the business economist

The World is Flat! Or is it? | 47TH EDITION

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Department of Finance and Business Economics
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MBA (Business Economics)

In 1973, the Department of Business Economics, under the prestigious University of Delhi, pioneered a Masters Program in Business Economics called MBE, combining fundamentals of economic analysis with the practical aspects of business. Over the years, the department has evolved into a mature management institute with national reputation, imparting high-quality education to the students. In the year 2015, the Department awarded the Industry with its new, robust and comprehensive course – MBA (Business Economics) with a new updated syllabus. Rising to the occasion again in 2020, the Department's flagship course MBA-Business Economics became an integral part of The Department of Finance and Business Economics.

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FROM THE EDITOR'S DESK

-Dr. Ananya Ghosh Dastidar

2020 has been an unusual year, to say the least ! The entire world reeled under the Corona pandemic that affected just about every aspect of life and livelihoods and made us all exchange the old and the familiar with an uncertain 'new normal'. Against this backdrop, this issue of the Business Economist mulls over the future of globalization and asks 'The World is Flat ! Or is it ?'

The world responded to the COVID-19 shock with an unprecedented lockdown, which is likely to have long lasting consequences for economy, society and the global balance of power. As citizens rallied around their governments to support drastic measures to combat the pandemic, nationalistic feelings ran high. Amid economic distress, calls for putting the 'nation first' have posed the stiffest challenge that globalization has faced in a long time. There has been massive disruption in manufacturing activities, international trade, and especially in global value chains. With production activities grinding to a halt, rising unemployment within nations is threatening to redefine comparative advantages based on labour costs. This would have consequences for locating production activities and certainly for trade flows in the near future.

Small businesses, the self-employed, workers, especially those in the informal sector in developing countries and migrants have borne the brunt of the severe economic downturn unleashed by the global lockdown. The pandemic has impacted the employment landscape by intensifying manifold the application of artificial intelligence and digital technologies across the production and services sectors. While this has created a huge challenge for the low skilled, who are most easily replaced and least able to adapt, it has opened up vast opportunities for skilled workers who have much greater capacity to adapt by re-skilling. The work-from-home phenomenon during the pandemic, clearly demonstrated that human capital has immense capacity to adapt to the digital workspace. The demand for data handling skills is likely to rise sharply with digitalization as businesses strive to reduce uncertainty and base decisions on analysis of real-time data and governments prioritize evidence-based policies.

These trends have greatly enhanced the value of education and the demand for a trained workforce. The education sector, one of the earliest to adapt to an online platform, has reinvented itself in the pandemic situation. This has opened up endless possibilities. Thanks to digital technology, the best, highest quality education can now be accessed in far corners of the globe, overcoming barriers of distance and cross-border travel restrictions. On the other hand, access to digital technologies remains highly unequal; in comparison, classroom spaces can actually be far more inclusive by providing equal learning opportunities. Indeed, the spike in poverty and income inequality amid the post-pandemic economic distress has accentuated the digital divide. Unequal access to digital devices is deepening inequities in learning opportunities and paving the way for widening gap between rich and poor in the future.

Young minds explore these issues and much more in this edition of the Business Economist, as they analyse potential problems and attempt to outline pathways to innovative solutions.

Finally, the COVID-19 pandemic has provided a rare opportunity to reorganize our economies, our businesses, and our social norms. We would do well to heed the lessons taught to us by the blue skies, the clear waters and rejuvenated forestry that we saw during the lockdown days, when all economic activity and business came to a standstill. We would do well to place green strategies and climate friendly plans at the heart of all our restructuring efforts.

FROM THE EDITORIAL TEAM'20

Rapid Globalization that followed the Second World War has left the world 'Flat'. There no longer remain uncharted territories beyond the horizon, when it comes to culture and commerce. With the benefit of hindsight, we can point that globalization has had a net positive effect on most nations that engaged in this experiment. The past decade has seen the rise of populist ideologies across the board; the Covid-19 pandemic has only served to showcase how precarious our economic footing has been. The growing trend of digitization has snowballed into an avalanche threatening to wipe out traditional methods of doing business in its wake. The long-term fallout and impact that the pandemic might have on globalization and trade in general remains to be seen.

- Sampat Mishra, MBA (BE) 2nd Year (convener)

The signs are mounting that the world may embrace isolationism and protectionism in a far more enthusiastic way than prior to the outbreak, including in India. The indications are evident. The pandemic has confirmed, for many, that in times of crisis, people rely on their governments to shield them; that global supply chains are vulnerable to disruption and are therefore unsustainable; and that dependence on foreign countries for essential goods (such as pharmaceuticals) could be fatal. There is a rush to reset global supply chains and raise trade barriers. The demand for more protectionism and "self-reliance" (echoed in Prime Minister Narendra Modi's call for "Atma Nirbharta"), for bringing manufacturing and production value chains back home or at least closer to home, is mounting. There is no doubt that the Covid-19 pandemic was a "mega-shock" to the global system—one that is likely to disrupt the existing world order.

- Chukka Venumadhava, MBA(BE) 2nd year

"It is a capital mistake to theorize before one has data." - Sherlock Holmes, "A Study in Scarlett" (Arthur Conan Doyle). As we're moving towards a more data-sensitive world, we can see Artificial Intelligence and Big Data are contributing immensely in upgrading the strategic view of Emerging Businesses and strengthening existing markets. Data itself has provided the key to fill the Knowledge Gap between the ever-changing Consumer needs and the Service Providers. The Data-driven approach yielded strong results when cross-integrated with Decision Science in the past, and now adding a new face of Behavioural Economics while deciding Strategic Priorities to it, can in turn show results we're yet to witness.

- Yash Bhan Singh, MBA(BE) 2nd Year

The world has changed due to covid in ways that no one anticipated. All the predictions and estimates are revised on a regular basis, no one has any final answers. We need to bring ideas to the table and try to do our best—collectively. For this is a battle not of one group against another, one ideology against another, but a test for humanity. It is a fine balance between controlling the virus andenabling the economy to function. We must have the resolve and the wisdom to strike that fine balance.

- Sashi Kumar, MBA (BE) 2nd Year

Science Fiction writing of the 20th century predicted that Humankind would have colonised Mars by the 21st century. 20 years down the line that that reality still remains a pipe-dream but even the globalised socio-economic mood that led people to dream these dreams seem to be at its dusk. The past decade has seen a gradual but steady shift in the political landscape towards populism and as is the case it also affects the economic scenario of the countries involved. The Covid-19 pandemic turned to be the proverbial straw that broke the camel's back, what lies on the other side is yet to be seen.

- Shubham Thakur, MBA(BE) 2nd year

"In the depth of winter, I finally learned that within me there lay an invincible summer" quoted Albert Camus. Covid has brought a paradigm shift in how we work, travel, interact, live and what not. The pandemic has hit the world so hard that it has opened numerous doors, those conventionally shut, in the run to survive and develop a robust system (IT, Health, Trade) resilient enough to fall back and hit the ground running. Though the world economy has plunged, people lost their jobs, lockdown and depression entered their lives, but these adversities have questioned scientists, decision makers and innovators the scalability of pre covid world dealings and approaches & has invariably expedited Globalisation by unlocking the deadlocks.

- Siddharth Tewatia, MBA (BE) 1st Year

Globalisation was assumed to be a strong word when the idea was introduced before the world. Even though it brought the best among the nations, several criticisms arose. However, Globalisation has again taken the top spot in this unprecedented Covid times. What we aspire for and what we can contribute to humankind has once again realigned. Today, the entire world is a global village and humans, its citizens. While there may be talks about the falling global world order, but this time the drive to unite as one nation is not because of the urge for profits but because it's the need of the hour to sustain humans.

- Tathagat Sarthaka, MBA (BE) 1st Year

The COVID-19 pandemic has unleashed the worst global economic crisis since the Great Depression. Every economy is either in a phase of recession or depression. According to WTO estimates there is going to be a decline of 9.2% in the volume of world merchandise trade for 2020. The pandemic has compelled nations to adopt strict protectionist policies and fuelled the nationalist narrative which was into play way before the crisis. Countries are looking for ways of import substitution as the pitfalls associated with over-dependence on foreign supplies have come to light. The economic backlash has hindered globalization but it's too early to predict whether this is the beginning of its end.

- Archana Kumari, MBA (BE) 1st Year

Ritika, MBA (BE) 1st Year

The hasty spread of the novel coronavirus across the globe jeopardizes it to morph into a worldwide recession. For India, as for most of the other countries, sectors such as tourism, aviation, hospitality, and trade have faced the first brunt of the severe travel, assembly and activity curbs imposed by the governments across the globe, followed by a wider impact on other sectors as economic activity stalls. An outbreak of COVID-19 impacted the entire world and has been felt across industries. World's second-largest economy China arrived at a halt. In India, the impact may be felt through supply chain disruptions from China and as regional players, who import from China. The effects of the pandemic on economic activity are being felt far and wide, far beyond the airline, travel, tourism, and hospitality sectors.

Our eclectic mind, superficial and utterly dwindling, cannot grasp the periodicity of time and often tend to flow through the droopy tumbles as politics, faith and denomination eat through our static ecosystem, voluntarily or otherwise, moulding a world that traject the path to human ambitions and fulfilments. And in this divine tangle, we onlookers prosper, unheard, unclenched, gasping in the swirling twilight of repudiated hope and truncated spirit bannisters. Our confrontation to human errors and hilarious underwhelming tapestries guide us through rectifying calculated mismanagements and help us in shaping our future in a more clarified fashion all while staying true to intellectual and materialistic progresses that have held together this intermingled humanity since the origin of conscience.

Deb Jyoti Das, MBA (BE) 1st Year

This is the era of the small. Now small companies make more money than the bigger ones. Small means that the business can come up with new ideas, it means you have the flexibility to change fast and most importantly, it gives you more time to spend with your customer. With their streamlined services that can change quickly according to the market demand, the small companies now own a big share of the market. According to the World Trade Organization, these small and medium enterprises represent about 95 per cent of all companies worldwide, about 70 % of employment and around 55% of GDP of developed countries. And they are growing at a rapid stage too. The exports and global trade beginning to come back up, even though slowly, the future is indeed bright. The pandemic will be one scar that will fade away in a few years, because we are here to stay, the virus is not.

- Deepak Goswami,, MBA (BE) 1st Year

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GEOPOLITICS OF COVID PANDEMIC

-Prof. Vijay Kumar Kaul

The world’s history is replete with several pandemics during the last 500 years, such as Black Death of the 14th century wiping out one third of the population of Europe, Spanish flu of 1918-20, and SARS etc. These pandemics have the effect of changing the global economy and people's thinking about the livelihood and living standard. Leaders of different countries are addressing their people and working day and night to save life and mitigate the ill effect of COVID 19. China's emergence as a global hub of manufacturing pharmaceutical raw materials, parts and components of electronics and other industries has revealed the worst form of globalization as critical supply chain breakdown, nations hoard medical supplies, and rush to limit travel. Globalization based on the advantage of the division of labour at global level, gaining specialization and efficiency, and producing goods at lower cost led to the creation of a unique web of production networks and complex systems of interdependence. Coronavirus Pandemic has exposed the fragile nature of this present global system of production and living India with a population of over 1.35 billion people has also increased its dependence on China in the pharmaceutical API, digital and electronics industries etc. However, India is not a part of China led global supply chain and production network. India also refused to join China's Belt Road Initiative and has declined to be part of ‘RCEP’. India is still not as integrated, except its stock markets, to the world economy as other countries of the world are. India has diverse climatic conditions, a unique location, and a huge domestic economy with self-sufficiency in the food and production of essential items and commodities. However, it has over 80 percent dependence on Gulf countries for oil and gas. India has a large population studying and working in other countries.

The pandemic has affected the world economy and its people in over 200 countries. It has affected people's health and safety causing a large number of deaths which are Increasing every day. This has led to the restriction on the movement of people, travel and thereby affecting the economic activities all over the world. Increased interdependence among the countries through the global supply chain and production network has caused massive break down in the global supply and production system. Sector wise the worst affected sectors are travel and tourism, pharmaceutical, electronics, automobiles, cab and gig industry etc. Stock markets have crashed by over 30 per cent from its peak Several stocks are down by more than 50 per cent. This is second big blow to stock market and world economy after global financial crisis of 2002-06.

The global energy market is showing a lot of volatility because of both demand and supply side considerations the oil price came down to S25 per barrel and settled around $30. On the one hand demands of oil and gas have reduced because of drastic reduction in the economic activities in China and other countries. On the other hand, the supply has increased due to the price war between Saudi Arabia led OPEC and Russia. The dynamics of the global oil market is going to affect the global politics in the years to come. However, its economic impact varies from countries to countries. Whereas, the oil producing countries are adversely affected by the price war, the oil importing countries like India will be benefited through it.

As far as the global economy is concerned, it is expected that GDP will be down by 1 percent. UNCTAD has predicted that in the absolute term global GDP will suffer a loss of 52 trillion. China, hub of global production, was the first one to suffer. Its significant measures to control the virus have resulted in some positive development. However, the world's dependence on China for raw material, commodities and electronic parts and components as the center of the global production network hurt the supply and production in other countries. As China has started recovering from the pandemic, its economic recovering depends on how well world deals with the coronavirus, especially, its major trade partners (Japan, South Korea, EU and the US).

GLOBALIZATION AND INTERNATIONAL POLITICS

It was the end of the cold war in the 1990s which led to the rapid growth in global flow of commodities, products, money, ideas and people. Global finance and technological development has given a big boost to the globalization process with increased global connectivity. Using an international division of labour focusing on efficiency and cost competitiveness, Western MNCs along with Japan created a thriving international marketplace allowing manufacturers to build supply chains, resulting in a complex web of production networks. In this process, other countries, notably South Korea and China also created big enterprises participating and guiding such production networks China has emerged as the second largest economy of the world and hub of global production. The present COVID-19 pandemic has revealed the vulnerability and fragile nature of this globalization. The inherent fragility in this globalization was ignored by policy makers and planners as we see in its several pitfalls. Globalization’s pitfall in the form of recurrence of crisis in the form financial market crisis, destruction of planet's ecology global terrorism. and increased inequality has now led to its decline.

The emergence of China in the global landscape and now as a supporter of globalization may lead a shift in global leadership. After the global financial crisis in 2007 China saw an opportunity to assert its leadership position. It started weaponizing trade as a geo-economic and geopolitical tool. Its attempt to undertake a major infrastructure initiative in the form of one Belt One Road/ Belt Road Initiative followed with debt trapping of several developing countries has raised apprehension about China's ambition and strategy. The idea that China is the next super power has been checkmated, at least for a considerable period.

Spread of Coronavirus and its aftermath have raised questions about globalization and dependence on others for critical supply of goods, parts and components. The international division of labour and specialization has made substitution difficult in the time of such crisis, especially in unusual skills and products. It is true that because of geographical diversity and uneven spread of natural resources and talent, no country can be fully interdependent. This suggests a need for diversifying its sources of supply and reduces dependence on one country. It is likely to raise the demand for de globalization and nationalism. There is thus a need now to review globalization and national interest. It is unlikely that total self-dependency and self-sufficiency is possible and desirable. How should the nations bring balance vary from countries to countries, and regions to regions will be thus the key to the alternative.

CAN INDIA USE THIS CRISIS AS AN OPPORTUNITY TO EMERGE STRONGER?

