

Business

Economic slowdown will force workers into worse jobs: UN

Inflation gobbles up real term wages, prices rise faster than incomes

GENEVA: A global economic slowdown will force more workers into accepting lower quality, poorly paid jobs in 2023, while inflation gobbles up real term wages, the United Nations warned Monday. As prices rise faster than incomes, the cost-of-living crisis risks pushing more people into poverty, the UN's International Labor Organization said, while unemployment around the world is set to rise.

The ILO said deficits in decent work had been worsened by multiple, overlapping crises, including Russia's war in Ukraine, emerging geopolitical tensions, an uneven recovery from the Covid-19 pandemic and continuing supply chain bottlenecks. "Together, these have created the conditions for stagflation—simultaneously high inflation and low growth—for the first time since the 1970s," the agency said in its annual World Employment and Social Outlook report.

ILO director general Gilbert Houngbo said the recovery from the Covid-19 pandemic was particularly patchy in low- and middle-income countries, and was further hampered by climate change and humanitarian challenges. "Projections of a slowdown in economic and employment growth in 2023 imply that most countries will fall short of a full recovery to pre-pandemic levels in the foreseeable future," the former prime minister of Togo said in the report. "Worse still, progress in labor markets is likely to be far too slow to reduce the enormous decent work deficits that existed prior to, and were exacerbated by, the pandemic."

No COVID recovery before 2025

Global employment grew by 2.3 percent last year, but is expected to expand by just one percent this year,



GENEVA: A global economic slowdown will force more workers into accepting lower quality, poorly paid jobs in 2023, while inflation gobbles up real-term wages, the United Nations warned Monday.

to nearly 3.4 billion people with work. The projected rise is down on the 1.5 percent the ILO had previously predicted, adding to the gloomy outlook. "The slowdown in global employment growth means that we don't expect the losses incurred during the Covid-19 crisis to be recovered before 2025," the ILO's research chief Richard Samans said in a statement.

Global unemployment is projected to reach 208 million people this year, an unemployment rate of 5.8 per-

cent. The projection is up from 205 million in 2022, with the ILO saying most of the shock of the economic slowdown has been absorbed by "rapidly falling real wages" due to accelerating inflation, rather than job losses. Global unemployment was at 192 million in 2019 before surging to 235 million in 2020 as the COVID pandemic kicked in.

Meanwhile the global jobs gap stood at 473 million in 2022. This number comprises unemployment plus

those who want work but are not seeking a job, either due to being discouraged by previous failed attempts or having other obligations such as care responsibilities.

The 2022 global jobs gap was around 33 million above the 2019 level, with a rate of 15 percent for women and 10.5 percent for men.

Informal economies

"The current slowdown means that many workers will have to accept lower quality jobs, often at very low pay, sometimes with insufficient hours," the ILO said.

The report said people aged 15 to 24 were facing "severe difficulties" in finding and keeping decent employment. The ILO called for an investment surge in education and training, saying two-thirds of the global youth labor force was "without a basic set of skills", which limited their job prospects and pushed them into lower-quality work. Around two billion workers worldwide were in informal employment last year. "Given the substantial rise in uncertainty regarding the future course of the global economy, employment expansion is fastest among informal workers," the ILO said, with the informal sector driving most of the COVID-19 employment recovery.

In 2022, an estimated 214 million workers, or 6.4 percent of all those employed, were in extreme poverty, earning less than the equivalent of \$1.90 a day. The report said the long-term slowdown in productivity growth in advanced countries had spread to major emerging economies—"a matter of much concern" since growth in productivity could combat the concurrent crises in purchasing power, well-being and ecological sustainability. —AFP

Five key shifts that are converging in today's data era

By Samer Saber

KUWAIT: Digital Transformation is a key pillar for Kuwait as it adopts digital technologies to escalate its services, drives the economy and improves quality of life, while increasing operational efficiency and performance of key sectors. Kuwait's ICT sector is estimated to be one of the emerging markets of the future. Global Data valued the global ICT market in Kuwait at \$20.61 billion in 2021 and predicts it to grow at a CAGR of 8.2 percent. In 2026, it is expected to touch \$30.58 billion.

