies will change the world, and whether for better or worse. But the digital transformation of currency in general is well underway, with far-reaching implications. Money's migration into cyberspace means that it is "no longer tethered to the fortunes of one government or a single country," as the cultural anthropologist Jack Weatherford wrote in 1997. "The newly emerging system will change the very meaning of money." Perhaps in a century, cash will seem as antiquated as cowry shells.

Adapted from: <https://www.discovermagazine.com/planet-earth/from-barter-to-bitcoin-the-history-of-money>

## **Glossary**

To scratch the surface - esaminare superficialmente

Currency – valùta

Barter economy – economia basata sul baratto

To settle on – decidere, accordarsi

Coinage - conio.

Bullion – lingotto

Receipts – ricevuta

Gold standard – gold standard

The gold standard is a monetary system where a country's currency or paper money has a value directly linked to gold. With the gold standard, countries agreed to convert paper money into a fixed amount of gold. A country that uses the gold standard sets a fixed price for gold and buys and sells gold at that price. That fixed price is used to determine the value of the currency. or example, if the U.S. sets the price of gold at \$500 an ounce, the value of the dollar would be 1/500th of an ounce of gold. The gold standard is not currently used by any government.

To decouple – disgiungere, disaccoppiare.

Fiat money is government-issued currency that is not backed by a physical commodity, such as gold or silver, but rather by the government that issued it. The value of fiat money is derived from the relationship between supply and demand and the stability of the issuing government, rather than the worth of a commodity backing it as is the case for commodity money. Most modern paper currencies are fiat currencies, including the U.S. dollar, the euro, and other major global currencies.

Hard to come by – introvabile

Greenback - (slang) dollar, banconota

Ledger – registro, libro maestro

Blockchain – blockchain

A blockchain is a decentralized, distributed, and oftentimes public, digital ledger consisting of records called blocks that is used to record transactions across many computers so that any involved block cannot be altered retroactively, without the alteration of all subsequent blocks. This allows the participants to verify and audit transactions independently and relatively inexpensively. A blockchain database is managed autonomously using a peer-to-peer network and a distributed timestamping server.

To tether – legare al guinzaglio, dipendere

# How businesses could cut plastic waste with a track and trace system

February 16, 2021

While many businesses ground to a halt at the start of the pandemic, the market for disposable packaging was forecast to grow by 5.5% as the demand for single-use plastics soared. Before COVID-19, the market was already projected to grow by 4% a year until 2027. As a result of all the things we buy and throw away, the average person in the UK is responsible for 99kg of plastic waste each year.

When people talk about reducing plastic waste, they tend to have a narrow picture of the possibilities, like using reusable bottles or shopping bags. More often than not, the focus is on what consumers can do. But to prevent tonnes of plastic being made just to be thrown away, businesses need to ensure people can reuse and refill all their packages and products, from ready meals and soft drinks to shampoo and eyeliner.

This would mean a system where people don't buy new disposable plastic containers, but have these collected by retailers and manufacturers to be refilled and then returned to the shop floor. For many products, this same container would be reused hundreds of times. This is not something customers can make happen on their own – it requires manufacturers, retailers and health-and-safety regulators working together.

## Reverse supply chains

Currently, businesses take raw materials, make a product and distribute it to their customers in single-use packaging that is then discarded. In a circular system where the plastic is reused, businesses would also have to collect, clean, store, refill and redistribute that packaging. All these steps cost money and create new risks for the business.

Health and safety is one of the biggest concerns for retailers of food, drinks and cosmetics. In a linear supply chain, compliance with regulators is relatively simple. Each product package, whether it's a shampoo bottle or a ready-made curry tray, has to have a unique label in case there is a bad batch that must be recalled due to an unlabelled allergen or bacterial contamination. Packaging can be marked once when it's filled and then discarded. But for a circular economy, there needs to be a way to re-label different batches of products distributed in the same container.

Nivea launched a refill station for shower gel in Hamburg, Germany in 2020. Customers return their shampoo bottle, refill it in the shop, and a machine prints out a sticker to identify the product batch. This still assumes customers will do much of the work, including adding and removing stickers to ensure their reusable product meets health and safety requirements.

