

SARASWATI BUSINESS SOCIETY

Weekly Digital Magazine

Message from BBM Director

Narayan Prasad Aryal

Coronavirus

Impact in Developing
Countries

Ram Khadka

When will the pandemic end?

Manita Subedi

Unfair Advantage of
Financial Education

Bidur Prasad Lohani

Q&A with

Chiranjivi Neupane



CONTENTS

03: Impact of Coronavirus in developing countries

Article on contemporary issue

08: When will the Corona pandemic end?

Opinion based article

09: Unfair advantage of financial education

Financial education to win

14: Message from BBM director

Narayan Prasad Aryal

15: Congratulations and wishes!

Rita Subedi

16: From our audience

Answering last week question

17: Q&A with Chiranjivi Neupane

First build a team to start any business

Impact of Coronavirus (Covid-19) in developing countries.

Ram Khadka | MBM 1st semester

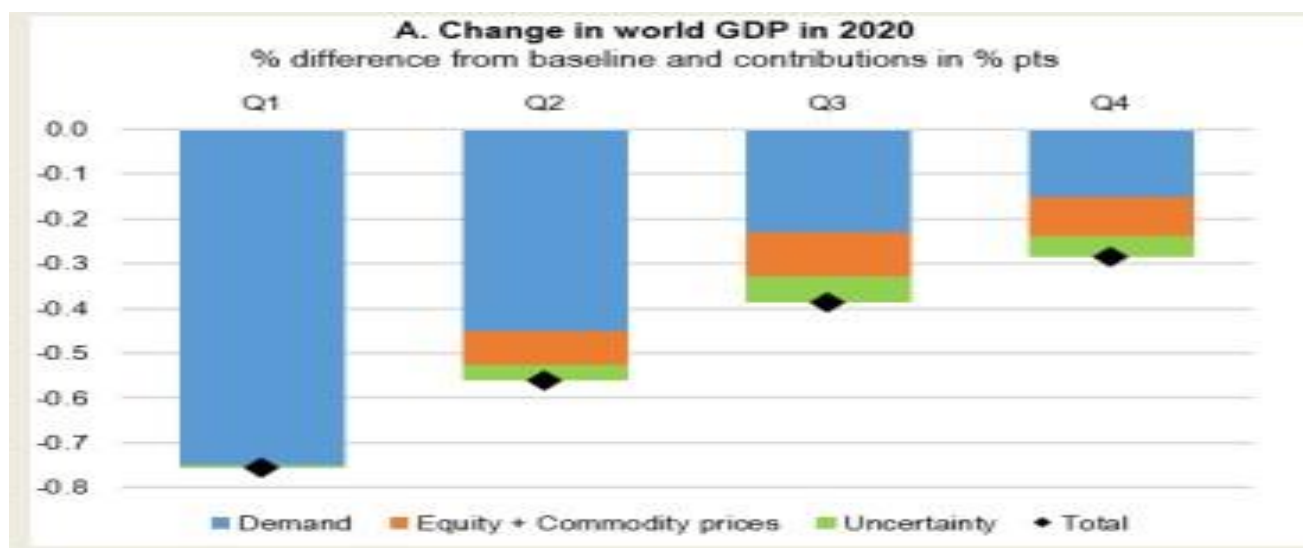
Coronavirus (COVID-19) is an infectious disease caused by a newly discovered virus. As WHO stated corona virus as a Pandemic disease. The virus is causing havoc in both rich and poor countries. Due to the impact of corona in every country there is a situation of lockdown. All the national and international flight is canceled. All the mega projects, organizations and industries are closed down. The school, colleges and university are locked up. The world economy is in decreasing at an increasing rate. The inflation and unemployment rate are increasing day by day. All the big companies, industries stock and share market are rapidly decreasing and shutting down which is directly impacting people in day to day activities. Ongoing of the Covid-19 all over the world whole economy is in the line of diminishing phase. The coronavirus (COVID-19) outbreak has already brought considerable human suffering and major economic disruption.

In all over the world it is addressed with the quarantine and self-isolation which restrictions on the mobility labor and people. Its result is the heavy loss for all countries. Often overlooked to pandemic diseases the heavy damage will cause in poor ones, which could be even worse. The adverse consequences of these developments for other countries are significant, including the direct disturbance towards the global supply, wider declines in international and national tourism, degrading the demand of import goods and services. Many international games shows are postponed and even a summer Olympic of Japan is postponed to next year. As of April 14th Africa, had reported 4100 infections so far; India, only 10,756. But the virus is in almost every country. For cure, there is no vaccine. In a very rough guess is that, without a campaign of social distancing, between 25% and 80% of a typical population will be victim of this disease. Of these, perhaps 5.1% will be seriously sick and a third of those will need intensive care. For poor places, this signifies calamity.

