

# Going digital to help small businesses evolve — Zoho

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Senior Reporter

MICRO, small and medium enterprises (MSMEs) in the Philippines, where digitalization is seen “less prevalent,” should look at multinational companies and industry leaders as role models in developing their human capital, multinational technology company Zoho Corp. said.

“According to a survey by the Department of Trade and Industry, 56% of MSMEs do not have a web, social or e-commerce presence and only 10% have used advanced digital tools such as Enterprise Resource Planning (ERP), Customer Relationship Management (CRM) or big data as part of their business model,” Zoho Corp. Vice-President and General Manager for Asia-Pacific Gibu Matthew told *BusinessWorld* in a recent e-mail interview.

For businesses to survive in a post pandemic world, he said they must continuously adapt and future-proof.

At the same time, he noted that upskilling and reskilling the work force during a pandemic is a hurdle for all businesses.

The supply chain and logistics sector is seen as among the most active in terms of upskilling and reskilling their workforce.

Construction, information technology-business process management, tourism, health and wellness, food, manufacturing, and creative design industries are also “poised for transformation as digitalization is already in progress and investment in reskilling and upskilling workers already on the job would make the most business sense,” Mr. Matthew said.

But reskilling and upskilling workers can cost a business “as much as six times more” to hire from the outside than to build internally.

“In a depressed market, those savings at scale allow mid-market businesses to invest in innovation, and by saving both the time and money it takes to recruit from the outside, they can more quickly and efficiently adapt to disruptions in

their industry,” the industry executive said.

He advised enterprise owners to take a step back and consider their employees’ potential to determine the course for maximum value to the organization.

“The axiom ‘know thyself’ rings true, and knowing the strengths and weaknesses of their current strategy and business approach would be the best starting points for businesses to consider. This is where businesses need to be critical and comprehend if their existing unified technology platform are sufficient to enable human resource teams to measure and monitor the performance and general morale of people,” he said.

“Choosing the right cloud platform for employee experience and collaboration could make or break the organization’s strategy, as not every cloud platform is built equal. The right unified technology platform allows enterprises to take full control of their cloud and achieve realistic, tangible and measurable results, and should not be mere ephemeral concepts in a binary world,” he added.

## Apple launches iPhone SE with 5G, Mac Studio computer with faster chip

NEW YORK — Apple, Inc. on Tuesday added fifth-generation (5G) connectivity to its low-cost iPhone SE and iPad Air and introduced a faster chip for a new desktop, a high point in Apple’s move to power its devices with microprocessors designed in house.

The new Studio desktop starts at \$3,999 with the new M1 Ultra chip. The iPad Air also got Apple’s M1 chip that was developed for laptops.

“Apple Silicon strategy is the key highlight,” said analyst Neil Shah of Counterpoint Research. “Apple is scaling the portfolio of its in-house semiconductor capabilities to power a broader set of richer devices from affordable iPhone SE to the most powerful product Mac Studio.”

Apple’s Mac Pro still runs on Intel Corp. microprocessors. Apple slightly hiked the price on the iPhone SE to \$429 from \$399 for the previous model. The new phone starts shipping March 18.

The iPhone SE comes with an A15 Bionic chip, which Apple says is the fastest among competition, a 4.7-inch retina display and a home button with Touch ID.

“This is important for our existing users who want a smaller iPhone at a great value,” Chief Executive Tim Cook said.

Nabila Popal, an analyst at IDC, said the new iPhone SE will cater to consumers looking for a budget 5G device, and it could be particularly popular given the economic uncertainty caused by the Russia-Ukraine conflict.

“A cheaper iPhone with 5G is good news for Apple, especially in these times of uncertainty,” Ms. Popal said.

But demand for larger screens could negatively impact iPhone SE sales, Ms. Popal added. Some consumers might instead opt for older iPhone models with bigger screens in the same price range.

The M1 Ultra is made by connecting two M1 Max chips and is eight times faster than M1 chips. Its first use will be in the creative professional-focused Mac Studio computer.

Apple will offer two versions of the Mac Studio, one with the M1 Max chip and the other utilizing the M1 Ultra chip. Mac Studio pricing starts at \$1,999 for the version with the M1 Max chip and \$3,999 for the M1 Ultra loaded computer.

Apple also debuted a new monitor called Studio Display that can be paired with any Mac, including Macbook Air and Macbook Pro models, and which is priced at \$1,599.

Apple shares were about flat for the day in mid-afternoon trading.

The company which has been broadening its services and other products also said its Apple TV+ product would begin showing Major League Baseball games on Friday nights. The weekly double header will be available in eight countries.

The new iPad Air gets its first refresh in two years with a new design, 5G connectivity and the M1, popular in MacBooks. The starting price remained \$599 and it will be available starting March 18.

The new iPad Air also features a 12-megapixel front camera.

Apple also announced new iPhone 13 models in two new finishes, including alpine green.