Ensuring that everyone can easily reuse products will require more elegant solutions. The first step is for businesses to track their packaging with a digital product passport. This is essentially a unique QR code that can be scanned at key points on the product's journey – when it's returned to the shop,

when it's cleaned and refilled by the manufacturer at a warehouse, and when it's returned to a shop or ordered online. The packaging will be scanned hundreds of times, allowing businesses to show that they are complying with health-and-safety standards. And each package can be identified and recalled if there are any contaminated batches of shampoo or curry.

## **New business models**

Digital product passports can also help businesses figure out if reusable packaging is profitable. Calculating the cost of a single-use package is simple. A cardboard takeaway box may cost 20 pence to make and that money goes into the cost of your takeaway meal. With reusable packaging, businesses could recoup the costs and even save money if the curry packaging is reused and refilled enough times.

But reusable packaging will probably cost more per unit because it will need to be made more durable. Reusable takeaway containers could cost 25 times more than disposable ones to make. But this doesn't mean that the business will recoup the full cost and begin to make a profit if the container is returned and refilled 25 times. There are additional costs, such as labour and energy that are required to collect, store, clean and refill the packaging. While these things can be calculated to determine the cost per use of a reusable package, businesses won't know the actual price unless they have a way to track their package and find out the return rate. Return rates will vary widely depending on the product, how easy it is to return the package, and even cultural norms. Without investment in tracking, there are very few case studies to turn to.

Reusable packaging presents an array of new risks for businesses. How do you make packaging that can be frozen, dropped and then heated to 200°C in an oven and confidently claim that it can be used 400 times and still be of the same specification as when it was first produced? How can you set up a reverse supply chain so that at least 50% of your shampoo bottles are returned and refilled 400 times?

Because they allow businesses to track how many times different types of packaging can be reused and how often people will return them, digital product passports are the first step to solving both of these challenges. Now businesses need to put these ideas into practice.

Adapted from <https://theconversation.com/how-businesses-could-cut-plastic-waste-with-a-track-and-trace-system-151489>

### **Glossary**

Disposable packaging: imballaggio monouso

To soar: schizzare, aumentare vertiginosamente

Reverse supply chain: catena della fornitura inversa

A reverse supply chain consists of activities required to retrieve a used product from a customer and either dispose of it or reuse it. For a growing number of manufacturers, in industries ranging from carpets to computers, reverse supply chains are becoming an essential part of business.

To discard: buttare via

Linear supply chain: catena della fornitura lineare

Batch: lotto

Refill station: stazione di riempimento

Manufacturer: produttore

Warehouse: magazzino, deposito

Cardboard takeaway box: contenitore d'asporto in cartone

To recoup: recuperare

Return rate: tasso di ritorno



# Is it time for “ecocide” to become an international crime?

28<sup>th</sup> February 2021

A growing movement wants destruction of the environment to be treated like genocide and crimes against humanity

AT THE NUREMBERG trials, which began on November 20th 1945, allied forces prosecuted leading Nazis for atrocities committed during the Holocaust and the second world war. Among the charges against them was something which, just four years earlier, Winston Churchill had called “a crime without a name”: genocide, the deliberate destruction of a group of people. Later the term became one of just four crimes punishable by the International Criminal Court (along with crimes against humanity, war crimes and the crime of aggression). Now, there is a push to name another concept as an international crime—destruction of ecosystems and the environment, also known as “ecocide”.

In November last year a group of international lawyers set about formally defining ecocide. The panel—which is chaired by Philippe Sands, a lawyer who has appeared before the European Court of Justice and wrote a book about bringing the Nazis to justice, and Florence Mumba, a former justice on Zambia’s Supreme Court—will publish its draft definition in June. After that, they hope, it will be proposed and eventually adopted as an amendment to the Rome Statute, which governs the work of the ICC. If it is, ecocide will be susceptible to all the frustrations and limitations that plague efforts to halt other international crimes. But it could also mark a turning-point in how the relationship between humans and the natural world is understood.

That environmental damage might be curtailed through international criminal law is not a new idea. Some scholars have seized upon the fact that the UN genocide convention prohibits “deliberately inflicting” on the group attacked “conditions of life calculated to bring about its physical destruction”. They argue this could include the devastation of the ecosystems on which the group relies.