As far as the macroeconomic situation of the country is concerned, it is very stable. However, the continuing lockdown and stoppage of economic activities will burn government revenue and taxes. The expenditure has increased. It is going to affect the arithmetic of this year's budget. The nation has taken the current situation as a national emergency. As far as Industry is concerned, the stoppage of supply of pharmaceutical API and electronic parts and components affected the related industries.

The government had also announced initially financial Stimulus of Rs 1.7 lakh crores for poor and economically vulnerable sections. RBI has announced measures to increase liquidity in the market and other support for the financial markets and industry, The repo rate cut and other series of measurestave been announced. The Prime Minister has also announced an economic taskforce and 11 other task forces to look after the different aspects of the ongoing crisis. The government has also announced incentives for the pharmaceutical and medical device industry and electronics industry Both these industries are critical for national security. The way changes have been introduced in monetary policy by the RBI, and other policy announcements made by the government shows that India is preparing to use this crisis as an opportunity to come stronger, first by providing relief to the affected people and sectors, and also filling the required gap in the critical production value chain.

For India, the coronavirus has shown the importance of both local economy and digital economy. The digital economy and India's strategy towards Digital India need to be supported and Implemented fast. It has significant implications for electronic manufacturing, trade and commerce. For a large number of electronic products and equipment, we have increased our dependence on China. This needs to be changed drastically. There is a need to create jobs and employment by strengthening rural entrepreneurship and rural development. Need to provide the basic infrastructure healthcare facilities, training and other support structures. There is a need to invest in infrastructure, especially, road, port, river connectivity which have higher multiplier effect in the terms of generating employment and boosting adjoining rural areas and also lead to rural-urbanisation. This will also help reduce transaction cost and boost trade and investment.

Indian corporate sector and business enterprises are affected by the disruption of supply chain and closure of production and trade. The dependence on foreign sources for raw material, equipment and products and its discontinuation after the coronavirus accident has revealed the fragile nature of globalisation and internationalisation. India needs to focus more on regional value chains, such as, Bay of Bengal regional value chain and Indian Ocean focus value chain than the global value chain controlled by China and Western countries' MNCs. We must invite heavy investments in high technology areas in "Make in India projects.

Achieving self-reliance in finance, technology and encouraging entrepreneurship are the key mantras There is a need to reassess and then go for technologies, which retool our manufacturing process, enhance skill of our people and bring balance with nature. The dependence on oil and gas need to be reduced. The country should move towards solar power and other renewable energy This pandemic needs to be used to strengthen India's energy security.

CONCLUSION

Further, the government should take steps to encourage clean energy and give stimulus to the industry to produce solar panels, related technologies and install renewable energy distribution systems. The country also needs to focus on integrating ecology and environment protection sensitivity in agriculture and urban planning. We need to move towards organic farming and reduce the use of chemical based fertilizers, etc. India is blessed with geographical diversities, climatic variations, cultural sophistications and a long collective memory to cooperate and survive, India is destined to emerge stronger not only by curbing the pandemic's spread and mobilising its people but also by giving direction to the economic policy beneficial for the country and its people.

IMAGE SOURCE:

https://thedailyguardian.com/geopolitics-in-the-time-of-covid-19/

MSMEs - DRIVERS OF THE INDIAN ECONOMY

- Tathagat Sarthaka, MBA(BE) 1st year

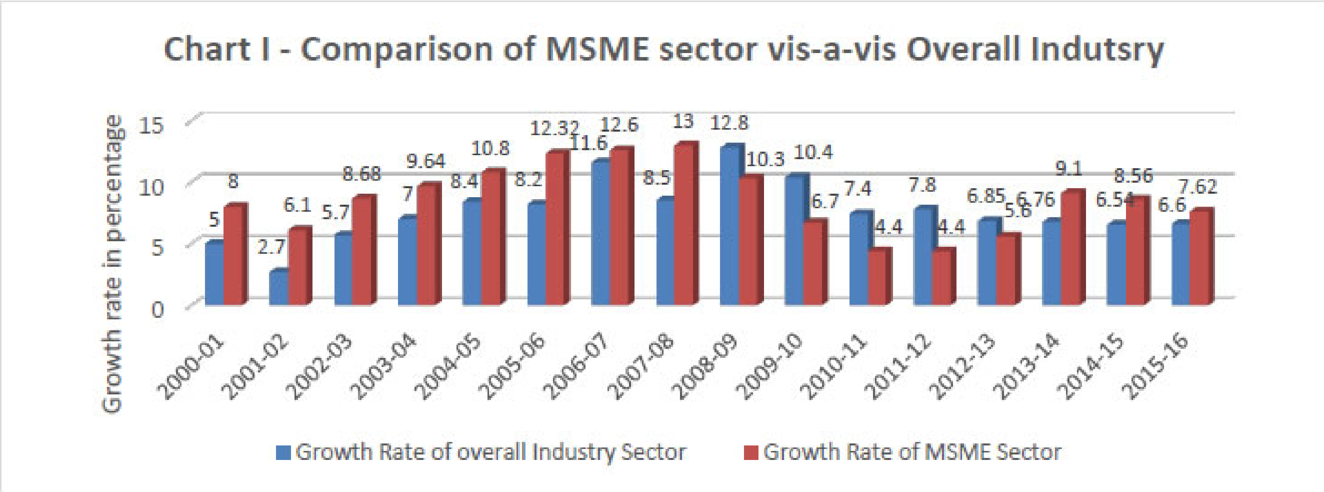
The national well-being of any nation depends on the pace of economic growth. There are many determinants or causes for a country's economic progress, such as industrialization, agriculture, population, wages, etc. One of the key metrics for economic growth is the rate of employment, as it can have an adverse effect on the economy. Economic growth requires reaching a higher degree of productivity in nearly all industries and a greater quality of life for the general masses. The route of economic growth for any nation is full of challenges or obstacles. One of the current challenges that the Indian economy is pestered with is that of the pandemic lockdown and spilled over adverse effects. With the demands plummeting and people growing overly cautious for even going to work has hit even the well to do sectors. However, when talking about bringing the country back to its feet, Micro, Small, and Medium Enterprises (MSMEs) have always spearheaded the cause, be it during the independence or even in this 21st century.

India's bond with MSME is quite old. It has always been in focus in the ideologies of several esteemed personalities like Mahatma Gandhi on whose back, alongside several others, the dream of independent India was founded. When the industries were only a handful and India needed the right amount of fuel in terms of income to uplift the Indian economy, the heads turned towards the small village industries or cottage industries. Mahatma Gandhi was vocal for the local aspect, and his Charkha became a sign of revolt against the British policies as well as support for the small rural industries. However, on papers, it was still an industry in the dark, up until 2006 when The Micro, Small and Medium Enterprises Development Act was passed, providing for the facilitation and promotion and development for the competitiveness of micro, small and medium enterprises. It was at this time when all the eyes in the country glued to this underdog sector. Since 1950, there have been frequent changes and revisions in the name and definition of the MSMEs or SMEs, as it was formally known before 2006.

PERFORMANCE OF MSMES

Right from the first five year plan, these enterprises have been on the receiving end of policies carefully curated for these enterprises' development. During the post-Independence period, small firms were expected to play an important role in the growth process, especially in the absorption of surplus labor and the achievement of an equal distribution of income. This was the conventional critical position given to small businesses. At the start of the industrialization period, adaptability in production, and the opportunity to deliver differentiated goods enabled smaller companies to expand rapidly. Later, big companies dominated the distribution of size, made up a larger share of production, jobs, and value-added due to economies of scale, administrative productivity, greater access to financing and resources, and a favorable tariff system.

As per the Ministry of MSMEs data, from 1973-74 up until 1989-90, The working units in small industries was 0.42 million in 1973–1974, while



Source: Annual Reports of Ministry of MSME

they reached up to 1.82 million by the end of the financial year 1990. While for employment, in 1973-74, these enterprises employed a total of 3.97 lakhs, and by 1989-90 the numbers soared to approx. 12 lakhs. Even during the pre-liberalization phase, the small scale industries were next to agriculture when it came to employment numbers. However, liberalization changed the ground scenario altogether. In 1990-91, the LPG reforms swept in and gave the economy the breath of fresh air that was required. The doors of the Indian economy for further investment was opened for foreign investors. However, the growth rate of MSME, on an average, had declined substantially in terms of units and employment but improved slightly in terms of output and exports during the 1990s. Today, MSME accounts for 31% of India's GDP and 45 percent of exports. An estimated 5.58 crore MSMEs are employing close to 1.3 crore people in India. Fourteen percent are women-led enterprises, and 59.5 percent are from rural areas.

Existing and Revised Definition of MSMEs

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment<Rs. 25 lac	Investment<Rs. 5 cr.	Investment <Rs. 10 cr.
Services Enterprise	Investment<Rs. 10 lac	Investment< Rs. 2 cr.	Investment<Rs. 5 cr.
Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment< Rs. 1 cr. and Turnover < Rs.5 cr.	Investment< Rs. 10 cr. and Turnover < Rs.50 cr.	Investment< Rs. 20 cr. and Turnover < Rs.100 cr.

While the economy has been brought down to its knees during this unprecedented situation, MSMEs are the worst hit. Grappled with lack of funds and lack of workforce, this can spill over to larger industries as well, which source their inputs from such small industries and firms. Manufacturing has taken a hit, and exports have plummeted with no respite in sight, except for the pharmaceutical sector. Several tranches of funds have been released by the Government of India and several policies formulated to give relief to such industries. The mega package of Rs 20 Lakh Crores to deal with the COVID-19 pandemic that has a bulk portion reserved for MSMEs and the credit line refinancing that will give institutions attached with MSMEs a bit of relief in case of NPAs are a good way to ease the pressure on such industries. There has also been a change in the definition of MSME that will help bring more and more informal industries under the ambit of MSME laws and policies and will, in turn, help steer the economy upward.

CONCLUSION:

Even though MSMEs are the worst hit, they can be the torchbearer and fade away the dark shadow cast by Coronavirus on the Indian economy, as it had always done when the economy needed help. Despite the cash crunch and the government's support, it is one of the industries with the least amount of cash required to pick up from the ground. So proper liquidity or cash flow to these industries can at least give the lower strata of the economy a kick start. Coming to the employment front, while the rest of the sectors of the economy and especially, seasonal migration and agriculture, are harshly hit by lockdown, allowing these micro-enterprises to operate smoothly could help such households cope by giving them financial backing through work. A robust supply chain ecosystem will also help at this moment so as to increase their reach when the entire world is stranded at the very exact spot. A quick and efficient push from the MSME sector has the potential to bring the economy engine back on track.

DATA INTELLIGENCE IN BUSINESS

- Siddharth Tewatia, MBA(BE) 1st Year

Data analytics has become the spine for how present-day companies arrange and execute its objectives. How risks are mitigated, opportunities are seized, and how satisfaction measures are united on a worldwide scale. Tech goliaths are burning billions of dollars to increase their capacity to gather and examine data.

For instance:

- San Diego lately built the world's greatest smart city platform, alongside an API that permits free engineers the capacity to gather, read and analyse bits of data on traffic designs, environment pollution, pedestrian movement and much more.
- Amazon utilized a data-driven approach to legitimize the birth of AmazonFresh and the acquisition of Whole Foods, which promptly gave Amazon, retail and circulation space in various areas, also data on customers that share critical cover with Prime membership.
- Netflix beat out HBO and AMC for being the production house to bring House of Cards to people's lounge rooms. It was an enormous leap: Production costs per scene came in at $4 to $6 million. With 13 scenes for each season and a two-season bargain put the sticker price over $100 million.

LEVERAGING POWER OF DATA

The models are many, however the biggest question floating in the market is *"How can data analytics help an organization grow?"*. In the journey of getting profit by the data your business is producing and leveraging the insights from the data to drive the growth, the primary thing one needs to comprehend is that the change won't come overnight. Most alert signals of approaching disruption are recognizable a second past the point of no return. Regardless of whether it's a breakdown in supply chain operations, surge in inventory, plunge in customer demand, each organization realizes they might have dealt with the circumstance better, if they had received notification ahead of time.

In view of Oxford Economics research, issues in data collection and analysis impede the capacity to advance beyond market changes during the pandemic. Almost 66% of interviewed industry leaders from a wide range of organizations refer to lack of necessary data, vital for analytics-based decision making as the major bottleneck to meeting their organization's key needs. In the interim, under 33% point out either inability to drive meaningful insights from the captured data (29%) or lack of satisfactory data (20%). However, regardless of how quick covid firmly holds the economy and influences customer behaviour, it's never past the point of no return for organizations to get the control in hand, by quickly stepping up their data storage infrastructure and data analysis technology.

Each influx of the ongoing pandemic has shown organizations worldwide the significance of never letting their WatchGuard down. Furthermore, most business pioneers are getting the message and developing the digital ecosystem for data to flow in, analytics to come out and eventually sharpen the act of decision making. Such movement towards their digital transformation change is unquestionably promising. Above all, an organization must address one floating issue that

can decide if they would succeed or come up short: making sense out of gathered data. The key to defeating this underlying obstacle is looking past every data highlight and discovering a vast expanse of knowledge. This is the stage when decision makers in all the sectors take a gander at their data from various points and find measurable connections that nobody recently knew existed.
Regardless of whether your company calls the empowering innovation Internet of Things, Machine Learning, Artificial Intelligence, Predictive Forecasting, it's all enlarged analytics. These techniques permit organisations to invest less energy diving into data and invest additional time investigating designs imperceptible to the visible eye; developing new business models, cycles, and plans of action. This new viewpoint on data's worth is a catalyst in the journey of digital transformation. The prescriptive capacities of AI permit diagrams and charts to recount an unprejudiced story of what's going on now, how conditions can change, and where activities should be focused. Process automation again gives independence from dull work to focus on work that is more vital to the brand's growth and development.

Understanding data at scale and interfacing this information in a characteristic, human way uplifts a client experience packed with smart insights. Employees can interact with machines in multiple languages, investigate answers to settle on choices that override individual biases and insecurities, and add to the vertical growth of the organization.

CONCLUSION

In situations of disruption, such regularization of insights gives organizations a competitive edge in operational versatility, predictive accuracy and business optimization, that could be unrivalled by the opposition. Making an organization culture centered around data-driven decision making is certainly not a one-set move, nor something fathomed with software alone. It's something developed using a 3 pillar approach: People, Process and Technology. It is a mentality that keeps decision making legit and supported by data. Since without it, you're simply working on a whim, and that is no real way to run any business, particularly if development is the objective.

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IS WORLD TRADE CLOSING TEMPORARILY?

- Sahil Manhas, MBA(BE) 2nd Year

In 2006, Thomas Friedman distributed his well - known book "The World Is Flat", wherein he portrayed the convincing story of how globalization was straightening the world. It was an inevitable end product during those days that the power of globalization was staying put as well as developing further. Who might have envisioned that in under twenty years, the world would change unrecognizably? From being the pre-prominent wonder, coordinating the world, globalization currently resembles a spent power. Out of nowhere, the world doesn't appear to be so level.

As per diverse media examiners, globalization could be in a period of 'slowbalization', de-globalization or even mainstream stagnation. Subsequent to look over the scholarly proposition for characterizing, grouping and estimating globalization, by methods of the Elcano Global Presence Index, the focus is on how much globalization has deteriorated or potentially, has there been a change in its temperament. The outcomes showed that globalization has eased back down, however not saved. Nonetheless, monetary globalization has lost footing (something that likely clarifies the overall discernment on de-globalization) while delicate projection has become the principal driver of globalization.

IS IT CORRECT TO PUT GLOBALIZATION UNDER SCRUTINY?