Data is an essential element of digital transformation process and can be used to create benchmarks and baselines for the journey to transformation, it is the foundation of an intelligent business. But data, data consumers and the business expectations of data have changed. These shifting realities call for a higher level of data maturity and the right technologies to achieve better outcomes and digitally differentiate. As every organization races to transform, there are five key shifts that are converging in today's data era:

1. Exponential growth of structured and unstructured data

Fueled by an abundance of smart devices and IoT sensors, worldwide data creation has been soaring for more than a decade. A study from IDC cites that from 2021-2025, new data creation will grow at a compound annual growth rate (CAGR) of 23 percent, resulting in approximately 175 Zettabytes (ZB) of data creation by 2025. To put this into context, a single zettabyte is equivalent to a trillion gigabytes or as Wikipedia describes it, "a zettabyte is so large that it would take about a million supercomputers (or a billion powerful home computers) to store this amount of data." Add to that, more data forms - including unstructured and streaming data types like loose files, PDFs, photos, audio and video clips - are growing at an unprecedented rate and organizations are finding it hard to extract value from the data they're collecting. The same IDC report states that 80 percent of worldwide data will be unstructured by 2025.

2. Emerging technologies are sparking a new era of intelligence at scale

Edge computing, 5G, artificial intelligence (AI) and machine learning (ML) are transforming how data is being collected, processed and used. For the first time in history, we're meeting the explosion of data with intelligent infrastructure, software and algorithms to rapidly turn it into actionable information. This data can be used to create new value and drive better user experiences at the edge. There's a symbiotic relationship between the advanced, connected technologies being deployed to thrive in the digital economy and the wealth of new data waiting to be uncovered. Likewise, there's a symbiosis between success with edge technologies and data management. By enabling organizations to act on data near the source, edge technology can both improve efficiency and help create new experiences. Coupled with AI, the edge will change how machines share and react to data - and this is where businesses will find the opportunities to create new value.

3. Decentralized data

The adoption of emerging technologies leads to more distributed locations where data originates. As data's center of gravity rapidly moves toward the

(\$0.08) in 2021 — now its 3,500 leones," said Kargbo, who opened her business to support her six children after her husband died of Ebola in 2014.

Sierra Leone in July slashed three zeros off its currency hoping to restore confidence in the inflation-hit leone. Many, including Kargbo, still quote prices in the former denomination.

Riots

In August, riots broke out over the rising cost of living in the Shell Old Road Junction neighborhood where Kargbo lives and works. Twenty-seven civilians and six police officers were killed.

Kargbo's customers consist mainly of motorcycle taxi drivers known as "okada" men, street hawkers and, occasionally, office workers. "My family depends

edge, data is increasingly being stored, processed and acted on closer to its source. But as more functions take place at the edge, you need to manage data differently and consistently - from the core to across edge and hybrid clouds. That requires changes to your computer, network, storage and application architectures.

4. Rising consumer expectations

Today's consumers are more empowered than ever and are demanding more data-rich, personalized, real-time experiences. In the past, you could take days to come up with new data insights, but today that's far too long. The increasing reliance on AI and ML to make real-time decisions in a distributed environment can strain even the most advanced data management strategies. Most organizations don't have the IT capabilities to keep up because their data management is fit for an outdated world where insights and outcomes can be delivered in hours or days. To be able to rapidly turn data into insights, organizations must evolve their expectations and data processing capabilities.

5. Data breaches vs regulatory environment

Cybersecurity threats are more sophisticated, and the number of data breaches are skyrocketing. Consequently, the regulatory environment is evolving, mandating more resilient data security, privacy and governance. As more data is collected, stored and processed in multiple locations, the attack surface for malicious activity also grows, making compliance with global data laws and regulations more complex. In addition, customers want to do business with organizations they can trust with their data. These trends underscore the ways data users and consumers have changed, and how organizations are adapting to stay relevant.

With such a tremendous influx of data, it is critical to be business-ready faster, accelerating data movement across the multi-cloud landscape - turning insights into actions and driving speedy outcomes. Today we have zettabytes of data at our fingertips every second, but also intelligent compute infrastructure, software and algorithms to rapidly turn that data into meaningful insights. Now more than ever, organizations need to rethink data management if they are to become an intelligent business with a leadership position in the data era. Note: Samer Saber is General Manager, Kuwait at Dell Technologies.