In 1972 at the UN Environment Conference in Stockholm, Olof Palme, then prime minister of Sweden, accused the American government of “ecocide” over its use of Agent Orange, a herbicide used to defoliate forests and wither crops, in Vietnam, leaving vast tracts of land barren. Early drafts of the Rome Statute included crimes of “severe environmental damage” but these were ultimately not adopted, apart from a slim provision under war crimes which prohibits “environmental modification techniques”.

The subsequent campaign to have ecocide adopted as an international crime was chiefly the work of Polly Higgins, a barrister and activist who died in 2019. In 2010 Higgins lobbied the UN law commission to make ecocide—which she defined as the “extensive destruction, damage to or loss of ecosystem(s) of a given territory”—a fifth crime against peace. Though it refused, the ICC subsequently agreed to examine cases of environmental destruction as “crimes against humanity”, provided they had a sufficiently deleterious impact on people living within an area. Higgins also founded Stop Ecocide, an NGO, which has continued to campaign for laws against ecocide since her death and convened the legal panel currently drafting a definition.

All the crimes overseen by the ICC focus on the protection of humans. Most attempts to include environmental damage in international criminal law have been similarly anthropocentric, tying the status of ecosystems to the benefits they confer to the people that rely on them for homes, livelihoods or food. Mr Sands thinks that ecocide should be defined by the need to protect the environment as an end in itself. This would require it to have its own free-standing basis as a new crime, rather than being slotted under existing ones. Though he does not speak for the group, whose decision must be made collectively, Mr Sands is hopeful that others might feel similarly. “My sense is that there is a broad recognition that the old anthropocentric assumptions may well have to be cast to one side if justice is truly to be done, and the environment given a fair degree of protection,” he says.

Any amendments to the Rome Statute must be proposed by one of the countries that signed it, then approved by two-thirds of the others. Vanuatu and the Maldives, both archipelagic countries greatly threatened by climate change, have expressed interest in putting forward such an amendment. France and Belgium have promised diplomatic support. Mr Sands believes that the world’s growing environmental consciousness, and public pressure on politicians, will see other countries *follow suit*. But the required consensus is elusive.

Even if the notion of ecocide is ultimately adopted by the ICC, so what? International criminal law serves mostly as a backstop, and an imperfect one at that. Though countries often change their domestic laws to match global accords, in many instances governments simply delete provisions they dislike. Saudi Arabia, for example, ratified the UN convention on the elimination of “all forms of discrimination against women” in 2001, but refused to accept rules that contradict sharia. Some states simply refuse to sign up at all. Neither China nor America is party to the Rome Statute.



Decades of treaties condemning genocide—and UN stipulations that countries must intervene to stop it—have not prevented it occurring, even when a crime is defined as such by the United Nations. However, supporters argue that naming international crimes helps set norms for acceptable behaviour. International court cases also create lasting records of wrongdoing and strip perpetrators of the illusion of impunity. Before the Nuremberg trials, Mr Sands points out, countries were “entirely free to treat their own citizens as they wished. If they wanted to kill half their population, they could do that,” he says. “And that changed in an instant.”

Adapted from <https://www.economist.com/international/2021/02/28/is-it-time-for-ecocide-to-become-an-international-crime>

### **Glossary**

To set about – accingersi, mettersi a

Draft – bozza

Amendment – emendamento

ICC – International Criminal Court – Corte Penale Internazionale

To plague – affliggere, assillare

To curtail – decurtare, ridurre

To seize upon – apigliarsi, cogliere il pretesto

To wither – fare appassire

Crops – colture

Barrister – avvocato patrocinante

To lobby – fare/ esercitare pressioni

To campaign for – condurre una campagna per

To convene – convenire, adunare

To slot – incanalare, insaccare

To cast to one side – gettare di lato

To put forward – proporre

Backstop – misura d'emergenza, rete di protezione

Provision – norma, clausola, disposizione

Wrongdoing – atto illecito, trasgressione

To strip (of) – privare

# Businesses say they want to tackle inequalities but they need more data to take action

March 1, 2021

COVID-19 has brought challenges like no other for businesses. In the UK, where firms have also had to deal with the challenges of Brexit, the resilience and adaptability amid such adversity has been remarkable. But there has also been recognition of opportunities for change in the longer term. One area of which is the role of businesses in tackling social inequalities.