Globalization has stopped, and there is a critical and undervalued hazard that the world will begin to de-globalize once again in the coming years. The most recent flood of globalization, which started after the finish of the Cold War and accumulated movement all through the 1990s and 2000s, has had a pivotal impact on monetary improvements in the course of recent years. It has supported monetary development, especially in developing business sectors, and has assisted with bringing down both expansion and genuine financing costs in the created world.

Globalization has likewise profoundly affected how the returns of development have been conveyed — the joining of a few billion specialists into the worldwide economy has pushed down a lot of pay and pushed up the offer streaming of organizational benefits. It is conceivable that this change and transition is only an impermanent rest and that an unexpected mechanical advancement will trigger another rush of globalization. Yet, such waves are uncommon.

It is said that the exchange war between the USA and China, is the model poster reason for the detriment of globalization. However, there are a few reasons — even before we consider the exchange war — why globalization may have stopped. First of all, most economies are currently very open and there are no new significant nations left to coordinate into the worldwide economy. Furthermore, new advancements have made it less alluring for firms to keep up enormous and complex chains. Likewise, governments have progressively begun to scrutinize the advantages of certain parts of the monetary advancement that has been a focal component of the latest influx of globalization. China, specifically, is probably not going to open its capital business sectors altogether.

In developing business sectors by and large, and for China specifically, there are no genuine misgivings about globalization since several million went from neediness to the working class since the 1990s. The Chinese will push globalization to the extent they can go, for instance by purchasing an ever-increasing number of resources in Europe and by overwhelming Africa and Asia, and will keep on playing on the current financial shortcoming of the West and on the competition between Europe, the US and Russia. Be that as it may, they are probably going to confront developing protection from their purchasing binge as the ongoing denial by Germany. Germany supported the proceed onward model, the grounds of public security and the absence of correspondence to Western firms in China.

It is thus safe to say that globalization could be, the best-case scenario, on a respite. However, we might be before long arriving at a point where it could disentangle by and large.

Potential tipping focuses, or dark swans, include:

- The outcast emergency in Europe joined with Islamist fears that quicken emergencies of public characters
- An obligation aftereffect that may suddenly bring down the Chinese economy and drive insolvencies and a flood of joblessness around the globe.
- Effects of steady low loan fees and unbalances and offerings of cash with the misshaping impact of quantitative facilitating.
- The medium-run effect of mechanical technology and computerized reasoning on work.
- Unplanned environmental change debacles.

It is additionally conceivable to guarantee that globalization's inversion is to some degree a stunt of the light. The sort of development in actual products that checked late floods of globalization is in reality, easing back. However, cross-fringe action in different regions, for example in information administrations or streams of information, keeps on extending, recommending that new types of cross-outskirt combination can grow even as the customary one's decay.

CONCLUSION

Should anything be possible to spare a portion of globalization's acceptable characteristics? Pioneers, for example, Blair once emphasized that schooling and training may assist individuals with adjusting to quick monetary changes without a lot of backlashes. All the more, others have recommended measures to remunerate globalization's "washouts". Neither one of the approaches has had distantly demonstrated a viable or mainstream option, which is the reason why economists assert rather than advocate a push for better "widespread essential administrations" — which means a substantially more liberal menu of social help programs, from medical services and lodging to move and advanced admittance, which may help individuals confronting monetary disengagement and have a sense of safety.

It is not dead. Yet! Salvage it all that you can. Plug the leaks, wield the cracks. A little break would not hurt if globalization can come back rejuvenated, stronger and bring with itself a wave that can ride the whole economic scenario.

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THE FUTURE OF MSME

- Deb Jyoti Das, MBA(BE) 1st Year

Since time immemorial, evolution has been the single greatest asset of humankind in bodily survival tactics and more so in unswerving societal upliftment. And this purview is strikingly evident in this pandemic itself, where, despite the emancipation and logistical complications, the descent of globalisation gave a boost to local economic architecture, which got voiced admirably in India but experienced the world over.

The 'Vocal for Local' initiative, targeting the promotion of MSMEs and individual creators and artists, is geared to contain the monetary and social puffers within the Indian economic clusters. The MSME sector is home to over 60M companies, which provide a livelihood to a population of 111M and is second only to agriculture among sectoral prominence.

FICCI, in its 2011 report released by Grant Thornton, had visualised the Indian economy to reach $4.5T by 2020 with particular emphasis on the MSME sector, which was already scaling to 40% of the GDP with major contributors being the manufacturing and industrial sectors. And though the $5T magic mark is still a distant dream, with other peripherals plummeting such as real estate has changed the market dynamics with MSME riding the bandwagon.

THE ROAD AHEAD

In September this year, MSME Secretary A K Sharma put forth the government's five-point plan, aptly named 'Task Forces', to reinvent the MSME sector and make it future-proof.

The first force being considered is the emergence of Industry 4.0, which includes strategic use of technological elements such as Artificial Intelligence (AI), Machine Learning (ML), 3D Virtual and Augmented Reality, and Internet of Things (IoT) in the development of niche digital-oriented markets. There are also quite a lot of compliance issues by way of government regulations, which pose difficulty in using appropriate business solutions, which in turn hinders progress. And while bigger corporates can allocate resources for quick resolutions to such challenges, Industry 4.0 aims to provide a legal framework to the MSMEs so that they can stage a level playing field and are critically at par with the MNCs, albeit, digitally.

The second force is in conjunction with India's purpose of becoming the manufacturing hub of the world. This force aims to re-stabilise export dominance, increase efficiency by focusing on the key manufacturing areas, and improve the quality standards of goods by promoting design and technology and enhanced packaging systems. Third force mentions about contracting the gap between existing cluster schemes by re-engineering the vertical and horizontal design assortments. This re-floatation aims at helping grass-root level entities and micro-enterprises in upskilling their product relevance and have equal market dominance compared to the big firms.

The fourth force focuses on integrating India's technology centres that'll expand the digital reach and broaden access to knowledge and data. And in an era, where data creeps dominance over the mighty oil sector itself, this integrated access will not only let SMBs survive the evolving market landscape but help them reach prominence like never before. The last task force aims to explore

interventions in the alignment of various modernisation schemes like ZED (Zero Defect and Zero Effect) and LEAN (Manufacturing Competitiveness Scheme), as well as other schemes related to R&D, design, intellectual property rights and marketing among others.
These five forces acting together intend to stem the sullied economic down trail and boost the local experts in gaining elevated recognitions and possible global outreach. Alongside the government's provisions, these expectations are supported by third-party public and private organisations through schemes and models such as 'business banking partnership.'

CONCLUSION

The push for local dependency and 'Atma Nirbhar Bharat' is by golly a prolific head-turner, and over the past decade, the government's vivified approach and orchestrated outcry has garnered positive yields and elevated fiscal influx. But, in retrospect, the primary objective to mobilise MSME workflow gets overshadowed with FDIs and ODIs to established mainline companies and start-ups claiming holistic outreach eventually fail to deliver on their MSME support model. The truth is that with everything else static, an exchange of ideas, services and products is what helps keep us, humans, relevant and ever developing.

The story remains that market movements and economic balance are motivated by the interconnectivity of human species and no matter the changes, for better or worse, globalisation is here to stay.

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2020'S DAVID VS GOLIATH, WHO WOULD WIN?

- Shivani Bindal, MBA(BE) 1st Year

"WITH DISRUPTION MOVING AT A THUNDEROUS RATE, THOSE POSITIONED TO KEEP UP WITH THE PACE ARE NOT NECESSARILY THE LARGEST".

These gigantic corporate colossi known as "super competitors" with their cavernous footprint in size, scale and market share are expanding their strides so wide that it is safe to say that 10% of these world conglomerates are housing 80% of the overall profits.

But there is an invisible chink in the "armour" of these super companies- the crippling corporate inertia. When these companies grow so quickly, they invariably enter themselves into a vicious circle. The systems and processes required to control them have to grow as quickly which in turn acts as a quick sand resulting in slow decision making. Today when it comes to the changing business scenario: small might literally be the new big!

Within large enterprises, change does not come easily. Just like larger vehicles need to have a broader bandwidth to make slow and wide turns, just like that, bigger companies have to go through an arduous process of systems and checks before making any decision. This often leads to them losing their first mover advantage by not being able to react to the dynamic changes that fast. On the other side, when we bring smaller businesses to the table, they have the trick of speeding up their sleeves. Their organizational structure lacks higher degrees of complexity which allows decisions to be made seamlessly.

HOW ARE SMALL COMPANIES PLUGGING THE LEAKS OF THE BIG PLAYERS?

When a large company is faced with a situation, its first reaction is to use its enormity or "muscle power" as well call it, in order to intimidate its competitors. Buying out competitors, hostile takeovers, creating monopolies, aggressive push and pull strategies, are the common tactics of their playbook. What they do not realize is that in the process of this, they end up losing their connection with the customers and the people they are supposed to exist for in the first place. By focusing more on what is easy to sell, versus actually looking at the clientele's real needs, results in creating a small back door, through which smaller competitors can enter.

"THE INHERENT DISADVANTAGE TO BEING AT THE TOP IS THAT YOUR EAR IS NOWHERE NEAR TO THE GROUND."

Furthermore, huge companies can perform studies or recruit experts to scope the place where there is purchase and-sell. In contrast little undertakings can accomplish similar outcomes in a small amount of the time by utilizing their customer connections. The capacity to draw in one-on-one with clients and customers empowers little associations to think of pertinent answers for constant issues such that enormous organizations can't. Supported by authoritative readiness, customers' on-the-ground understanding can motivate private ventures to separate on items and administrations which enhance the market. Their novel understanding of clients' inclinations and spending practices provide them an edge on what is required and needed, or even unexpected, among shoppers.

Numerous entrepreneurs have proceeded to extend their little endeavours into multi-million undertakings, particularly as funding speculation assets opened up. Others decided to remain little so they could serve particular and specialty markets. In this way, beginning more modest and developing gradually diminishes the probability of settling on rushed and exorbitant choices that can prompt disappointments. Overviews the bigger picture shows that entrepreneurs by and large consider more about the nature of their items and administration than greater organizations. They accept this is the most ideal route for them to rival huge organizations that approach more assets yet are less close to home. Proprietors of private ventures endeavour to keep their clients fulfilled to support rehash business. Private companies can react deftly to issues and difficulties as there is little progression or levels of leadership. Enormous organizations may have set methods of working and set up strategies that are difficult to change. Private companies are unmistakably more adaptable. They can likewise arrive at a snappy choice on whether they can do what is required.

Because of the little size of activity, independent companies have lower overhead expenses. They work in little premises with low warming and lighting costs, restricted lease and rates to pay. Low costs bring about lower costs for buyers. Private venture is among the most impressive images of current free enterprise and its proprietors are oftentimes depicted as prudent, confident and autonomous. Beginning a vision is the simple part yet remaining in business is the hardest undertaking. All in all, what, at that point should large organizations do? In the event that they need to continue winning, they'll have to figure out how to 'tear up' themselves. They'll need to develop a culture which 'eats' its own organizations – which means they should continually strip themselves of administrations and items that they esteem exceptionally today to empower the new to come through and to account for zeroing in on what will be effective tomorrow.

CONCLUSION

At the end of the day, they'll disturb themselves deliberately so that they don't get captured out after an unalterable course called business as usual. In the event that enormous organizations do not take the necessary steps, they'll never be able to understand the need to keep moving that drives effective new companies, for example "We just need to make something work, since, in such a case where we don't, we won't endure." They'll need to relinquish what they esteem the most to empower the new to get the concentration, consideration and oxygen it requires to get rejuvenated.
With disturbance moving at a deafening rate, those who have conveniently situated themselves to stay away from the movement are not really the biggest players. Despite the fact that they are overshadowed by the profound reflections of the geniuses, private companies are ready to progress. Deft, versatile and ready to adjust to survive, small may simply be the new big.

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PILOT: BUSINESS OR ANALYTICS?

- Simran Sachdeva, MBA(BE) 1st Year

AN INSIDE PEEK INTO THE WORLD OF DATA & ANALYTICS

Leveraging data to make decisions is something which many enterprises concur and apart from sophisticated search algorithms, there exist a plethora of customer segmentation models for various business needs, extracted from customer data, used to make models to project recommendations by predicting what project a customer might buy next. To get some perspective on how huge data analytics is and will be in the future to drive businesses you will be astonished to know that nearly 90% of all data has been created in the last two years. And by 2023 it's estimated that the big data industry will be worth $77 billion. All over the globe people are generating 2.5 quintillion bytes of data each day. Furthermore, a report from Dresner Advisory Services concluded that 53% of companies are adopting analytics for businesses. Companies that are using big data and analytics experienced a profit increase of approx 8%. And, according to Forbes statistics, 79% of executives agree that companies will perish unless they embrace analytics and big data.

IMPORTANCE OF ANALYTICS AND CHALLENGES

Adopting big data and analytics is essential for the survival of any business as it can be used to find correlations, patterns and obscure links in the scattered consumer data that conventional systems could never uncover. Many corporate executives believe that customer data present an unbeatable edge for business growth and sales. They can use it to predict products that might be popular, to cut operational risks, and even to influence customers' buying behaviour. The more data you gather the more it allows you to offer a better product suitable to the customer's needs which will attract further customers. Providing you with more new data repeating the cycle until you eventually marginalize and outrun your competitors.

Though the virtuous cycles of gathering more and more data may offer increases in value to users, it's not as powerful and practically viable in the long run if complete reliance is put on customer data. Under the right conditions and right hands, customer data can help build competitive defenses but it all depends on the type of data collected and whether the data offers high and lasting value, leading to modifications in products that can't be easily imitated or produced by competitors, or generates insights that can be quickly incorporated. When learning from one customer, leads to modifications and improvements in product rapidly for other people will start to care how many other people are using it. The global market keeps changing rapidly and it is known that all those who are resistant to change will find themselves out of business.

HOW TECHNOLOGY HELPED BUSINESSES AND CHANGE THE GAME

For consumer-packaged-goods companies and many other traditional manufacturers, it required crunching sales data, conducting massive customer surveys for new marketing plans, analysing questionnaires, focus groups to study and model consumer behaviour and needs. But the sales data often wasn't linked to individual customers, and since doing surveys and analysing through focus groups was time-consuming and expensive, only data from a relatively small number of customers were collected. 83% of company representatives have said that they decided to pursue big data projects to seize the competitive edge. Gathering customer information and using it to make better products and services is an age-old strategy, but the process used to be slow and limited in scope. Entrepreneurs find big data technologies most valuable in cutting expenses (49.2%) and creating new avenues for innovation and disruption (44.3%).

With the entry of cloud and new technology, all this changed as it allowed firms to quickly process and make sense of vast amounts of data. Internet-connected products and services can now directly collect information on customers, including their search behaviour, communications, social media posts, location, and usage patterns, however, they do not guarantee defensible barriers for firms. The main objective of a company is to decrease its cost while maximizing its income. Big data modelling has proved to be essential in finding hidden costs and inefficient business ventures. According to Forbes, 69.4% of companies have started using big data to create a data-driven culture, with 27.9% already reporting positive results. As even mundane consumer products become smart, data-enabled learning will be used to enhance and personalize and modify more products. However, their providers won't build strong competitive positions and analytics will not be able to drive businesses unless the value added by customer data is high, lasting and leads to improvements which are difficult to get replicated by competitors. Decades ahead, improving offerings with customer data will be a prerequisite for staying in the game and analytics will continue to drive new business models by procuring customer behaviour insights.