China's giant Didi reopens to new users after \$1.2bn fine

BEIJING: Chinese ride-hailing company Didi accepted new users on Monday for the first time since 2021, after authorities fined the company for data security violations. Didi was one of the highest-profile targets of a sweeping crackdown on China's tech sector launched in 2021, which wiped billions of dollars off the value of homegrown companies. Some companies were targeted over monopolistic behavior, and others—such as Didi—for cyber and national security concerns. Didi was forced by regulators to pull its app from online stores and stop registering new users in July 2021, when investigators found its user data collection to be in "serious violation" of regulations.

The company was hit last year with a \$1.2 billion fine, after China's cyberspace authority found "conclusive evidence" that Didi had committed violations including illegally storing drivers' ID information in unsecured formats and covertly analyzing passenger details. Didi on Monday said in a statement that it had "carried out comprehensive rectification" of its security issues.

"The company will take effective measures to ensure the security of the platform's functions and big data, and protect national cybersecurity," Didi said. The announcement comes as China's tech crackdown appears to be easing, with the country scrambling to boost economic growth battered by three years of headline COVID curbs. Premier Li Keqiang last May urged support for tech companies to list both domestically and abroad.—AFP

have a short shelf life, and instead focussed on selling ingredients for basic meals, such as rice with sauce.

Fuel prices

At a large cookery in the more affluent Hill Cot Road area, Fatmata Bangura, 48, sits on a low wooden bench and cuts up "cow kanda"—cow skin—while her daughter, Isata Dumbuya, and four employees stir onions, plantain, cabbage and beans in large metal pots over wood and coal fires.

They have been awake since 3:30 am, when Dumbuya, 32, sets out each day for the market.

By 6 am she is at the roadside shop and beginning to cook the day's meals: cassava leaf, beans or "tola" stew for breakfast, often "crain crain"—a local dish made with okra-for lunch. Their business is stable, but their bottom line has nonetheless taken a hit. "The palm oil was sold at 200,000 leones, now it's 585,000 leones", Dumbuya said. "The rice, before, we bought it at 280,000, but now the price is 550,000." But there is a limit to how much of the cost increase can be passed on to customers, say stall holders.

Sitting on a picnic bench outside Dumbuya's shop, Hassan Mohamed Vamboi, a 29-year-old motorcycle driver, digs into a plate of green, leafy stew. He eats here at least once a day. Vamboi has been feeling the pinch of rising fuel prices and has had to extend his workdays from 12 to 16 hours to get by. "It's very challenging in the country presently", he said. He has also moved his wife and two children to his village to save money. "My pocket cannot uphold them here," Vamboi said. But for now, he continues to eat at Dumbuya's. And she continues to cook. "If people come to my shop and eat my food and say, 'Oh you know how to cook', it inspires me," she said. "So every day I do the same thing, for people to come and eat." —AFP

Inflation bites into Sierra Leone's cookeries

FREETOWN, Sierra Leone: Jariatu Kargbo hauls a wooden spoon longer than her arm through a vat of rice as customers patiently wait their turn to buy lunch on the side of a busy road.

The 38-year-old widow runs a stall called a "cookery"—the cheapest option for many Sierra Leoneans to grab what is often their only meal of the day. Cookeries in this impoverished West African state are a crucial part of the economy as well as a social safety net. But the cherished institution is under pressure from a brutal external force: inflation.

"Prices for major food items—rice, cooking oil, onion, sugar and flour—have quadrupled," Kargbo told AFP, as the smell of boiled beans wafted over from behind her. Cookeries in Freetown, the capital, sell rice and stew at a fraction of what they would cost in a restaurant. "These predominantly women are kind of the backbone of the city in terms of keeping it fed, because a lot of people... don't have the facilities to cook at home", said Jamie Hitchen, a researcher.

But the densely-populated metropolis does not have any urban agriculture, so food is trucked in from the countryside or imported from abroad. Ever since the COVID pandemic and war in Ukraine sent global inflation soaring, that has become painfully expensive. As of November, the latest month on record, inflation had risen 35 percent year-over-year in Sierra Leone.

"We were buying a cup of rice for 1,500 leones



FREETOWN: People walk through a market in Freetown. Cookeries in Sierra Leone are a crucial part of the economy as well as a social safety net.