With a lot of attention given to the shape and make-up of company boards, both over a lack of gender and ethnic diversity, there has been much debate about diversity measures in business. In February it was reported that the number of black people at the top of Britain's biggest listed companies had fallen to zero, despite public commitments to increase diversity in leadership. The Investors Association also said they will issue warnings to firms if they do not disclose the ethnic diversity of their boards or have a credible action plan to address the issue.

While such actions are incredibly important, structural inequalities span wider than diversity initiatives and action is needed beyond merely the upper echelons of business.

In a recent survey of 200 companies across London that we conducted with the Confederation of British Industry (CBI), we found a clear desire among business leaders of all sizes and sectors to engage with this issue of inequalities – more than 80% said that the capital's business community can do more.

Despite the current challenging business environment, 75% of respondents said tackling inequalities in society over the next six to 12 months is important to their business. And one in five reported this to be an “extremely important” business priority. As a collective, the business community appears to clearly recognise the need for action to ensure an equitable and inclusive recovery from COVID-19.

The problems involved are also clear. The gender pay gap in hourly pay across the capital is still 17.5% and on the rise. For disability, there is a difference of 15% between disabled and non-disabled workers in London. And in our survey, only 9% of firms reported that they collect data on their disability pay gap – the lowest percentage of all answers given. A greater proportion of firms recorded employee education (19%) and the community engagement of employees (12%).

Similarly, while over a fifth of London business leaders stated their firms are tracking their ethnicity pay gap, this still lags significantly behind work on gender reporting.

Yet at an individual business level, analysis of findings from the survey shows that gender equality receives more attention than action on other protected characteristics, such as disability and ethnicity.

This is causing a hierarchy of inequalities to persist within the labour market. While a significant majority of firms (both large and small) stated they had continued to report on their gender pay gap despite not being legally required to in 2020 because of the pandemic, reporting on other protected characteristics remains very low.

Greater data collection, conducted in discussion with employees and grounded in employee experiences, can guide actions to reduce inequalities and foster inclusion in employment.

When asked what the most effective and practical ways for business to measure improvements in diversity, inclusion and equality were, 43% of respondents stated greater data collection. Strikingly, this figure rose to 73% for respondents from larger firms. Yet despite this high level of support for greater collection, of the same respondents, only 43% recorded that they currently report ethnicity pay gaps.

## **Taking action**

It is not enough, however, to focus on measuring inequalities alone, we also need to make sure these inequalities are meaningfully addressed. Avoiding creating (or, indeed, cementing) hierarchies of inequalities or prioritising action to tackle one area of inequity over another is critical.

Businesses should look across the board at the whole range of inequalities they need to tackle, not just focus action on gender or ethnicity for example. And they need to look at what inequalities exist in their own businesses as well as reaching out to understand how wider structural inequalities in society affects business. As an individual's job is more than merely counting hours and collecting a salary, it affects every aspect of lives, from health to housing.

These findings show the need for businesses to undertake analysis of how these characteristics and data groups overlap – taking into account how people's outcomes are simultaneously affected by multiple factors such as gender, disability and ethnicity.

Assessment and comparison of data is urgently needed so that we avoid focus being placed on one area alone. Looking at social inequalities, at people's lives as a whole, it is essential for firms to identify patterns of intersecting inequalities and build action to address different outcomes.

Despite the immense challenges businesses have faced over the past 18 months, the survey responses clearly demonstrate that the business community is up for the challenge. In short, it's not just about getting things going again. It's about capitalising on this opportunity to rethink and recognise the role of business in building a more equitable society.