THE FUTURE OF ANALYTICS & BUSINESS GROWTH

By 2021, at least 75% of retailers anticipate investing in predictive analytics for loss prevention and price optimization and it will be one of the primary catalysts driving a revolution in selling, manufacturing and service. Real-time business intelligence and analytics will help accelerate the sales cycle, bringing higher revenues. Current analytics will also help in reducing contract and order errors and change the nature of pricing strategies. It will enhance order performance by forecasting the required demand and also help in predicting which service and support strategies will deliver the greatest contribution to net promoter score improvement. Data analytics can span all aspects of decision-making including the ability to recommend personalized products and experiences to consumers, optimize supply chains to ensure all-round availability, a boost speed of delivery, offer the right mix of products at the right price engage with customers which is why real-time business intelligence has already had a massive impact on global revenue and as it becomes more robust, we can only expect global revenue to keep skyrocketing.

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GLOBALISATION 2.0

- Aditi Niranjan, MBA(BE) 1st Year

LIVING IN THE DECADE OF COLLAPSING GLOBALISATION

The process of weakening of the globalisation structures had been underway for a very long time now, and the COVID-19 pandemic has only brought it to high ground from where this decay is visible to one and all. The world is changing before our eyes, and multiple factors are contributing to this change.
To understand these factors, let us start with what drives drive globalisation: democracy and capitalism are the two pillars of globalisation, and these two are under constant threat, in the current world order, with the free markets being the primary reason for wealth distribution inequality in the world along with the simultaneous rise of communist policies with the growing influence of China around the world. The rise of nationalist regimes across the globe blames foreign influence as a convenient cover for all social, economic, and political deficits and provides a strict hyper-nationalist authoritative regime as the only solution to right all wrongs.
Although falling of the fundamental pillars of globalisation is just the tip of the iceberg, when it comes to this collapse. Culmination of a plethora of multifaceted reasons brought about this huge change.
Let us briefly touch over some of these contributing factors:

SHEARING GEO-POLITICAL INFLUENCE

The existing world order post the cold war had the United States of America as its head and experienced a period of calm and relative prosperity, but that world order is now being challenged with a paradigm shift in the Chinese foreign policy. It is no longer hiding its strengths and staying calm but rather adopting hard-line strategic expansionary policies, be it salami slicing in the Indian and Tibetan borders, to create buffer zones in case of any military action, the 'Belt Road' initiative, 'String of Pearls' theory, occupying any strategic ports or air bases by way of long term leasing. These policies also include giving huge loans with high-interest rates to underdeveloped countries for using their resources and using their governments to take the Chinese stance in the international forum and using its membership in the multilateral forum to predominantly disrupt any initiatives that actively or passively harms Chinese interest. It has also recently resorted to imposing tariffs or sanctions on countries that raise any issue which doesn't coincide with the Chinese point of view.
China's aggressive stance has pushed countries like India, Japan, Australia, and other nations threatened by the Chinese dragon to resort to counteractive policies, by way of forming new military and multilateral economic organisations that do not include China. The formation of new strategic alliances and increased military dialogues has polarised the world into different strategic and economic zones.

RE-LOCALISING EFFECTS OF THE US-CHINA TRADE WAR

The world economy hugely suffered when the US and China, the two trade giants, almost entered into an economic cold-war, forcing the rest of the world to choose sides and face the sanctions by the side not chosen. Apart from China trying to polarise the world and the US leadership or the lack thereof failing to contain its effects, the coronavirus pandemic further added to this situation by severely restricting the movement of goods and people all over the world. This forced nations to look inwards only to realise extreme dependency on various countries for many basic and necessary goods and services and not enough self-sufficiency to sail unharmed through the pandemic. The unemployment rates have spiked worldwide, and governments are forced to look for local solutions for the displaced people who returned to their homes after these job losses.

The world is also witnessing major technological overhauls with the introduction of 5G, and the shift from conventional fuel-driven cars to electric cars will soon open the possibility of less dependency on the Gulf countries for petroleum products. South Asian countries like Vietnam, Hongkong, Singapore, Taiwan, will be leading Industrial Revolution 5.0 and will not need to rely on the western world for technological know-how, software, or hardware. The change will start by destabilising the established rule of the western developed countries and providing alternative solutions to the developing world. These countries are also nations where the populations have net savings to their credit compared to the US population, where people often live by paycheck to paycheck. Hence, they are much likely to emerge relatively unharmed compared to their western counterparts, thus emerging as the stronger, more stable node for world trade.

CHANGE IS THE ONLY CONSTANT

The culmination of all these factors that come together at this time, accelerated by the pandemic, is dismantling old structures and building new ones as is evident from the failure of multilateral organisations like the United Nations, SAARC etc and formation of new alliances by the emerging economies grabbing all and any opportunity to end the hegemony of the West.
However, since much weight lies in the geo-political factors, change in the US administration is more likely to bring a moderating effect as President Joe Biden is anticipated to follow a more moderate approach as compared to his predecessor Mr. Donald Trump, most likely engaging China, rather than antagonising it. However, not much change is expected as only one nation's leadership has altered. Chinese President Mr. Xi Jinping is likely to continue with his hard-line stance. In alliance with Japan, Australia, Pacific nations, Australia, and Southeast Asian countries, India is also emerging as the third pole of power. Seeing all these changes unfold, it is hard to see the end of globalisation. As a whole, we are indeed moving towards a more moderately globalised world where there exist multiple nodes of economic and strategic power, providing for more equitable distribution in wealth nation wise. Although not so much can be said about the equitable distribution of wealth within these countries.

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USING DEVELOPMENT TO DEVELOP

- Aparna Singh, MBA(BE) 1st Year

"The world is flat" as a phrase was popularised by Thomas Friedman in his 2005 book – the world is flat. It refers to the world becoming more accessible a place, where there is quicker accessibility with each passing era of globalisation. In this context, one might wonder and analyse how flat the world is in reality. For the purpose of this article, I have analysed the world trade in 2019-2020.

VERITAS ODIT MORAS - "TRUTH HATES DELAY"

GLOBALISATION AND FLATTENING

With evidence pointing to the possible trade between ancient civilizations of Harappa and Mesopotamian, one can say that globalisation as a process has existed since the beginning. As a recorded phenomenon though, globalisation started around the mid 15thC with the discoverers and navigators shrinking the physical barriers across countries. With each successive era of globalisation, the world has shrunk and become a rather smaller space. Each era of globalisation paves the way and forms the foundation for an even quicker successive era of globalisation.

GLOBALISATION AND TRADE STATISTICS

The trade to GDP statistics (world bank & WTO) points to the existing hierarchy among countries (by size & region). If one is to say that the world indeed is flat then, there are two possibilities in the context of world trade – one, that all the countries are able to reap the benefits of the globalised world trade and second that the countries are all at par with the latest of all goods, services and innovations. In the context of the latter of these two possibilities, it is easier to deny its existence. There are still countries in our smallest version of the world, post the three eras of globalisation, where the provision of basics and necessities is a blessing. Considering many of the African countries, one might even claim that it's difficult to see if even the earliest phases of globalisation ever reached such places. It is an evidence to the fact that only on the earlier developments or accessibilities can and has any country been able to build its capabilities and prepare itself for the successive developments either by self or by permeation from outside.

The former of the two possibilities rests on the assumption that the trade theories work and that countries are able to reap the benefits accruing from the use of specialisation theories in international trade. If in-fact this would've been realised, the trade to GDP ratios would've been reflective.

The world has also been a witness to the rising regionalism in the past five years with more countries becoming members to an increased number of regional trade and economic pacts and bilateral FTAs, more countries implementing barriers (tariffs, sanctions, anti-dumping duties). It signals a move away from free trade.

The trade data shown below show how world trade underwent a steep slide with the onset of COVID-19 pandemic. It clearly brings out the vulnerabilities that this globalised world is faced with.

SECOND QUARTER 2020 TRADE IN SERVICES

WTO OMC

GLOBAL AND REGIONAL PERFORMANCE

UPDATED ON 23 OCTOBER 2020

-30%

World trade in commercial services[1] plunged by a record 30% year-on-year in the second quarter of 2020. This is the steepest contraction since the financial crisis in 2009.

1. Average of exports and imports.
Source: WTO-UNCTAD-ITC

Declines in services trade were recorded across all regions. Services exports in the second quarter of 2020 were down 32% in North America, 29% in Asia and 26% in Europe on a year-on-year basis. Other regions declined even further, with exports dropping 41%. Imports also declined sharply with North American commercial services imports falling by 36%, Asia by 32%, Europe by 29% and other regions 42%.

Year-on-year growth, %,

	Exports				Imports			
	2019Q3	2019Q4	2020Q1	2020Q2	2019Q3	2019Q4	2020Q1	2020Q2
World	3	3	-7	-29	3	4	-4	-32
North America	2	3	-6	-32	4	2	-5	-36
Europe	3	3	-4	-26	4	8	3	-29
Asia	4	2	-14	-29	0	-1	-12	-32
Other	3	4	-6	-41	3	1	-5	-42

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FUTURE AND GLOBALISATION 2.0

The future of globalisation depends on the following:

- <u>Plugging the loopholes in the present world scenario:</u> At present, the world as a whole is faced with multiple issues with the environment demanding urgent action. These act as barriers to trade and thus also to globalisation. considering the climate change leading to increased frequency of natural hazards, the trade gets halted and a huge amount of funds which could have been ideally used to move ahead are then diverted to recover the damages. It's similar to the mathematical problems we encountered in our childhood where the object moved a few steps ahead followed by another few steps in the backward direction. Eventually, we end up finding and realising that factoring the (externalities) barriers into our movement ahead will determine how much we finally progressed. Drawing from this analogical statement, Investing and innovating in areas that can help resolve these issues while also making our lives safer, healthier and better in a developed world and upgrading and innovating the capacities of the industries as well as four other factors is the way ahead for the next era of globalisation.
- <u>Reducing the limits to trade and globalisation</u>: The world as we see today is marked by stark regional divisions. The major cities of the world are the places that have experienced the fastest of all eras of globalisation and associated development. This inequity has further exaggerated the divisions in all other

MONTHLY TRADE TRENDS: July 2020 - August 2020

WTO OMC

MERCHANDISE TRADE

UPDATED ON 23 OCTOBER 2020

Merchandise trade continued to decline for most regions in August 2020. China saw the only increase in merchandise registering 9% as world markets began to re-open and demand Chinese goods, including virus-related personal protective equipment. Merchandise imports fell across the board.

	Value, Bn$		Monthly year-on-year growth (%)						
Exports	Jul-20	Aug-20	Jul-19	Aug-19	Apr-20	May-20	Jun-20	Jul-20	Aug-20
China	238	235	3	-1	3	-3	1	7	9
United States of America[1]	113	118	0	-1	-29	-36	-24	-15	-15
European Union Extra-Trade	193	165	3	-5	-31	-32	-10	-9	-9
Japan	50	49	1	-4	-19	-26	-26	-18	-15
United Kingdom	32	30	-10	-16	-24	-34	-19	-15	-10
Korea, Republic of	43	40	-11	-14	-26	-24	-11	-7	-10
Memorandum items									
European Union Total Trade	*467*	*412*	*1*	*-6*	*-33*	*-30*	*-8*	*-7*	*-3*
European Union Intra-Trade	*273*	*247*	*0*	*-7*	*-35*	*-30*	*-7*	*-6*	*2*
Imports									
China	175	176	-5	-6	-14	-17	3	-1	-2
United States of America[1]	207	210	1	-3	-21	-25	-13	-8	-5
European Union Extra-Trade	164	152	-1	-8	-25	-28	-13	-14	-10
Japan	50	47	2	-8	-4	-24	-14	-21	-21
United Kingdom	52	54	11	10	-30	-32	-8	-16	-9
Korea, Republic of	39	36	-3	-4	-16	-21	-11	-12	-16
Memorandum items									
European Union Total Trade	*428*	*392*	*-1*	*-7*	*-31*	*-29*	*-10*	*-10*	*-4*
European Union Intra-Trade	*264*	*240*	*-1*	*-7*	*-34*	*-30*	*-8*	*-7*	*1*

aspects. Countries may be declared “developed’ or ‘developing’ but that doesn’t translate to equitable accessibility of resources for people within the country. Major markets across the world are driven by the consumption of the top 10%- 20% people of the world. It becomes imperative to question then if a market size of 20% world population is preferred over the entire population. It’s a clear fact that two legs of a fully functional body will be able to equitably function and thus drive the body to a greater distance with ease as compared to a disabled body with, say one functional leg. Compare this to say the population in India where 20% can access most of the things while the rest 80% cannot. We are one of the worst performers in hunger, malnutrition, crime, systemic injustices. If only a section of the country prospers disproportionately, how much of the demand can be catered and how much of the potential trade (by value & volume) be realised? With information barriers dying out, countries are chalking out their course of movement across all realms- political, economic, societal. The World as a collective society needs to build the next era of globalisation on this development.

CONCLUSION

The trade statistics and patterns across the world posit a grim picture, more so for the year 2020. Taking this into the context of the world scenario, one can say that this isn’t the end of the beginning of globalisation. It is rather an opportune time to evidence this as the beginning of a new era of globalisation with greater learnings and better insights of what the world is in requirement of. Sustainable and equitable growth must be at the core for this new era of globalisation to flourish without being pushed into our past.

WORLD ECONOMIC SITUATION AND TRADE PROSPECTS

- Jincy Chandeliya, MBA(BE) 1st Year

GLOBAL ISSUES

The year 2020 began with a lot of expectations in terms of economic development and there were plans worldwide to help accelerate the worldwide economy and take the trading terms at a great par at the global level. This if achieved could have built a great momentum to achieve the targeted growth in various countries. But on a technical level we have seen that in the beginning of the year 2020 we were seeing a pattern of sluggish growth which was also impacting development at a global level like in achieving sustainable development goals, in improving the energy sector and real estate and most importantly also pushing up the major core industries in the world. There were many plans and policies that were encouraging to cite changes worldwide to enhance trade and improve the stagnant growth graph of various developed and underdeveloped economies. There was a fall recorded in the per capita income of the countries in western Asia, Africa etc. As we know that the economic growth around the world remains really uneven, hence there were major planning's to create decent jobs, to provide access to clean energy, and achieve many other sustainable development goals and steps were listed to eradicate poverty with the launch of various schemes.

ECONOMIES IN TRANSITION

But then the most unexpected pandemic happened creating a worldwide emergency in the health sector and led to the shutting down of most of the major economy driving sectors. The epicentre of the disease originated from China, and hence went on spreading worldwide with an exponential rise in the number of cases and created a great health hazard globally. COVID-19 is a highly contagious disease and can be very easily spread through interaction. This health crisis globally led to major economic failure. All of sudden industries like crude oil, automobiles, real estate, and various other sectors saw a major downfall as there was not much revenue generation to keep going and sustain. This further led to a financial crisis, declining jobs causing severe unemployment and increase in poverty. The world trade almost saw a full stop on the export and import of the services. The pandemic still continues to grow and the economies try to revive.

DEVELOPING AND DEVELOPED ECONOMIES

China being the originator of this disease is still performing well and is able to achieve a good GDP in its first quarter whereas developing nations like India saw a major downfall in history in their economy of approx. -23% downfall in the overall GDP OF 2020. There have been major problems of migrant workers crisis in the country as well which led to large scale unemployment and dislocation of people from their main working areas. In the gulf countries, the oil prices saw a downfall and there was hardly any contribution in the GDP by this sector. There has been a weak domestic as well as highly weak external demand in the major core industries worldwide, which affects the trade as well severly. As per the forecasting studies done by many western countries it was expected that they will see a hike in there GDP by approx. 2.4% in 2020 but unfortunately due to weak demand and lagging economic reforms due to pandemic has led to a negative growth graph.

