

Economic lessons we can learn from the implications of the 1918 Influenza outbreak

With the current Covid-19 global pandemic crisis, businesses, stock markets and economic experts look to the past for a hint as to what the economy is facing when we come out the other side.

The Influenza pandemic struck at the end of WW1, but was so destructive that it was the sole reason for many businesses to crash and therefore lead to thousands of business owners being out of work. It plagued the world and infected an estimated 500 million people, which was almost a quarter of the world's population at the time. So, how can we apply the lessons we've learned from the 1918 Influenza to the Covid-19 crisis facing the globe today? Let's look at the businesses and industries that thrived despite the pandemic, and which failed - and why.

Because of the Influenza's vast global effect, there are too many industries to note by name, but there seems to be a distinct pattern in which businesses thrived during this time. And this is quite simply **ones that offered solutions**. Bovril, for example, created an advertisement that stated it was "needed to fight the influenza epidemic" - to maintain strength and health, and fight off the Influenza, drink Bovril! Although it seems like a strange advertisement, the proof is in the pudding - Bovril is still standing strong today. Perhaps if they hadn't focused on that marketing campaign during the pandemic between 1918-20, we wouldn't still be seeing that familiar, obnoxious red label on our supermarket shelves today. And we can apply this logic to the current pandemic - the industries that are most depleted are supermarkets and the medical industry. Face masks, gloves, antibacterial solutions, vitamins and nonperishables are all in high demand - to keep us healthy, safe and able to isolate. A combination of the news, media and advertisements has people buying these products en masse - and it's safe to say these industries are thriving during what is such an economically hard time. To sum up, if it offers a solution, it'll thrive despite the crash.

Adding to that, these industries tend to be always-needed. The human race will always need a place to buy their food, toilet roll and hand sanitizer - but businesses like bakeries, creative designers, painters and decorators and thousands more aren't *needed*. Because of this, they make less annual revenue, and therefore tend to be a small business or run by the self-employed. So, who is it in the economy that is hit the hardest during any epidemic or pandemic? **The self-employed**. Without work or clients, income dries up, assets become worthless, stocks crash through the floor and they are often cast out as 'unimportant' amongst the chaos and panic. Where they can work from home they'll try - people that run gyms or exercise classes, for example, could run it from a business page online. But this blanket solution just doesn't cover everyone. This is a pattern we see after every large virus or illness, and unfortunately, there isn't really a solution.

Talking about large scale business, however, the transport, entertainment and holiday industries have been all but crippled. With flights grounded, movies and theatre showings postponed and holidays and bookings cancelled, **hundreds of thousands** are out of work. Even public transport has been limited and makes it very difficult to use with the 1-metre rule. Pilots, flight crew, airport staff, holiday reps, hotel staff, caterers, restaurant owners and staff and many more are out of work and out of a wage. Their industry has all but dried up completely, and will for the forthcoming months. While big businesses like chain restaurants and airlines will survive (barely), we will probably see a fair few businesses drop off the map because they can't handle the sudden and devastating revenue loss being thrown their way. Hotels may have to close, local restaurants that can't offer a takeaway service may shut down for good and sell off their building in hopes of making enough to make it through the pandemic and actors, producers and directors are stuck at home for the foreseeable future.

It's not all doom and gloom though - since the 1918 Influenza pandemic, workers' rights have become considerably better. There are very rarely (in 1st world countries) people dying from abysmal conditions and poor sanitation in factories, mines and plantations. With a colossal death rate of **500,000**, business owners quickly learned that if they wanted to keep their businesses going, they needed staff. Preferably live ones. Poor conditions would've accelerated the spread of the Influenza and killed off their workforce, leaving the people at the top out of pocket and out of workers. We now see an almost immediate reaction from the business world in closing down their factories and stores to keep their staff healthy and alive - and the businesses that did this first, and without hesitation, are the ones that will make a comeback when the pandemic is defeated. Not just because most of their workforce will have survived and after months of isolation, happily come back to work - but because the Populus will recognise their sacrifice and stand behind them.

We are seeing who has been noted as "key workers" across the world as people rise to the virus and fight it. Nurses, doctors, paramedics, carers, police officers, delivery drivers, grocery store staff, teachers and teaching assistants, janitors, cleaners, garbagemen and women and many more "menial" jobs that, actually, are the foundation that keeps our society running smoothly. Not business moguls, bank owners and billionaires.

So what can we expect to change after the Covid-19 pandemic is beaten? Well, it's my guess that these "lower class" workers will be given the respect and gratification they so rightfully deserve - and I think we'll see a rise in wages for the people so vital in holding our country together during such a chaotic time. Respect will soar, and we may even see the younger generation more eager to become a "key worker".