Adapted from: <https://theconversation.com/businesses-say-they-want-to-tackle-inequalities-but-they-need-more-data-to-take-action-152283>

## **Glossary**

To tackle – fronteggiare

Listed companies – società quotate in borsa

To disclose – rendere noto

Upper echelons – i gradi più alti

Respondent – persona intervistata

Equitable – equo

Gender pay gap – divario retributivo di genere

To lag behind – rimanere indietro

Data collection – raccolta di dati

To foster – favorire, incoraggiare

Across the board – globalmente, in maniera generale

To reach out – arrivare a, aspirare a

Housing – edilizia abitativa

To overlap – sovrapporre

Assessment – valutazione

To be up for – presentarsi a, sottoporsi a



# The great mall of China

## Why retailers everywhere should look to China

THE past ten months most people in the rich world have participated in the biggest shopping revolution in the West since malls and supermarkets conquered suburbia 50 years ago. The pandemic has led to a surge in online spending, speeding up the shift from physical stores by half a decade or so. Christmas gifts in 2020 came flying through the letterbox or were dumped on the doorstep. Workers at a handful of firms, including Amazon and Walmart, have made superhuman efforts to fulfil online orders, and their investors have made supernormal profits as Wall Street has bid up their shares on euphoria that Western retailing is at the cutting edge.

Yet it is in China, not the West, where the future of e-commerce is being staked out. Its market is far bigger and more creative, with tech firms blending e-commerce, social media and razzmatazz to become online-shopping emporia for 850m digital consumers. And China is also at the frontier of regulation, with the news on December 24th that trustbusters were investigating Alibaba, co-founded by Jack Ma, China's most celebrated tycoon, and until a few weeks ago its most valuable listed firm. For a century the world's consumer businesses have looked to America to spot new trends. Now they should be looking to the East.

China's lead in e-commerce is not entirely new. By size, its market overtook America's in 2013—with little physical store space, its consumers and retailers leapfrogged ahead to the digital world. When Alibaba listed in 2014 it was the world's largest-ever initial public offering. Today the country's e-retailing market is worth \$2trn, more than America's and Europe's combined. But beyond

its sheer size it now stands out from the past, and from the industry in the West, in several crucial ways.

For a start it is more dynamic. In the past few years new competitors have come of age with effervescent business models. One sign of fierce competition is that Alibaba's share of the market capitalisation of the Chinese e-commerce industry has dropped from 81% when it listed to 55% today. Competition has also led e-commerce and other tech firms to demolish the boundaries between different types of services that are still common in the West. Point and click are passé: online-shopping platforms in China now blend digital payments, group deals, social media, gaming, instant messaging, short-form videos and live-streaming celebrities.

The obvious, multi-trillion-dollar question is whether the Chinese model of e-commerce will go global. As has been the case for decades, Silicon Valley's giants still tend to underestimate China. There are few direct links between the American and Chinese e-commerce industries, partly owing to protectionism on both sides. And Western firms have long been organised in cosy, predictable silos. So Visa specialises in payments, Amazon in e-commerce, Facebook in social media, Google in search, and so on. The main source of uncertainty in e-commerce has been just how many big traditional retailers will go bust and whether a few might manage the shift online, as Walmart and Target have.

Yet however safe and siloed Western e-retailing may appear to be, it is now unlikely that it will become the world's dominant mode of shopping. Already, outside rich countries, the Chinese approach is gaining steam. Many leading e-commerce firms in South-East Asia (Grab and Sea), India (Jio), and Latin America (Mercado Libre) are influenced by the Chinese strategy of offering a "super-app" with a cornucopia of services from noodle delivery to financial services. The giant consumer-goods firms that straddle the Western and Chinese markets may transmit Chinese ideas and business tactics, too. Multinationals such as Unilever, L'Oréal and Adidas make more revenue in Asia than in America and their bosses turn to there, not to California or Paris, to see the latest in digital marketing, branding and logistics.

Already, Chinese characteristics are emerging in the retail heartlands of the West, partly as a result of the pandemic. The silos are breaking down as firms diversify. Facebook is now promoting shopping services on its social networks, and engaging in "social commerce", including in live-streaming and the use of WhatsApp, for messaging between merchants and shoppers. In December Walmart hosted its first live shopping event within TikTok.