Talking about European Union (EU), mainly countries like Italy and Spain saw a major pandemic hit. Claimed to be the topmost in the health sector they too saw severe losses. There was a steady decline in the population as lots of deaths happened and the mortality rate was affected. Having worked on the policy making, external and structural changes they planned a strategy to revive the economy. They had predicted to see a limiting growth of approx. 1.6% by the end of 2020. But the circumstances went against the economic momentum and hence they faced various global issues, the exporters suffered badly as they had various challenges including tariff problems and had to suffer and were economically not in a stable condition to take strong corporate decisions and hence act wisely. Many pre-established business models were considered doubtful. The policy makers were under deep stress to make policies with new paradigms. All these above mentioned factors affected the performance of traders and thus led to suppression of exports and imports in the world economy. Demand plays a great role in the growth of any economy with great trade and hence this pandemic period saw a major downfall in the demand figures thus leading to not much revenue generation and slowing down globalisation.

GLOBAL ASPECTS

Globalisation is a phenomenon that promotes growth. But in 2020 we almost saw an end to globalisation as the factors determining globalisation were negatively impacted and worsened. The cross border flow of goods and services, the cross border flow of people and knowledge, and the cross border flow of financial instruments and investments experienced a major downfall. Main research papers termed globalisation for 2020 as “slowbalisation”. Though globalisation also brings new uncertainties and risk among the domestic and international markets for competition but due to this global crisis there was no such market interaction to promote such globalisation. The economies have started reviving as they move forward to take essential measures to bring back the growth trajectory on track and see the rise in their GDP. SMEs are also encouraged and promoted to bring good profits. Thus, slowly the goals will be achieved as the pandemic has widened the gap between the goals and the results.

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GLOBALISATION BEFORE AND AFTER COVID

- Prajit Sarkar, MBA(BE) 1st Year

From the time mankind has existed, one trait has always remained constant amidst our chaotic and ever-changing existence and that is our capacity to stand firm in our beliefs and opinions. Take, for instance, our unwavering belief in the fact that the earth is flat and then think about the amount of time and effort it took by a minority of us to dispel that theory and notion. Fast forward thousands of years and one such belief that has been circulating and steadily gaining traction over the last century is that globalisation is the only way forward and no country can deliver long-term prosperity on its own.

Globalisation is the process of interaction and integration among people, companies, and governments worldwide. It is mainly an economic process of interaction and involves increasing interdependence of world economies as a result of the growing scale of cross-border trade of commodities and services, the flow of international capital and wide and rapid spread of technologies.

A BRIEF HISTORY

The first wave of globalisation started as early as the 19th century and ended with the advent of the first World War. The second and third waves started in the decades after the end of the Second World War and gradually gained momentum before finally giving birth to Globalisation 4.0, the latest stage.

IMPACT OF GLOBALISATION ON ECONOMY

There is no question there has been a positive impact of globalisation on the world economy.

World per capita GDP has rocketed from $680 to $6500 in the last century. World population is now 6.1 billion. The 0.9 billion in the OECD area live comfortably ($28,000 GDP per capita, in 2000 dollars). The 1.8 billion in East Asia ($4,600) and 0.5 billion in Latin America ($7,200) are on their way. The 1 billion in India ($1,900) are making progress. That leaves 1.9 billion living in areas where income is low ($2,900) and often falling-the former the Soviet Union, most of Africa, Iraq, Iran, Afghanistan, Pakistan, Bangladesh and Burma.
What do 20th-century losers have in common? Virtually all of them rejected international economic links, either explicitly (the old Soviet Union, the new Burma) or implicitly (most of Africa). What do 20th-century winners have in common? They embraced the international economy e.g. Japan, Korea, Taiwan, Spain, Ireland, Greece etc. What do 21st-century starters have in common? They are joining the international economy as fast as they can e.g. Chile, Argentina, Brazil, Mexico, China, India, Poland etc.

SETBACKS DUE TO COVID-19 PANDEMIC

But all of this progress can be halted and be unravelled due to the recent COVID 19 pandemic which has forced us to rethink our strategy. The World Trade Organisation (WTO) is predicting that trade may fall by a record 32%.
The pandemic has greatly disrupted the global value chains (GVCs) which link producers across multiple countries. The underlying anarchy of global governance is also being exposed to this situation. France and Britain have squabbled over quarantine rules, China is threatening Australia

with punitive tariffs for demanding an investigation into the virus's origins and the White House remains on the warpath about trade. Around the world, public opinion is shifting away from globalisation as a result of this. People have been disturbed to find that their health depends on a brawl to import protective equipment and on the migrant workers who work in care homes and harvest crops. Trade will suffer as countries abandon the idea that firms and goods are treated equally regardless of where they come from. Governments and central banks are asking taxpayers to underwrite national firms through their stimulus packages, creating a huge and ongoing incentive to favour them. And the push to bring supply chains back home in the name of resilience is accelerating. The flow of capital is also suffering, as long-term investment sinks. Chinese venture-capital investment in America dropped to $400m in the first quarter of this year, 60% below its level two years ago. Multinational firms may cut their cross-border investment by a third this year. America has just instructed its main federal pension fund to stop buying Chinese shares, and so far this year, countries representing 59% of world GDP have tightened their rules on foreign investment.

BIRTH OF A NEW TREND?

As we know it, all this has intensified talks about the end of globalisation, also termed as "de-globalisation". Some experts say that the process is already underway and we have entered into a new era of diminished interdependence and integration among countries. Truth is, this has been a long time coming. The latest stage of globalisation already peaked in 2008. The world trade to GDP ratio has been steadily declining every year since then and trade growth has been abnormally weak in recent years. World trade volume fell in 2019, even though the world economy grew fairly steadily. The COVID 19 pandemic has only added more fuel to the fire and added momentum to the de-globalisation trend. In key developing countries – notably China and India – the intellectual and policy landscape is tilting sharply toward self-reliance and inwardness.

CONCLUSION

To conclude, we are, yet again, at a crossroad, an important point in our history and success or failure will depend on the capacity to navigate these murky waters. Hopefully, just like we have been doing since the beginning of time, we will brave this unprecedented scenario and come out of it better and stronger.

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DIGITIZING ATMA NIRBHAR BHARAT

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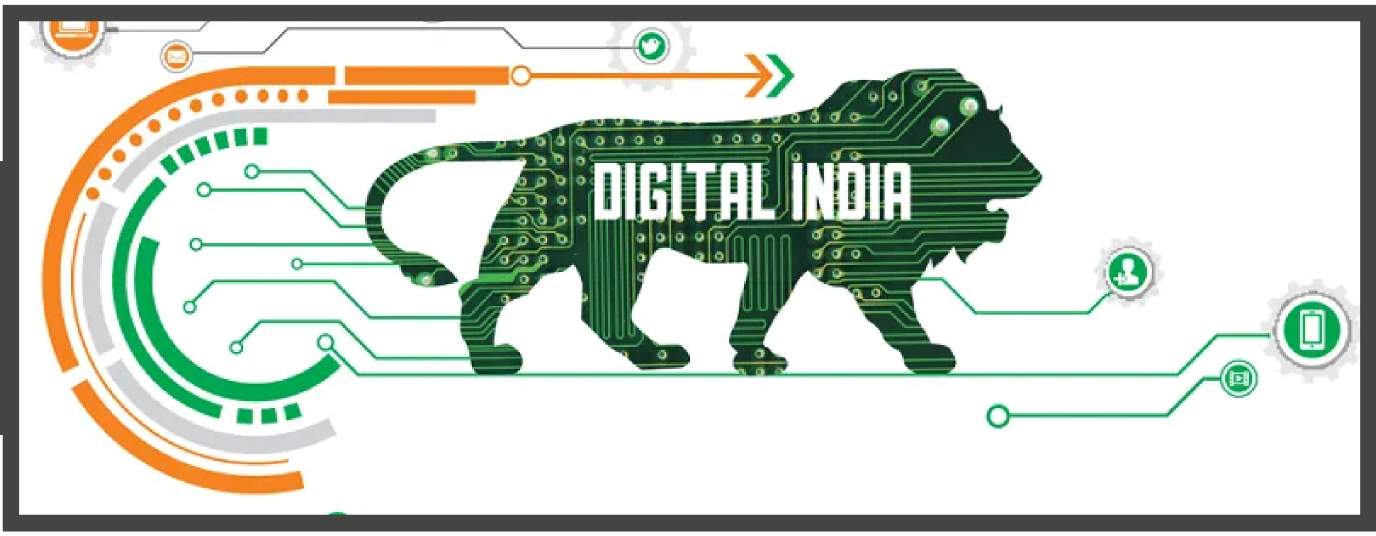

India's mission to become Atma Nirbhar is not just a vision but a very neatly arranged financial methodology to transform India into a tech hub and further the Ease of Doing Business. Active participation of global supply chains with self-sufficiency in the present context, leveraging internal strengths with a sense of personal responsibility and national mission, decentralized localism, and taking pride in local brands in encouraging local capacity building and digitizations are essential elements which need to be worked upon in making India a self-sufficient nation.

PATH TO ATMA NIRBHAR BHARAT

India's capacity to recoup from the effect of Coronavirus and its economic contraction relies upon the resilience of domestic industries. The goal is to promote Indian industries through digital reforms and government interventions and make them competitive enough to take a stand at the global level. The primary focus all over the globe is to boost domestic capabilities so that the nations become able to absorb future supply chain shocks. Perpetual dependence on the external sector for a long time prompts developmental gaps in the economy. Lack of satisfactory Personal Protective Equipment (PPE) production capacity and high import reliance of India on China for Active Pharmaceutical Ingredients (APIs) caused a crisis for India during these trying times. It is high time to unite the nation and funnel in on the idea of building a self-sufficient Bharat.

HOW DO WE BECOME ATMA NIRBHAR?

The idea of Atma Nirbhar Bharat depends on the five mainstays of Economy, Infrastructure, System, Demography, and Demand. The government has tried to address different sectors of the economy, such as businesses including MSMEs, economically weaker sections including migrants and farmers, agriculture, and new horizons of growth with government reforms highlighting the importance of preferring local products and be vocal about them and help these local products in becoming global. Various large scales and long term measures like strengthening public regulations and innovations in digitalization need to take place so that even the poorest can contribute. The education sector, e-commerce, and skill development initiatives need to get heavily invested in complementing the much needed structural reforms for Atma Nirbhar Bharat.

ROLE OF DIGITIZATION IN ATMA NIRBHAR BHARAT

The adoption of "digital" across India got fuelled during the pandemic, and the country is becoming an ideal destination for virtual global investors offering higher returns with reliability, demand with democracy, stability, and growth. The use of technology could be a big game-changer in India, and every brand is putting digital at the center of its operating model. Digitization will help build resilience into operations and create a strong foundation in changing the entire business model with investment in cloud, AI, IoT, deep learning, augmented reality, and analytics and help organizations achieve the promise of Industry 4.0. The process of placing India at the heart of the global supply chain and the vision of atma nirbhar Bharat depends on long term stable policies, matching quality through the latest technology, and achieving scale and affordability.

Brands are focusing on faster digital transformation projects and niche delivery technology-focused services. There has been an acceleration in spending on cloud projects, with around 10% of Total Contract Value of digital transformational deals having expanded. Companies are now putting discretionary spend in the areas where they can generate more revenue. The challenge is to bring all the data processed from the back-end and front-end operations to build insights for future product strategies and unify the entire digital footprint across the organizations. In this way, the organizations estimate incrementality for each promoting dollar spent towards the acquisition and retention goals, shifting their concentration in building a robust consumer acquisition and retention playbook with profitability and lifetime estimation of clients at its core. The importance of profitability and improving return on marketing and promotion spends have become more significant with regards to pandemic-driven financial vulnerabilities.

CONCLUSION

The markets have fundamentally shifted from offline to the online business model. And to take advantage of 150 million existing online shoppers, leading e-commerce brands are embracing mobile-first approaches to acquire the consumers early and proficiently. Individuals are currently settling down to a better approach, adopting the new way of life, and making it their own. This opens a pathway to advance local brands through digital marketing among India's fast-growing digital population of more than 500 million users, which plays a crucial role in the consumer path-to-purchase.

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IS LOCALIZATION EDGING OUT GLOBALIZATION?

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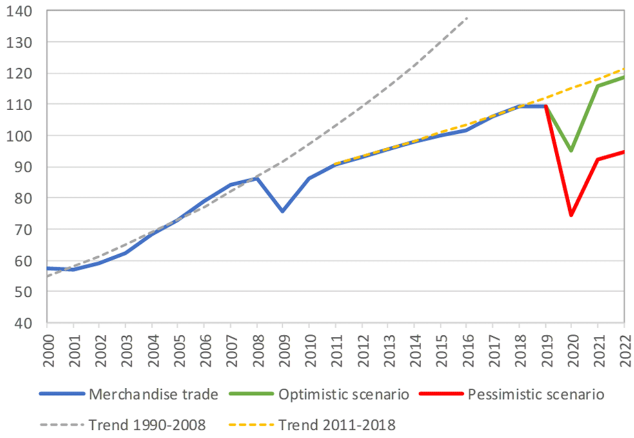
The pandemic, the uncertainty with a hint of nationalistic tendencies, is this the recipe for the end of globalization? The answer to the questions arising from the spectrum running through the management of supply chains to the selling points hinges on expectations about the future of globalization.
The pandemic has caused the whole world to go on a back foot. Simultaneously, the necessary lockdowns have blocked many industries' path, leading to an unprecedented fall in the global economy. But is the pandemic only to blame? Ever since the global financial crisis of 2008, wealth inequality & unemployment started increasing in each country, and the adoption of pro-nationalistic policies gained traction. We also saw that even before the pandemic, US-China Trade War and UK & USA's ban on Huawei leading to technological war with China was already going on. The pandemic only amplified the tensions between these countries. The free market Ideology had already seen quite a blame in the financial crisis of 2008 & now the pandemic exposed the fragility of these supply chains. World Trade Organisation economists predict that the decline will likely surpass the trade slump brought on by the global financial crisis of 2008-09.

FORECAST

A projected 13-32% decline in merchandise trade would be a tremendous drop, especially in this complex, interconnected world economy. A 30-40% reduction in foreign direct investment has also been predicted. A double-digit decline seems quite intimidating, but that's not the case here. FDI inflows are highly volatile, and even in 2008, they fell by 38%. Apart from these, there's also been a 44-80% drop in international airline passengers hence collapsing the tourism industry, which contributes more global output than automobile manufacturing. As of late April, almost every country had imposed restrictions on international travel, while 45% of them had partly or entirely closed their borders to foreign visitors. Airlines were flying at 10% capacity on international flights compared to 38% on domestic flights. This dip also disabled business travels, leading to a loss in international trade and investment.



Even the pessimistic forecasts cannot imply a retreat to a world with disconnected national markets, nor does shrinking FDI flows necessarily foretell a withdrawal from globalization altogether. The FDI trends won't directly hamper the foreign business activity of multinational firms. The unprecedented collapse of tourism does, however, follow an international travel boom. Hence the effects of these three could be overturned once the pandemic gets under control. The protectionist approach taken by nations, however, may change the sentiments of the global market. Given the hardships faced by countries over the past decade, it is expected that globalization's reversal will start with developed countries. Unexpectedly though, we also see developing countries taking part in it. We witnessed our Prime Minister make a pitch for India to become more self-dependent. China, one of the largest exporters globally, used its trade policy (banning beef imports) to retaliate against Australia over demand for an investigation into the origin of the pandemic. The winds that are blowing against globalization originate with the political leadership guarding these countries.

