

How the Covid-19 pandemic has affected global inequalities in work and employment



Covid-19 impacted workers around the world. A large proportion of people switched to remote working, and many were furloughed or lost their jobs.

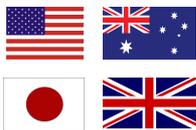
The pandemic created deep inequalities not only between professional occupations but also between countries.



Key findings

The effect Covid-19 had on the labour market and people's employment was not evenly distributed; the pandemic exacerbated global inequality.

Using the World Systems Theory to categorise countries, we saw how certain countries suffered more, relative to other countries.

Categorisation	Characteristics	Labour market resilience
<p>Core countries e.g.</p> 	<ul style="list-style-type: none"> Industries that are highly capital intensive High-skilled labour workforce Comparatively high levels of worker protection 	<p>More able to withstand the impact of Covid-19 on the labour market.</p>
<p>Periphery or semi-periphery countries e.g.</p> 	<ul style="list-style-type: none"> Industries that are highly labour intensive Low-skilled labour workforce Job insecurity with high proportion of informal workers and temporary employment 	<p>Affected a lot more; labour market was further exposed by the pandemic.</p>

Actions taken in richer, core countries at the beginning of the pandemic resonated throughout the world on a significant scale.

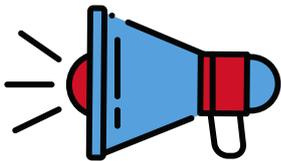
This resulted in large income and job loss in periphery and semi-periphery countries, even when some of these poorer countries were not as affected by the virus itself at the start of the pandemic.





The decisions that political leaders made at the start of the pandemic affected how protected their workers were from the impact of Covid 19.

Countries with strong right-wing, populist leadership significantly delayed public health interventions and then delayed intervention in the labour markets.



Employees in trade unions or who were part of groups with a collective voice were more protected from the adverse labour consequences of the pandemic.

The greater the degree of collective bargaining, the more power the employees have to enact policies such as job protection schemes or income support policies.



Countries that have efficient labour market policies were in a much better position to withstand or negate the negative consequences of the pandemic on workers.

The more countries spend on active labour market policies aimed at placing the unemployed into work, the more inclusive such policies are which means countries are in a better position to protect workers from global shocks.

Key recommendations

Actions we suggest taking to reduce global labour inequalities in case of a future pandemic:

- Improve the labour market democracy - give more voice to the employees so that they can better protect themselves from negative consequences
- Improve the quality of the labour market institutions and remove some of the bureaucracy that makes it hard for businesses to hire people
- Adopt a more nuanced, data-driven policy, rather than blanket policies



Find out more



Listen to our podcast episode: "[How the Covid-19 pandemic has affected global inequalities in work and employment](#)". (Search for Leeds University Business School Research and Innovation Podcast.)



Read the paper: "[Inequalities in the disruption of paid work during the Covid-19 pandemic: A world systems analysis of core, semi-periphery, and periphery states.](#)" *Industrial Relations: A journal of Economy and Society*. Danat Valizade, Manhal Ali, Mark Stuart. <https://doi.org/10.1111/irel.12310>