This shift to a more Chinese-style global industry promises to be excellent news for consumers. Prices would be lower, as China has seen fierce discounting by competing firms. Choice and innovation would probably grow. Even so, Chinese e-commerce has flaws. In a Wild West climate, fraud is more common. And there are those antitrust concerns. It is tempting to see the crackdown on Mr Ma as just another display of brutal Communist Party power. It may partly be that, but China's antitrust regulators are also keen to boost competition. That means enforcing interoperability, so that, for example, payments services on one e-commerce platform can be used seamlessly on a rival one. And it means preventing e-commerce firms from penalising merchants who sell goods in more than one place online. So far American and European trustbusters have been ineffectual at controlling big tech,

despite a flurry of lawsuits and draft laws at the end of 2020. They, too, should study China, for a sense of where the industry is heading and how to respond.

There is a pattern to how the West thinks about Chinese innovation. From electronics to solar panels, Chinese manufacturing advances were either ignored or dismissed as copying, then downplayed and then grudgingly acknowledged around the world. Now it is the Chinese consumer's tastes and habits that are going global. Watch and learn.

Adapted from: <https://www.economist.com/leaders/2021/01/02/why-retailers-everywhere-should-look-to-china>

## **Glossary**

Suburbia – periferia, sobborghi

Surge – impennata

Letterbox – cassetta delle lettere

To bid up – far salire di prezzo, aumentare

To be at the cutting edge – essere all'avanguardia

To stake out – delimitare, fissare

Razzmatazz – clamore mediatico

Trustbuster – membro di una commissione antitrust

Tycoon – magnate

To leapfrog – sorpassare con un balzo

To list – quotare in borsa

Initial public offering – offerta pubblica di vendita

E-retailing – vendita al dettaglio online

To be worth – valere

Cosy – confortevole

Silo – silo, contenitore per immagazzinare scorte

To go bust – andare a gambe all'aria

Siloed – immagazzinato, ovattato

To gain steam – acquistare velocità, andare come un treno

Consumer-goods firms – aziende che producono beni di consumo

To straddle – cavalcare, essere in sella

Heartland – zona centrale, cuore

Flaw – difetto, imperfezione

Fraud – frode, truffa

Crackdown – stretta di freni, inasprimento di pene

Ineffectual – inefficace

Lawsuits – azioni legali

To dismiss – respingere, rigettare

Grudgingly – a denti stretti, stentatamente

# ‘Business as unusual’: How COVID-19 could change the future of work.

27th May, 2020

Millions of people around the world have been working remotely due to the coronavirus pandemic and now experts are asking whether this “business as unusual” could be the future of work, at least for those people whose job doesn’t require them to be tied to a particular location.

*What are the longer-term effects of the pandemic on the workplace in developed countries, once the immediate crisis is over?*

Before the pandemic, there was already a lot of discussion on the implications of technology for the future of work. The message was clear: the future of work is not pre-determined; it is up to us to shape it.

However, that future has arrived sooner than anticipated as many countries, companies and workers shifted to remote working in order to contain the transmission of COVID-19. Remote virtual meetings are now commonplace and economic activity has increased on a range of digital platforms.

As the restrictions are lifted, a question that is on everybody’s mind is whether this ‘business as unusual’ will become the ‘new normal’. A few large companies in developed economies have already said that what has been a large and unplanned pilot – remote teleworking – will become the standard way of organizing work. Employees need not commute to work again, unless they choose to do so.

*Is this a good thing?*

This may indeed be cause to celebrate, for people and the planet. But the idea of an end to “The Office” is certainly overblown. The ILO estimates that in high-income countries 27 per cent of workers could work remotely from home. This does not mean that they will continue to work remotely. The question is how we can adapt work practices and reap the benefits of this experience with remote working – for employers and workers – while not losing the social and economic value of work as a place.

In celebrating the innovations in work organization that have supported business continuity during this crisis, we cannot forget that many have lost their jobs as the pandemic has brought some industries to a standstill.

*What needs to happen next?*

For those returning to their workplace, the quality of work will be a key issue, in particular safe and healthy workplaces. Everything from protocols for social distancing, monitoring and testing, and the availability of personal protective equipment (PPE) need to be discussed to make this work.