During the presentation, Mr. Cook made no mention of the conflict in Ukraine. Apple said on March 1 it had paused all product sales in Russia in response to the Russian invasion. The Russian state media, RT News and Sputnik News are no longer available for download from the Apple Store outside Russia.

Russia calls its actions in Ukraine a “special operation.” — **Reuters**

# World’s next food emergency is here as war compounds hunger crisis

RUSSIA’S invasion of Ukraine means the food inflation that’s been plaguing global consumers is now tipping into a full-blown crisis, potentially outstripping even the pandemic’s blow and pushing millions more into hunger.

Together, Russia and Ukraine account for a whopping portion of the world’s agricultural supplies, exporting so much wheat, corn, sunflower oil and other foods that it adds up to more than a tenth of all calories traded globally. Now, shipments from both countries have virtually dried up.

Commodity markets are soaring — wheat is up about 50% in two weeks and corn just touched a decade high. The surging costs could end up weighing on currencies in emerging markets, where food represents a bigger share of consumer-price baskets. And analysts are predicting export flows will continue to be disrupted for months even if the war were to end tomorrow.

The crisis extends beyond just the impact of grain exports (critical as they are). Russia is also a key supplier for fertilizers. Virtually every major crop in the world depends on inputs like potash and nitrogen, and without a steady stream, farmers will have a harder time growing everything from coffee to rice and soybeans.

Plainly speaking, there are few other places on the planet where a conflict like this could create such a devastating blow to ensuring that food supplies stay plentiful and affordable. It’s why Russia and Ukraine are known as the breadbaskets to the world.

“It’s an amazing food shock,” said Abdolreza Abbassian, an independent market analyst and a former senior economist at the United Nations’ Food and Agriculture Organization. “I don’t know of a situation like this in the 30 years I was involved in this sector.”

### BUYERS AT RISK

The shock is already reverberating across the world.

In Brazil, another agricultural powerhouse, farmers can’t get the fertilizers they need because retailers are reluctant to provide price quotes. In China, one of the world’s biggest food importers, buyers are snapping up purchases of US corn and soybean supplies amid concerns that fewer crop ship-



WHEAT is seen in a field near the southern Ukrainian city of Nikolaev, July 8, 2013.

REUTERS

ments from Russia and Ukraine could set off a global scramble for grains. In Egypt, people are worried that prices for the subsidized loaves of bread they depend on could rise for the first time in four decades, while footage of citizens in Turkey trying to grab tins of cheaper oil went viral. And within Ukraine itself, food is running short in some major cities.

“The damage is done,” Abbassian said. “We’ll have months before we return to anything called normality.”

The timing couldn’t be worse. When the pandemic first hit in 2020, images of lines snaking around food banks and empty grocery shelves shocked the world as nearly a tenth of the global population went hungry. But at the time, food inventories were still abundant.

That’s no longer the case. Grains are the staples that keep the world fed, with wheat, corn and rice accounting for more than 40% of all calories consumed. But grain stockpiles are poised for a fifth straight annual decline. A combination of higher shipping costs, energy inflation, extreme weather and labor shortages have made it harder to produce food.

As a result, global food prices are already at record highs, with the benchmark U.N. index increasing more than 40% over the past two years. The surge has had crushing consequences. Food insecurity has doubled in the past two

years, and the World Food Programme estimates 45 million people are on the brink of famine.

The current crisis is going to make things worse, likely sending hunger to unprecedented levels as the conflict turns millions of people into refugees and sends food prices even higher.

“The bullets and bombs in Ukraine could take the global hunger crisis to levels beyond anything we’ve seen before,” David Beasley, executive director of the U.N. agency, said in a statement.

The world has grown hugely dependent on Ukraine and Russia for their wheat, a crop used in everything from bread to couscous and noodles. The nations account for a quarter of global trade. They are also cheap suppliers, which makes their exports favorites for importers in the Middle East and North Africa, including in Egypt, the world’s biggest wheat buyer.

Benchmark wheat futures traded in Chicago reached a record-high price Tuesday.

“You’re going to see a spike of starvation around the world,” Eurasia Group President Ian Bremmer told Bloomberg TV’s Surveillance.

Wheat is a key commodity to watch because bread prices have a long history of kickstarting unrest. Going back to the days of the French Revolution, food insecurity has sent people into the streets demanding better conditions.

Supplies from Russia have been part of this bigger picture before. In 2010, the country experienced a record heat wave that devastated crops, and the government banned exports. Wheat prices in international markets doubled in a matter of months, raising the cost of bread for millions of people. The price run-up simmered as part of the mix of factors that sparked uprisings in the Arab Spring.

### BREADBASKET TO THE WORLD

While Russia’s wheat hasn’t come directly under sanction, trade from the country has been severely disrupted. Some Russian grain is flowing by land, while vessel transit is near a standstill due to the military action in the Black Sea.

Meanwhile in Ukraine, where farming is so core to the national identity that its flag depicts blue skies blanketing yellow fields, growers are finding fieldwork perilous, while some have joined the military just weeks before spring planting begins. Analysts are warning that lots of acres could go bare this year.