WAY FORWARD

To get the plunging interconnectivity on track, leaders' willingness to follow the future patterns is an absolute necessity. Every crisis is an opportunity; therefore, global business leaders can go beyond just watching disease trends and help tilt the balance from negative to positive feedback loops by contributing to health, growth, and international cooperation. Technological shifts such as the unforeseen reliance on e-commerce, videoconferencing, and automation have all been escalated by Covid-19. Before the pandemic, many focused on how new technologies would reduce global flows. But now we see the other side of the coin, which shows the true potential of how technology can strengthen globalization if not constricted by isolationist policies. The technological advancements in 3D-printing would lead to more trade contrary to the opinions withheld; besides that, cross-border e-commerce would expand export opportunities, especially for smaller companies. Business leaders can therefore think productively about technology and globalization and take a structured approach keeping in mind the implications of it and harness opportunities offered by new technologies.
Supply Chain policies are one of the main factors of the system, and they have the potential to reshape trade and FDI flows. It depends if the country would try to foster self-sufficiency or boost through international diversification. According to Economists, the latter approach is always preferred, coupled with the nation's power to gather true essentials, but politics might force the former. With competing blocs being China, the United States, and Europe, the world is watching an isolated response to the economic challenges. Europe, the world's most connected region, has also failed in giving a unified response to the pandemic. Therefore, the notion of a resurgence of isolated regions shouldn't be tossed aside. Most international flows already take place intra-region, and over the past few years, short-distance trade has not grown faster than long-distance trade. There is a high possibility of a more regionalized world, but one cannot count on it. Hence the global issues will, at the end of the day, remain global issues, and mutual cooperation of nations would be required to mitigate and resolve them.

CONCLUSION

The pandemic may have prompted a wave of globalization obituaries, but the recent forecasts imply that global leaders should plan in accordance with the globalization and anti-globalization sentiments. Pressures of both sides must remain resolute features of the business environment. The Vocal for local attitude in partnership with a global collaborative stance is the way to go for ever-tilting global scenarios.

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GLOBAL SUPPLY CHAIN MODEL: REDEFINING THE CHINA FACTOR

- Rajkiran V, MBA(BE) 1st Year

The year '2020' is being regarded by many as one of the worst years in the history of civilization. It may or may not be, but when we take the global trade into account, it is undoubtedly the darkest period we ever came across. There hasn't been any other year in recent modern history where the entire global economic activity came to a standstill for such a long period. This year has clearly exposed how vulnerable the nations are when it comes to interdependent trade.

THE DOWNSIDE

After the almost two-year-long trade tensions and tariff war between the US and China that dragged the world economy, this year began with a slight optimism for global trade as both US and China decided to sign a modest trade deal between them. But things started turning upside down when WHO declared Covid-19 as a public health emergency of global concern and following the announcement of complete lockdown in china- 'the de facto factory of the world' lead to a complete pandemonium in the supply chain world. The tremors of the disruption were first felt in the auto sector as most of the automakers around the world rely heavily on China for procuring machine parts. Some of the major auto firms like Hyundai and Fiat Chrysler halted most of its production in Europe and Asia due to a shortage of components coming out of China. The global Pharmaceutical industry too, faced the wrath of the pandemic due to its high dependence on China. Just to describe the scale of dependence, India, the world's biggest exporter of generic drugs, depends on China for about 70% of its active pharmaceutical ingredients (APIs).

The above figures raise two potential but straightforward questions. First of them being, how China-centric is the current global supply chain network? And secondly, will this model remain the same or see a shift in the post-Covid era? Coming to the answer to the first question, over the past three decades, supply chains have become increasingly global. This change was accelerated by an increase in tradable goods and services. China started its reform and opening around the same time and achieved a tremendous growth of 9 percent within two decades. At the end of that period and even up to the early 2000s, many economists were of the view that China won't be able to continue that growth rate much longer due to the lack of basic fundamental reforms.However, China maintained its growth momentum through various measures like providing abundant cheap labour, a lower tax system and better production incentives which attracted a lion's share of global MNCs to shift their manufacturing units to China. These measures predominantly helped China in monopolizing the global supply chain network and thereby making its way to become the second-largest economy in the world.

Apart from the above measures, one of the key factors that helped China in dominating global trade is its ability in supplying intermediary goods. It is in fact the world's largest exporter of intermediary goods, providing one-third of the intermediate goods that help turn raw materials into finished products. According to a recent report by the Mckinsey Global Institute, China supplies the critical components in 70 to 85 percent of the world's solar panels, 75 to 90 percent of high-speed rail systems, 60 to 80 percent of agricultural machinery, and 40 to 50 percent of cargo ships. Also, China accounts for about 13.2% of the total global merchandise exports and 4.6% of the global commercial service exports in 2019. These figures directly give us an insight into how interdependent the countries are on China for production.

'CHINA PLUS ONE'

Now coming to the answer for the second question, it is obvious that there will be a shift in the China-centric model due to the growing global anti-China sentiments, but there won't be a complete change rather many countries will try to adopt a 'China plus one' strategy. By adopting this model, countries become less vulnerable to supply chain disruptions, currency fluctuations, and tariff risks in any individual market. Japan is one of the countries which has adopted this model recently. In April, the Japanese government set aside a whopping $2bn (220bn yen) in subsidies for Japanese manufacturers to relocate locally, and a further $230m (23.5bn yen) for firms relocating from China to Southeast Asian nations. Sensing this opportunity, other Asian economies like Vietnam, Taiwan, and India are already at the forefront to woo these firms for local production. India's recent measures like announcing flagship PLI (Production Linked Incentive) schemes, lowering corporate tax, identifying the land bank, and single window approval systems are all examples of how the nation is preparing to benefit from the shift.

CONCLUSION

So, looking at an overall scenario, we shall see some considerable changes in the current global supply chain model post-Covid, the main reason being rising global anti-China sentiments. But these changes won't happen overnight; rather, it will be a gradual one as there are huge costs and time associated with this process. After all, the potential factors driving out China's position in global trade will likely be the emerging markets, changing technologies, and patterns of wealth. Meanwhile, to tide over the present crisis and brace for future global impacts, the countries should mainly focus on diversifying their supply chain and procurement routes. They should also refrain from adopting any new protectionist or inward-looking trade policies as these measures will only act as a barrier to the expansion of the global economy in the long run.

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ANALYTICS - A GATEWAY TO A SUCCESSFUL BUSINESS

- Ratnesh Gupta, MBA(BE) 1st Year

"DATA IS THE OIL OF THE 21ST CENTURY, AND ANALYTICS IS THE COMBUSTION ENGINE."

Data is a lifeline for nearly every organization in today's world. Without analyzing data, an organization would be blind as to what to do in the future. It helps them to make plans, strategies, decide the course of action with respect to promotion mix, product mix etc. and decide future objectives.

So, here comes the concept of Analytics. Analytics is the systematic analysis of big data regarding the collection, computation, interpretation, and communication of said data. It has gained so much importance in recent years that in fact, firms are establishing dedicated in-house units specifically dedicated to data analytics. There are also many firms that are set up to function specifically in the area of data analytics only!

Experts in the industry are saying that pre-covid data will be invalid now due to the overhaul of the economies and the resulting decrease in the growth of markets. This has forced companies to invent new strategies. And how will they do that? By collecting new and fresh data and analyzing the future course of actions. According to Forbes, 79% of top managers agree that companies will perish unless they embrace big data. So, analytics is more important than ever.

Coming to some eye-opening facts about data, people generate about 2.5 Quintillion bytes of data every day! And unstructured data is a problem for about 95% of the business, which cements the importance of data analytics. Around 44 ZB of data will be stored by the end of 2020. This huge amount of data generation invites the firms to utilize the potential of invaluable conclusions and summaries that they will make after analyzing such data.

HOW ANALYTICS HELP BUSINESSES

As mentioned above, it is becoming one of the more important factors day by day. Without it, businesses wouldn't know their sales performance, they wouldn't know the customer's perception and demand, they wouldn't know if the suppliers are overcharging, or if some internal employee is siphoning funds. The firms can also use analytics to ascertain their position in the respective industry. They can also use the analytics to even find out how the employees are doing i.e. if they need a raise, average number of complaints, which and when an employee needs a promotion, etc. All these cases require data, and if correct data is available at the right time, management can make decisions in the nick of time. Fortunately, thanks to advanced technologies like cloud storage and SSD, storage and retrieval of data is easier than ever. Companies like Facebook, Google, and other Silicon Valley companies can't even exist without data and its analysis. In 2015, companies using data analytics experienced a profit increase of 8%. Seeing the importance of analytics in the modern era, current companies using analytics to drive their businesses are seeing a huge increase in their profits. So, it can be rightly said that analytics provide a more meaningful, viable, and profitable direction to businesses, provided that such businesses know exactly what to do with such data.

DOES ANALYTICS DEPEND ON BUSINESSES?

Businesses (and consumers) generate data. If there is no data, there will be no analytics. The nature of the business decides what type of analytics will be done. The size of a business decides the quantum of data and its analysis. The time of business decides when the analysis has to be done. Place of the business decides the place from where we have to collect the data. Data analytics is also affected by company policies, funding and quality of data collection by the business. So, we can safely say that Businesses give purpose to analytics.

ANALYTICS WITH THE HELP OF CURRENT TECHNOLOGIES

Analytics is also driven by the growth in technologies, especially silicon technologies. Analytics, coupled with AI, provides unmatched and precious insights. Artificial Intelligence (AI) tools such as Machine Learning (ML) and Natural Language Processing (NLP) have made it easy to interpret big data. Also, these tools are easily and freely available to everyone. So, everyone with basic analytics knowledge can start and learn much more with these tools. Let's see how Twitter handles Big data with the help of several AIs. Twitter currently has around 328 million monthly active users, which gives us an idea of the amount of data it generates. Its in-house engineering team, called Cortex, is responsible for developing and effectively using AIs to handle such big data. Specifically, it uses data analysis to map a user's habits i.e. what he tweets, what tweets he likes, what he shares, what pages/ celebrities he follows, and much more. By mapping such habits, the AI predicts and recommends what content would be relevant for that user. This in turn generates more data that is used by the same AI to predict and recommend the next relevant content. This process goes on continuously and this is the reason a user's dashboard remains fresh with the latest and relevant tweets and content. This is one of the many examples of how data analytics is utilised to make the user experience more smooth and engaging.

CONCLUSION

Old and no-longer viable business techniques are being eradicated to accommodate more technical and logical aspects like analytics. Also such that ML and NLP are being used extensively to make data analysis more efficient, proficient, faster, and meaningful.

Analytics is driven by businesses, and in turn, it also drives businesses. In short, both are dependent on each other. Businesses can’t function efficiently and competitively without analytics and Analytics are meaningless if there is no one to do it. Given the huge amount of data nowadays, due to the ever-growing technology and pandemic, analytics has become a defining sign of operational efficiency and profitability. In the future, eventually, Analytics will become mainstream and will be taught in every T-school and B-schools as an everyday subject, just like Economics and Maths. But for now, analytics has to cement its place as a fundamental basic requirement when doing business.

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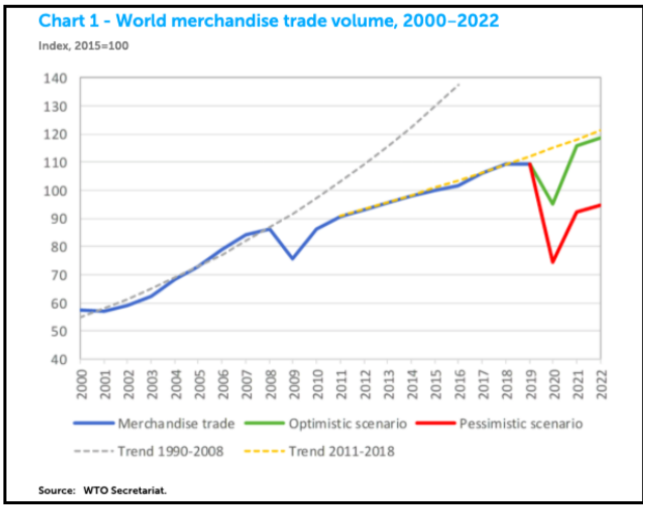
ARE WE REVERTING TO CLOSED ECONOMIES?

- Rishabh Awasthi, MBA(BE) 1st year

The world had fallen into disarray after the COVID-19 pandemic. Things kept on becoming uncertain and complex, our day-to-day conversations became ambiguous, and volatility acted like it always does. Amidst all this, organizations have reported that they have experienced efficiency rates like never before and the reason for all this is the COVID-19 pandemic. It has acted as a catalyst for organizations on their path to digitalization. Workforces are completing tasks with ease from their homes and communication is happening at the click of buttons. Connections are being made all over the world, businesses are connecting from one corner of the world to another without even dropping a sweat. But with the emergence of terms like “slowbalisation”, will these businesses continue to reap these benefits? Advanced economies are moving towards localization, fixed investments globally are on the decline, and animosities because of the pandemic are on the rise. Are businesses factoring all these happenings around us in their growth projections? With the way our government is pushing the ease of doing business rankings, will it matter by 2025? We just didn’t witness the trade war between China and the United States of America but also saw a close to the UK leaving the European Union in the last few years. Just last year, the World Trade Organization’s dispute settlement mechanism was disbanded. According to the WTO, 92 trade and trade-related measures have been notified to the WTO. However, the number of export restrictions is likely much higher and what’s shocking is that the European Union has imposed export restrictions. Many of the restrictions relating to items that are necessary for fighting the pandemic; however, WTO has also been notified of restrictions related to food. As a general rule, export prohibitions and restrictions are banned but some exceptions allow export prohibitions or restrictions temporarily applied to prevent shortages of food supplies or other products which may be essential to the exporting country.

COVID-19 PANDEMIC: A BOON OR A BANE?

So, will we embark on a reverse gear or it’s just that the pace will slow down? It is evident that the gears have shifted but will they eventually shift to reverse? Many of the recent events clearly indicate that global trade is experiencing a slowdown. It could be attributed to the animosities between countries and the pandemic. According to Deborah Elms, executive director at Asian Trade Center, governments around the world are becoming protectionist and trying to limit the economic damage from the pandemic. Protectionism will not just be in terms of medical supplies but also in terms of food supplies as well. As evident from the Export Prohibitions and Restrictions information note published by WTO on 23 April 2020, most of the restrictions or export prohibitions have been introduced as a result of the COVID-19 pandemic and most of the restrictions target items that are listed by the WTO as items relevant in fighting the pandemic.



As it can be seen in the above graph and as per a press release by WTO on 8 April 2020, the trade never returned to its previous trend after the financial crisis of 2008-09. The current pandemic can be compared to the crisis of 2008-09; however, strong assumptions would have to be made to make forecasts about trade volumes. Also, it would be an optimistic approach to see a close to the pandemic in the near future and recovery to be strong enough to bring trade volumes back to pre-pandemic trends. It is also noted in the press release that most regions could record double-digit rebounds in 2021 provided the pandemic is brought under control and trade starts to expand again.