For workers in the gig economy, such as food delivery and ride-hailing workers, work is not a place, but an activity performed for an income. The pandemic has revealed the false choice between flexibility and income security. These workers may have no or inadequate access to sick leave and



unemployment-insurance benefits. We need to tap into the brave new world to ensure that their work is performed under conditions that are safe.

*How different do you expect the workplace in developing countries to look?*

Workers from developing countries are simply not able to work remotely and face the choice of risking life or livelihood. Some countries have adopted measures to shore up this essential income while also ensuring adequate hygiene and PPE for employees and customers.

As companies begin to evaluate the effectiveness of the shift to remote work and their ability to tackle data security concerns, new opportunities may open up in services for developing countries with the necessary infrastructure.

However, these off-shoring opportunities in activities such as software development and engineering to financial services, may be accompanied by the reshoring in of other jobs as companies seek to improve inventory management and the predictability of supply chains.

This will have longer-term effects on employment in developing and emerging economies. The challenge is that while it will take time for new service sectors to mature, the negative impact of rising unemployment will be felt immediately. Inequalities in digital readiness may further inhibit countries from seizing these opportunities.

*What are the benefits and drawbacks of remote work?*

The shift to remote work has enabled many companies to continue to operate and ensure the health and safety of their employees. Those able to make the transition to remote work have had the opportunity to share meals with their families. Work has become human-centred to accommodate homeschooling and child and elder care.

Yet, the lines between working time and private time have become blurred for these individuals, causing an increase in stress and exposure to mental health risks.

In the face of a dramatic economic downturn caused by the pandemic and surging unemployment figures, there are opportunities to leverage these changes in work organization to design new job-sharing schemes that allow for flexibility and save jobs. This may mean shorter work weeks or work-sharing arrangements to avoid furloughs in lean times, while reshaping working time arrangements to achieve better work-life balance in the longer-term.

The digital transformation of work and possibility to engage in remote work has also been accompanied by other benefits. It has presented possibilities for older, more experienced workers to prolong their working life on their terms and provided work opportunities for those in rural communities. However, for many others, it has compounded a sense of isolation and a loss of identity and purpose. The social value of work and the dignity and belonging we derive from it cannot be replaced by virtual rooms, no matter how casual our attire while we occupy them.

*To what extent will the pandemic entrench rising inequality?*

While the pandemic may represent a tipping point for the digital transformation of the workplace, it has also revealed deep fault lines. It is those in the upper income brackets who are the most likely to choose to work remotely, whereas those in the lowest have no choice; they will have to commute and are more likely to be time-poor as a result.

Looking to the future, as digital and online work becomes the new normal, the demand for skilled workers is likely to rise along with their wages. The contributions of care-workers and other workers (e.g. teachers and staff in grocery stores) will be more highly valued than before.

Historically, economic shocks, pandemics and wars have exacerbated inequality. The remaining question is whether this one will be a tectonic shift with rising political and social instability, or a shock that leads us to reinforce the foundations of just societies and the principles of solidarity and democratic decision-making that move societies, labour markets and workplaces in the direction of equality.

Adapted from: <https://news.un.org/en/story/2020/05/1064802>

## **Glossary**

Remote teleworking – lavoro agile da remoto

Overblown – eccessivo

To reap the benefits of – raccogliere i frutti

Standstill – battuta d'arresto

Personal protective equipment (PPE) – dispositivi di protezione individuale (DPI)

Gig economy – gig economy, modello economico fondato sul lavoro a richiesta per servizi, prodotti o competenze (es. AirBnB, Uber, Deliveroo).

Ride-hailing – trasporto a chiamata (es. Uber).

Sick-leave – permesso lavorativo per malattia.

Unemployment-insurance benefits – sussidi di disoccupazione.

To tap into – attingere, fare ricorso

To shore up – sostenere

Off-shoring – delocalizzazione

Reshoring – risistemazione

Digital readiness – prontezza digitale

Homeschooling – istruzione da casa

Blurred – sfocato, indistinto

Downturn – flessione

To leverage – sfruttare

Furloughs – congedi

To compound – aggravare, peggiorare

Tipping – di ribaltamento

Upper income brackets – fasce ad alto reddito

To exacerbate – inasprire, aggravare