“The potential is here for a serious hole in world grain supplies in 2022,” said Scott Irwin, an agricultural economist at the University of Illinois.

Food moves through the world in a complex web of imports and exports.

Many countries have positioned agricultural production toward exporting a few key products, rather than for food sufficiency. So nations like Ghana and Cameroon can be big global players in the cocoa market, but are still hugely dependent on shipments for wheat.

Meanwhile, grain-exporting nations can see what’s happening in Russia and Ukraine and decide that the world won’t have enough wheat or barley, so instead of shipping, they move to keep supplies at home. That can lead to a dangerous domino effect of increasing protectionism that hurts the world’s poorest and the countries most dependent on imports.

There are some early signs of protectionism brewing. Hungary is banning grain exports, and Serbia’s president said Monday the country will soon curb wheat shipments. Argentina and Turkey made moves last week to increase their control over local products.

Other players could see an opening with what’s happening in Russia and

Ukraine and decide to fill the hole. India, for example, has increased wheat shipments in recent years. Vijay Iyengar, chairman and managing director of Singapore-based Agropcorp International Pte., predicts the South Asian country will see exports exceed a record 7 million tons in the current season if the conflict drags on.

But many of the nations that could typically help fill supply deficits are themselves seeing production problems. In Brazil, a major supplier of corn and soybeans, a crippling drought is ruining crops. Dry weather also wilted fields in Canada and parts of the US last year.

“It’s a global commodity squeeze at the moment,” said Andy Soo, commodities broker at Advanced Research Commodities in Singapore.

### HUNGER’S TOLL

Nate Mook has been on the ground in western Ukraine, serving meals to families who are waiting as many as 30 to 40 hours in line to cross the border in Poland. It’s becoming hard to source some kinds of food where he’s been working in Lviv, while he hears from his World Central Kitchen colleagues in Kyiv that they’re running into shortages. Supply chains are crumbling — as just one example, truck drivers that would be deployed for mass distribution of things like rice or potatoes are afraid to go out for fear of being mistaken for a military vehicle and getting attacked.

In Russia, too, hunger will likely be on the rise as sanctions hurt the nation’s economy. In the 1990s, economic sanctions against Iraq were linked to the death of half a million children as malnutrition rose.

Since the start of the pandemic, hunger has been increasing in almost every corner of the world, with the biggest toll coming in parts of Africa and Asia.

“The last thing the world needed at this point was another conflict, because conflict is driving hunger in the world,” said Deepmala Mahla, vice president for humanitarian affairs at CARE. “I just find it unacceptable to a level of disbelief that in this day and age, people are sleeping hungry when the world has the ability and is producing more than the food required to feed everyone.” — **Bloomberg**

# China eyeing Indo-Pacific as Russia attacks Ukraine — Australian official

SYDNEY — A “troubling new strategic convergence” between Beijing and Moscow has developed and the risk of “major power conflict” had grown since Russia invaded Ukraine, Australia’s intelligence chief said on Wednesday.

Andrew Shearer, director general of the Office of National Intelligence, said China’s President Xi Jinping appears to be planning to dominate the Indo-Pacific region and use it as a base to overtake

the United States as the world’s leading power.

The comments reinforce warnings that the Russian invasion of Ukraine, which has met near-universal condemnation by the West, may spread into a regional or global conflict. This week Australian Prime Minister called on liberal democracies to stop an “arc of autocracy” reshaping the world. Read full story

“We’re going to have to work much harder to maintain the

liberal quality of the rules-based order in Europe and here in the Indo-Pacific region,” director-general of the Office of National Intelligence Andrew Shearer said at a conference hosted by the *Australian Financial Review*.

“We see a leader who’s really battering down and hardening his country for this struggle to overtake the United States as the world’s leading power,” he added, referring to Mr. Xi. “The base

camp ... is to establish primacy in the Indo-Pacific region.”

Mr. Shearer said the geopolitical threat would center around technology, including use of cyber-attacks, so Australia must bolster its cyber defenses without closing itself to trade and information-sharing.

“We need a growing, open economy so we can fund the increases in defense spending that the government’s committed to, but this can’t be a zero-sum

trade-off between economics and security,” he said.

Since Russia’s invasion of Ukraine, which it has called a “special operation,” Australian intelligence professionals considered that “a major power conflict unfortunately is becoming a less remote prospect than it was previously,” Mr. Shearer said.

He echoed many Western commentators by saying he was surprised by the effectiveness of Ukraine’s resistance to Russian

forces. But he foreshadowed a “brutal, bloody couple of weeks” since Russian leader Vladimir Putin had “everything at stake now (and) it’s hard to see an elegant, or inellegant, dismount.”

The Kremlin describes its actions as a “special operation” to disarm Ukraine and unseat leaders it calls neo-Nazis. Ukraine and Western allies call this a baseless pretext for a war of choice that has raised fears of wider conflict in Europe. — **Reuters**