CONCLUSION

So, why is it that the net result is everyone is worse off because of export prohibitions and protectionist approaches? For each country, solutions like restricting trade and focusing on domestic level make sense. But export restrictions come with considerable risks. EU's export restrictions could actually worsen the EU's supply of medical goods as the EU is dependent on import of products for medical care and protective equipment.The EU might land in a worse situation if countries like China implement export prohibitions such as that of the EU. It can be noticed that we might not get back to pre-pandemic rends even if we have an optimistic scenario. But saying that this might be the end of globalization does not seem to be the case. Global trade has definitely slowed down, and the levels might even go further down. Recovery after the pandemic is bound to happen, it's just that it is hard to forecast how strong the recovery would be. At the current point of time, it's not evident that we will witness an end to globalization and revert to closed economies. The world economy already went through the crisis of 2008-09 and is working its way out of the current one as well. There have been export prohibitions or restrictions and protectionist approaches but sooner or later, countries will realize that they end in a worse situation after imposing such restrictions. The world has opened up and a lot of countries rely on others because essentially resources are scarce, and technology is limited. Even with the dispersion of technology, resources are something that will always be scarce and the central problems of an economy will continue to exist in the future. Many attribute globalization as the cause of this widespread disease; however, our economies wouldn't have progressed if not for globalization. The standard of living wouldn't have improved if not for globalization. Globalization will certainly slow down, but we won't see an end to it and closed economies do not seem to be a pragmatic approach given the consequences of just export prohibitions.

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EFFECT OF PANDEMIC ON NON-MOTORISED TRANSPORT

- Shashank Shekhar, MBA(BE) 1st year

In India, over the past four decades, the number of motor vehicles has increased significantly, resulting in high congestion levels, road accidents, environmental degradation, social inequality, and city pollution level. Today Indian road transport is pestered with multiple problems such as limited multimodal integration, degraded footpaths, inadequate public transport systems, and non-existing cycle tracks. Due to these inefficiencies, low emission vehicles are gaining momentum worldwide. Non-motorised transport (NMT) is a human-powered vehicle which includes walking and bicycling, and variants such as small-wheeled transport (cycle rickshaws, skates, skateboards, push scooters, and hand carts) and wheelchair travel. All these modes of transport have a low carbon footprint, local emissions are zero, and minimal energy consumption, which makes NMT an inexpensive mode of transport. Several studies identify from their study that bicycle is one of the cheaper and cleaner modes of transport for people residing in an urban area.

JEOPARDIZATION ON TRANSPORT SECTOR

The choice between different modes of transport is influenced by Infrastructure, socio-economic factors, service quality, income level, etc.. Yet, in the recent days of a pandemic, these factors are adversely affected. The global pandemic situation forced the government of many countries to impose lockdown to avoid the spread of the deadly virus. Thus, the nation-wide lockdown imposed by the Indian Government forced 1.3 billion people to live inside their homes, which affected people's movement and lifestyle. The outbreak of COVID-19 has changed the way we interact with the world around us. With the exponential increase of the virus, public mass transport has become a highly suspected transmission risk due to more ridership and limited space. Public transport has several shared surfaces like handles and seats on which we usually rely to keep us comfortable and stable, but indirectly encourage touching.

The World Health Organisation has recommended that nations enforce lockdown strictly and encourage social distancing among the people. Due to the spread of the deadly virus, governments were forced to shut down all education, recreational, public and commercial centres and other places with high footfall as a precautionary measure, which adversely affected the transportation sector. Due to the global pandemic situation, there has been an increase in the share of driving personal vehicles compared to public transit trips as per the reports of Apple Mobility Trends. The rise in the use of personal vehicles results from maintaining social distancing and the overcrowding nature of public transit in developing countries. Every day the number of ridership from public transport decreases exponentially, which raises a question of whether these changes will have a long-term effect? Whether people will shift towards non-motorised transport systems? Or whether traffic patterns will simply follow previous trends after the pandemic has ended?

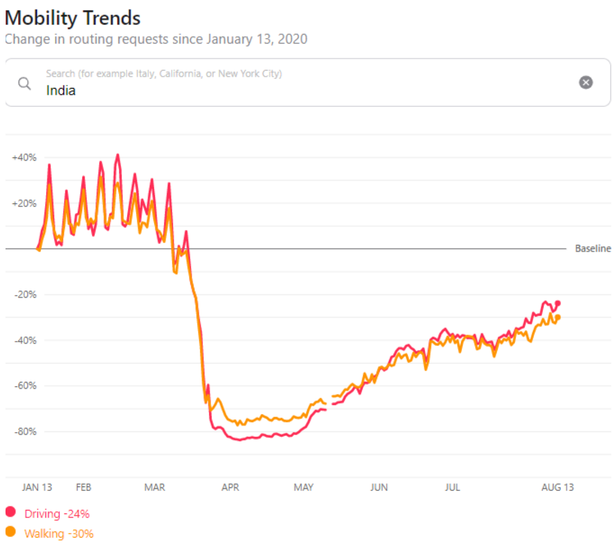
The pandemic and the resulting lockdown have hit the transportation sector, affecting the footfall in commercial and retail centres and even religious places. The public places, especially markets, commercial and shopping centres, have shut down except for essential goods and medical shops. The change in activity patterns is drastic in this pandemic situation. Figure 1 shows an increase in activity in residential areas by 29%, and the transit stations have noticed a decrease in activity by 75%, whereas a decrease in visits to retail and recreation by 84%. The data has been taken and analysed from Google COVID-19 community mobility trend for the period February 15 to August 11, 2020.

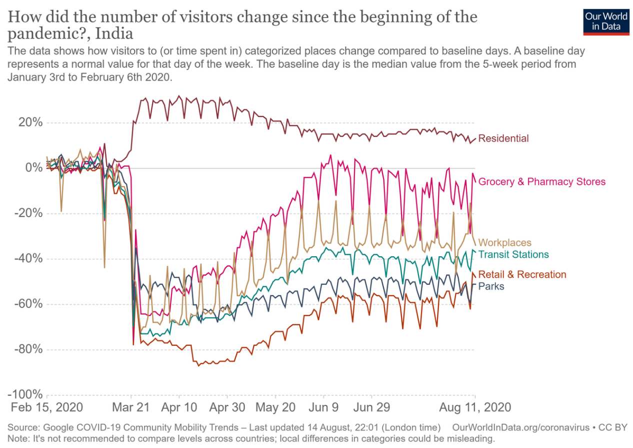
NMT COMING INTO ACTION

The Ministry of Housing and Urban Affairs advised the states to promote NMT and take adequate initiatives to prevent transmission of coronavirus infection through public transport by adopting the right sanitation, containment, and social distancing measures. The ministry also suggested that most urban trips range up to 5 km, so NMT modes should be used and encouraged in this pandemic. The use of NMT will require low cost, less human resources, and the modes are easy to operate and use along with other benefits such as environment-friendly and sustainability in the long run. The ministry stated the examples of other cities globally, which has encouraged e-ticketing, digital payments, and reallocating street space for cycling and pedestrians through street closures, creating NMT priority zones, pop-up bike lanes and sidewalks, providing parking and charging equipment and financing options to make cycling more accessible. The ministry also stated that 30-40% of commuters use a bicycle as a mode of transport in the country depending upon the city's size, so there is a need to promote NMT initiatives.

In India, people rarely choose voluntarily to cycle. Most of the cycle trips are taken by the people who have no other option; they are captive riders. The Smart City Mission government encourages Public Bicycle Sharing Scheme, but lack of infrastructure, safety, and convenience discourages people from using bicycles even for small distances.
Due to this pandemic, the corporations, authorities, and companies worldwide have no option but to provide a flexible working condition for the employees. India has noticed an extensive decrease in percentage in the case of visits to transit services. The reduction in services and ridership of public transport systems is observed by nearly 70-80%. According to Apple mobility Trend Report, there is a nearly 80% sharp decline in motorised traffic. People are more using Non-motorised transport, but people are more likely to revert to motorised transport as time passes.

Percentage change in visits to transit areas





In some countries, the government is giving subsidies to encourage bike ownership. France will leverage $66 million programs to provide a $55 subsidy towards the refurbishment of any bicycles available. Italy has introduced a "mobility bonus" of 500 euros for bike purchases. France has massively invested in over 1,000 km of temporary bike lanes since the beginning of pandemic restrictions in the early phase. Cities worldwide, including Italy and Spain, which have registered high COVID fatalities, enable cycling in these troubled times.

CONCLUSION

The promotion of cyclability and walkability will ensure less human interaction to avoid virus transmission. Presently, NMT is the safest mode of transport, considering the pandemic. It has allowed the promotion of sustainable modes of transport. MoHUA advised the states to promote NMT and take adequate initiatives to prevent coronavirus infection transmission through public transport by adopting the right sanitisation, containment, and social distancing measures. The use of NMT will require low cost, fewer human resources, and the modes are easy to operate and use along with other benefits such as environment-friendly and sustainability in the long run. The promotion of NMT and Public Transport along with the use of the Intelligent Transport System in these pandemic situations will make transportation more resilient, economical, and sustainable.

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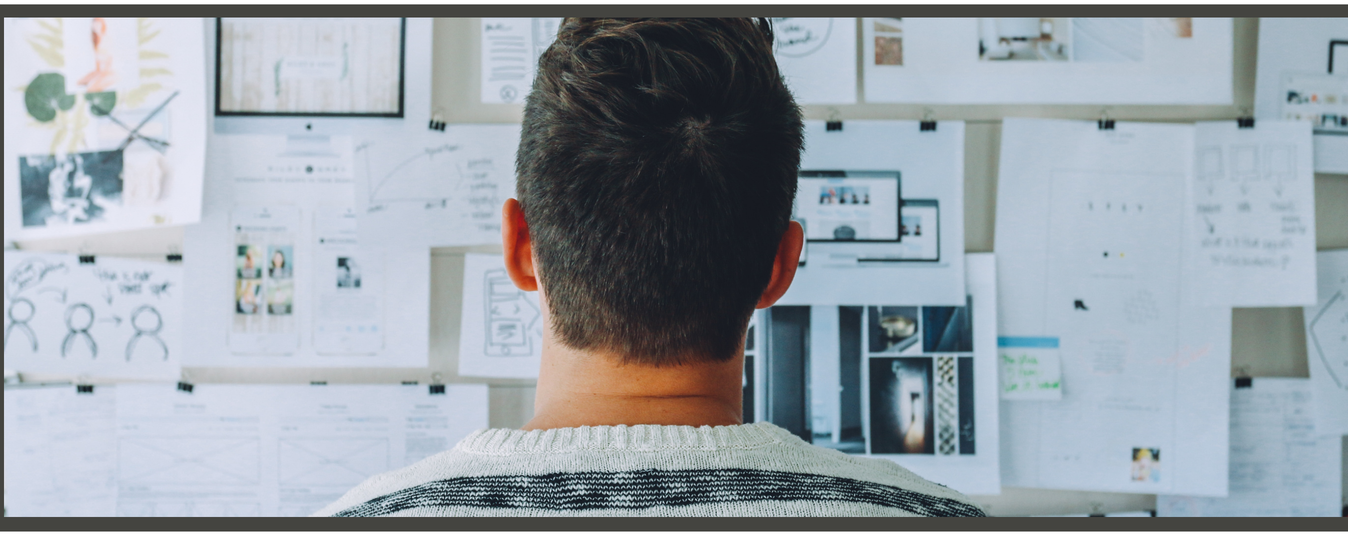
STARTUPS - THE NEW TECH FACE OF INDIA

- Vaishali Gupta, MBA(BE) 1st year



In the early 1990s, a silent revolution was sweeping India's garden city - Bangalore. Young ignited minds in their houses and garages were slowly building out India's future - a technology-based and innovation-led approach to business. Herein we witness the birth of start-ups.

In one place, while Nandan Nilkeni and Narayan Murthy built out Infosys - an IT company, and in the other, Kiran Mazumdar Shaw was experimenting with chemicals to build Biocon - one of India's largest pharmaceutical companies.

START-UPS BIRTH AND GROWTH

Fast forward to 2007, and we witness the start of the next wave of tech start-ups - Bansal's Flipkart. It attracted and established what is now a burgeoning venture capital industry in the country. It helped bring reputed names like Tiger Global, Sequoia Capital, and Softbank to invest in the start-up culture of India. Along with them came billions of dollars in investment, which helped make India one of the largest receivers of FDI in the coming years.

The investment utilized by these start-ups has helped in bridging the logistics and infrastructural gap in the country. For example, Flipkart's expansion in enabling delivery to almost all PIN codes in India led to the creation of logistics infrastructure to enable last-mile delivery.

As other start-ups like Grofers, BigBasket emerged, it has started a new revolution in creating cold chain storages across the country to enable storing fruits and vegetables. It also attracted global giants such as Amazon to invest in India's economic growth story, which helped close the country's infrastructure gap.

India's image makeover from a land of villages and farmers to a land of high technology-led innovation and software development has been one of the most important contributions of the start-ups. This even attracted MNCs to set up shops and research and development centres in India. It also led to the growth of educational institutions to provide highly skilled professionals and helped in bringing efficient managerial culture to the organization.

Several start-ups such as Blackbuck and Rivigo have helped solve social problems with their innovative tech solutions. Rivigo enables truck drivers to return to their homes the same day using their relay driving algorithm. New age start-ups like Unacademy, Byjus and Vedantu provide ample free courses for students to learn and bridge the socio-economic gap. Start-ups like Paytm and Mobikwik have brought savings, credit, insurance, and a range of financial products to people's hands. It is, therefore, estimated that India's digital economy would be worth 1 trillion dollars by 2025.

Creating demand in India has been one of the achievements of the new-age start-ups, but global ambitions are the need of the hour. OYO, a start-up founded by Ritesh Agarwal, runs hotel chains with the aim of becoming the largest hotel chain in the world. It is already in the top 3 positions in China with fast advancement towards the top 5 positions in the US. OYO is becoming the face of India's start-up and tech culture across the globe. Ola, a cab aggregator, recently started operations in the UK and has plans to expand further. BYJU's, a decacorn, aims to be the go-to training institute of coding for American children. Postman, a Bangalore based start-up that recently was valued at 2 billion USD, is one of the most respected in Silicon Valley, California, for its advanced tech in API development and testing infrastructure.

Indian start-ups are balancing their global ambitions while continuously innovating in India. But all is not glitter in this industry, and it has not come without a cost. The regulatory environment in India has undoubtedly started to improve, but it has a long way to go when compared with advanced nations. Several schemes like Startup India, Standup India have helped in giving tax breaks, intellectual rights protection and relaxation in labour and other regulatory compliance.

CONCLUSION

Failure is the norm, and success is rare in start-ups, and consequently, there is low job security for start-up employees. They are subjected to higher work hours and burnouts are common.On the brighter side, start-ups have helped break social barriers - giving employment to the LGBTQI community, allowing for creative jobs unheard of before, fast social mobility, providing jobs for a large section of urban educated youths, and the rise of the gig economy.

Start-ups, be it in space technology like INDUS(planning to launch a rover to the moon), nanotechnology, biotechnology, IT services, mobile apps, health care, are all an ongoing need. For the goal of a 5 trillion dollars economy to come to life, start-ups are a pressing priority. The cascading effect of start-ups are visible in practically every field, be it political, economic, legal, social. From exports of traditional gems and jewellery, we are slowly shifting to tech-based products and services. Old and new start-ups have contributed to this change. To continue the migration to a highly industrialized nation with high living standards, India needs to push start-up culture with regulatory policies and infrastructural support.

It is 2020, and not only in Bangalore but across the whole nation, a silent revolution is going on in flats and houses, where the next generation of ignited minds are building start-ups that would one day become the tech face of India and further drive the economy upward.

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EXPEDITION WITH GLOBAL TRADE

- Vipul, MBA(BE) 1st Year

Since the beginning of the year 2020, the world has seen many of its firsts, such as the largest slowdown in human travel ever, the first negative growth rate of carbon emission stats, and many more. But are we due another first as a gift by this year? Many may argue that it was seeded years ago, but it can be rightly said that the pandemic has watered it a bit too well, accelerating a process that was long due. To find out its significance, let's take a look at history once.

India was the center of international trade in the ancient and middle ages. Through silk routes, international trade had sowed its root, and later Genghis Khan's expansion diversified this exchange between cultures and economies. Evolving over a long period, the first international free trade agreement, the Cobden-Chevalier Treaty, was finalized in 1860. This was the first time that somebody envisioned globalization and took strong steps towards it. Riding on the heat of ships and railroads, it became economical to consume goods made far off, and international trade boomed. The next step was setting up manufacturing units in different locations to produce goods locally. Henry Ford hit the nail with the introduction of conveyor belts, which later gave birth to the idea of Business Process Outsourcing (BPOs).

By the 1980s, different parts of a single product were manufactured in internationally scattered places to benefit from economies of scale and regional resources. And once again, Asia (mainly China), which introduced global trade, started to reenter the playing field. But West was now onto a different trade plane with the introduction of Computers, the internet, and related IT services. BPOs were changing in its' core as the internet helped in outsourcing support services to countries like India by the 2000s. Talking about IT and the 2000s, how could one forget about the Dot Com bubble and the first time after liberalization that India faced a new kind of crisis. It's not like there was no crisis before the Dot Com bubble, but things were internal this time. Sales of the Indian IT sector plumed, but still, India just grazed off as the Indian industry was not wholly dependent on America and was relatively better protected than the rest of the world. But what was coming next was a giant for the world economy.

SHAKEN GLOBALISATION

Looking at what we have discussed until now, everyone must be clear that the case of discussion is "globalization". We saw how thread-by-thread, the world was getting interconnected and how pressure on one part of fabric moved all the interconnected economies. Soon enough, India gained momentum due to rising phenomenal relative growth in its international trade. By 2007, trade had tripled over the 1999 level. The crisis in hand was the Global Economic Recession of 2007-09, also known as the burst of the US's housing bubble. The growth rate of India plunged to 5.5% from 8% in the previous three years. Major job losses happened worldwide, and this time India also suffered the impact. However, many argue that India was still better off due to the existence of a parallel economy, a true silver lining. Looking at the big picture, how did the crisis start? It was an

obnoxious mix of greed, carelessness, corruption, and excessive liquidity in the market, which may have been in the system from the aftermaths of the Dot Com bubble. Just as the Dot Com bubble was the seed of the Great Economic recession, what was planted by the Great Economic recession?
Following the recession, many big companies deemed too big to fail were rescued by the US-Fed via large bailout packages. This met large-scale criticism by many economists and the public around the globe. But the hypocrisy lay as the same people who embraced capitalism when they saw profits resorted to socialism when the crisis came. So, answering the two questions earlier emphasized this criticism giving birth to the widespread demand for nationalism. Rather, we should call it Anti-globalism along with the anti-migrant views in the West. After the crisis, a large-scale protest against unemployment, crony capitalism, and fires spread across Europe. This crisis was named the 'European sovereign debt crisis,' which brought Iceland's Banking system to a collapse, later spreading to Portugal, Italy, Ireland, Greece, and Spain.

A massive chunk of the large banks' capital in these economies eroded due to the US's housing crash. And to bail these banks out, their debt was labelled as sovereign debt in economies that were already under poor fiscal management. Effectively the confidence shattered, leading to a higher interest rate. Higher interest rate expenditures were met by spending cuts and austerity measures. The brief junk state of Greece and the threat of collapse of the Euro followed. As this financial crisis was in the pot, the spice was added by the migrant crisis as over a million Syrian refugees settled over different cities in Europe. All this led to socio-political unrest and the rise of nationalism. The newly elected government in the US and the rise of nationalist parties in the fourteen EU Nations, along with Britain's vote favouring Brexit took place. With failing international institutions like the UN and EU, people found comfort within their country's boundaries.

CONCLUSION

With these changes to the international economic landscape, where are we headed? The recent US-China trade war and muscle-flexing across the boundaries only aggravated the issue, with the final nail being the pandemic, which in essence ruined the trade across the countries and movement of humans. This further strengthened the need for in-house production of goods, thus limiting the dependence on China. The after-effects include financial flexes and strong import, export, and exchange policies, such as the recent FDIs by major Indian corporates, the restriction on investment by the bordering countries, and ban on several Chinese apps. But where are we headed, and to what extent? With advancements to the internet and technology, restricting cultural exchange and digital data is proving unfeasible & unworkable. Maybe the world right now needs nationalism, and no one denies that it is plausible for any nation to achieve self-sufficiency. But as we have developed and learned, “Globalization” should not be discarded right away. Maybe the world is still not ready for the full extent of globalization and that it needs time until globalization is once again the world's primary focus. Till then, it’s not wrong to have a nationalistic policy, but some space on this economic canvas should be reserved for globalization, for it drove the last century.

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ONLINE EDUCATION – THE NEW NORMAL

- Darpan Singh, MBA(BE) 1st Year

In India's diverse culture, a 'Guru' has always been praised and worshipped by students and regarded with the utmost respect in society. Students of schools and colleges had actively been visiting their enrolled institutes during normal times, and those who could afford had also taken supplementary coaching classes. But as the Coronavirus pandemic swept through the glorified landscape of our nation, schools and colleges were ordered to remain shut from March 2020. The Indian education system was forced to rapidly adapt to the drastic changes and make amends to its age-long teaching processes. In came the emergence of online educational start-ups that have since become a real game-changer in India. Although the industry had been gaining traction for a few years now, the lockdown propelled this mode of online teaching while maintaining social-distancing.

With several sectors having been highly affected by the pandemic and the restrictions posed by the government to cease the spread of infection have been cumbersome nonetheless, one of the industries which truly blossomed was the Educational Technology industry, better known as EdTech in India. In fear of facing loss in education, students and their parents additionally decided to opt for EdTech services that have significantly advanced the traditional teaching methodology.

THE RESHAPING OF LEARNING

With the technology and digitalization reforms in the new National Education Policy of 2020, promotion of Indian entrepreneurs to establish their start-ups with 'Aatma Nirbhar Bharat', 'Vocal for Local' and Make In India schemes, support for Digital India, and unavoidable circumstances closing educational institutes, the swift migration of teaching from offline to online mode marked a new era of Education.

EdTechs initially were not popular in India as there had always been criticism regarding online classes due to the internet connectivity issues, teachers' limitations to express the topics on-call/video-call, etc. The industry gained mainstream recognition with the success of Think and Learn Private Limited's BYJU app, founded by Byju Raveendran. With Shah Rukh Khan as the brand ambassador of BYJU's, the company caught the Indian television audiences' wide attention through their interactive advertisements. The freemium model allowed students to take free trial classes, where the initial reluctance and scepticism got tackled.

With the 7 crore users and 47 lakh app subscribers, the number of BYJU's app downloads has shot to over 600% from 2017-20. Recently, in the month of September, BYJU's was officially the most valued EdTech Company in the entire world, with a valuation of approximately 824 crore rupees.

Interestingly, the EdTech market in India is estimated to be worth over 5199 crore rupees in 2020. As per the analysis conducted by RedSeer Consulting over the data sourced from Omidyar Network India, the EdTech market in our country is presently less than 1 per cent of the private education market, but it is forecasted to achieve 120 per cent growth in the FY2020-21 and reach a market capitalization of 12630 crore rupees by the end of this year. The sector is projected to expand 8 to 10 times more in the coming 5 years. There are more than 4530 EdTech start-ups that are actively providing classes of all kinds of subjects.

The online education market will continue to prosper with the new reforms being set by the government, which include the rise in public-spending that has been targeted to be 6 percent of our nation's Gross Domestic Product. These, accompanied by other macroeconomic factors like relaxation to the guidelines of regulations that govern degrees and supply-side capacity gaps will also boost the online education market. Economic reform policies continue to lean in the direction of hyper digitalization.

These EdTech start-ups can also provide jobs for private school teachers who have stopped receiving salaries and suffered job cuts as schools could not function without students' fees.

There are students of weaker economic backgrounds who cannot afford and/or those belonging to remote areas with no regular availability of electricity and mobile signals. These students may not receive early access to online education and may be left behind in this drive of technological advancement. They may not be able to compete in both academic exams of their schools/colleges and in competitive exams like CAT, JEE Mains, NEET, UPSC etc. against well-resourced students blessed with the internet. In this way, students are divided into two segments due to disparity in technological resources, leading to the term known as ‘Digital Divide’.

Cheap and affordable high-speed internet plans made available due to the phenomenon of Jiofication by Reliance Jio dominating and influencing the telecom market. With at least 85 crore smartphone users of young demographic age accessing the internet with affordable prices, it played a significant role in reducing the digital divide in India, paved way for these EdTech startups to flourish and prosper, and made the tradition towards online education more smooth.

EdTech start-ups can take up the initiative of providing smartphones on affordable rents to bright students of weaker economic sections and provide them with scholarships to further minimize the impact of the digital divide. Schools and Universities may partner with EdTech start-ups for establishing enhanced online class experience with their rapidly evolving technologies, and also provide free access to digital libraries to their students.

Online education is not limited to paid subscriptions of EdTech start-ups, there are a lot of free online video lectures uploaded by teachers on several online platforms such as YouTube, Dailymotion, NPTEL etc. One can easily search for free web resources such as e-notes written by seniors and peers, summarized book concepts on presentations, solutions to common word problems and so on. One may continue reading textbooks independently and get support from their parents and elder siblings for clearing doubts.

CONCLUSION

In conclusion, online education and EdTech platforms are a boon for students and their parents in times of pandemic as educational institutes remain closed for an indefinite period, providing employment for teachers and assisting in maintaining the flow of academic sessions. Since students are the future of our nation, investing in their education and developing skill sets is always profitable. It is a moral responsibility of all of us to respect and nurture the bond of learning/teaching and ensure that knowledge is spread with equality and without any constraints or disparity.

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IMAGE SOURCE

https://www.canva.com/

FINAL PLACEMENT SUMMARY

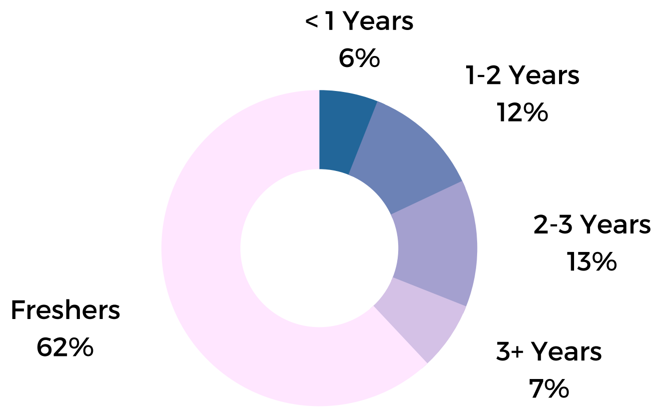
21.5 LPA
HIGHEST PACKAGE

11.97 LPA
AVERAGE PACKAGE

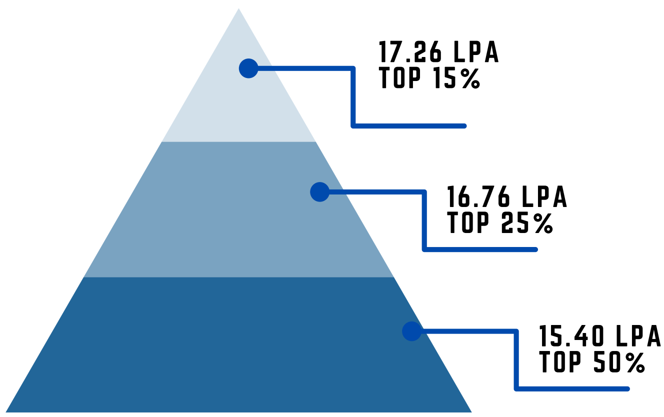
10.5 LPA
MEDIAN PACKAGE

36.53 %
FORTUNE 500 COMPANIES

18.76 %
PPO OFFERED



WORK EXPERIENCE

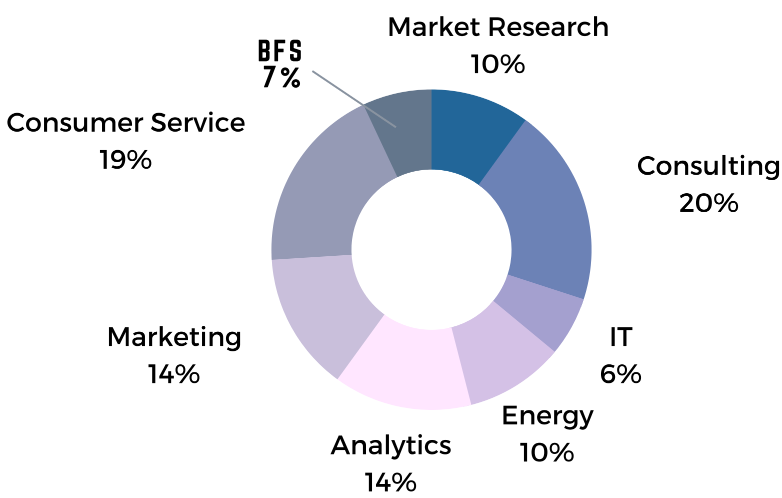


PLACEMENT AVERAGE

73.60%

26.40%

GENDER RATIO



DOMAIN SPECIFIC DETAILS

PAST RECRUITERS:

- American Express
- Arcesium
- Axis Bank
- Axtria
- Axience
- absolutdata
- Ameriprise Financial
- Kearney
- accenture
- ANZ
- Bank of America
- Barclays
- Bajaj Allianz
- Bloomberg
- BMR Advisors
- BYJU'S The Learning App
- Bira 91
- Bridgei2i
- citi
- CRISIL
- stanza living
- CBRE
- Cushman & Wakefield
- Cognizant
- Dalmia Bharat Limited
- OYO
- dun & bradstreet
- Deloitte.
- dunnhumby
- DE Shaw & Co
- Amul The Taste of India
- Euromonitor International
- EXL
- EY
- FIPI
- Forrester
- FICCI
- Frost & Sullivan
- Fractal
- GfK
- grail research
- HSBC
- HCL
- IMRB International
- ICICI Bank
- Infosys
- Inventrom
- IL&FS
- JLL
- Jubilant FoodWorks
- KPMG
- Ken Research
- Mahindra Rise.
- MDRA
- Nucleus Partners
- nielsen
- Network 18
- Gartner
- Trident Group
- pwc
- Grant Thornton
- Piramal
- RBS The Royal Bank of Scotland
- rubique
- Smart Cube
- SecureNow
- Sun Pharma
- TresVista Financial Services
- WNS
- Decathlon

NEW RECRUITERS:

- RBL Bank
- Tommy Hilfiger
- Calvin Klein
- Mitrata
- GoMechanic
- Cyclitics
- Birlasoft
- Analytical Wizards
- Edgistify Giving Edge to Supply Chain
- Kantar