Social distancing is practically impossible if you live in a crowded slum. Hand-washing is hard if you have no running water. Governments have already announced to people not to go out to work, but if that means their families will not eat, they will go out anyway. If prevented, they may riot. In developing countries many schools feed the meal to the students as more than 26million students will be affected all over the world. So covid-19 is spreading all over poor countries. And their health-care systems are in no position to cope. Many cannot deal with the infectious diseases they already know and can be case of epidemic. Health spending per head in Pakistan is one two-hundredth the level in America. Uganda has more government ministers than intensive-care beds. Throughout history, the poor have been hardest-hit by pandemics. Most people who die of aids are African. The Spanish flu wiped out 6% of India's entire population. Most of developing countries have ordered lockdowns. Developing nations whose main source income is tourism is adversely affected and can be in the condition of starvation. India, Nepal and other developing nation has announced a "locked down" on leaving home at safe condition. As it is pandemic disease, among South Asian countries Pakistan has not declared of lockdown whereas

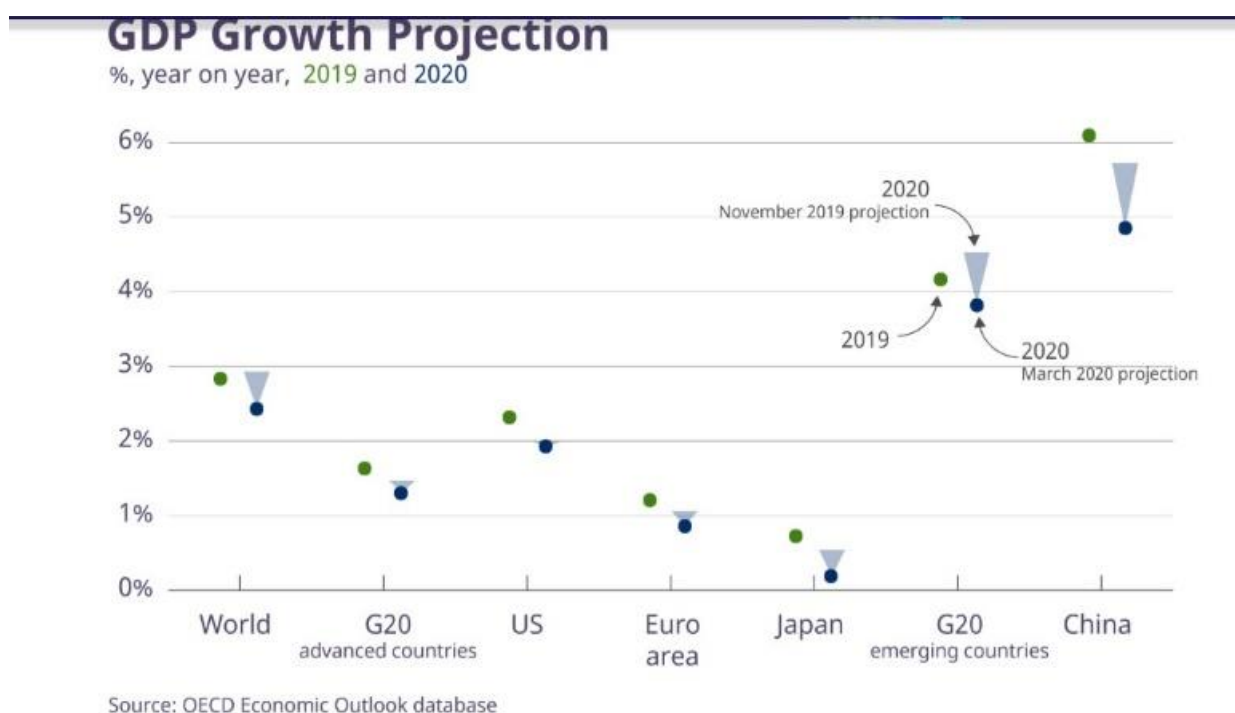
its population is 204.73 million. This can really impact over the neighborhood country too due to of open boundaries and cultural practices. Many places and countries leaders are still in denial. Big supermarkets and street markets in Myanmar are packed. Some leaders are clueless. South Africa has arranged strategically to army in enforce of it. They may slow the disease, but they are unlikely to stop it.

Overall, the level of world GDP is reduced by up to $\frac{3}{4}$ per cent (relative to baseline) at the peak of the shock, with the full year impact on global GDP growth in 2020 being around 0.5 percentage point. Most of this decline stems from the effects of the initial reduction in demand in China. Global trade is significantly affected, declining by 1.4% in the first half of 2020, and by 0.9% in the year as a whole.



IFC, a member of the World Bank Group, will increase its COVID-19 related financing availability to \$8 billion as part of the \$14 billion package, up from an earlier \$6 billion, to support private companies and their employees hurt by the economic downturn caused by the spread of COVID-19. In addition to allowing the automatic fiscal stabilizers to work fully, and expanding spending on health services, targeted and temporary fiscal measures could also be implemented to support businesses in sectors particularly exposed to a sharp downturn in travel and tourism. Funds established to reintegrate workers who have lost their jobs due to globalization could also be utilized. In the European Union, other potential options are to adapt temporarily the state aid framework, as was done at the height of the financial crisis in 2008-09, or to allow more leeway within the EU fiscal rules to affected economies, in recognition of the exceptional circumstances. Domestic demand in most other Asia-Pacific economies and developing countries, including Japan, Korea, India and China and private consumption in the advanced northern hemisphere economies is reduced by 2% (relative to baseline) in the second and third quarters of 2020. In a rapidly changing environment, making precise growth projections is unusually difficult. Growth in the developing EAP and developing region is projected to slow to 2.1 percent in the baseline and to negative 0.5

in the lower-case scenario in 2020, from an estimated 5.8 percent in 2019. Growth in China is projected to decline to 2.3 percent in the baseline and 0.1 percent in the lower-case scenario in 2020, from 6.1 percent in 2019. Containment of the pandemic would allow for a sustained recovery in the region, although risks to the outlook from financial market stress would remain high.



People in poor countries may be young, they engaged in different sort of income generation activities but the lockdown can create the hunger over it. This covid-19 can phase out the day meal of poor people. There are many nations whose national GDP is very poor even they cannot create an employment opportunity after solving this problem. Whole economy will be disturbed and could raise a problem of violence and civil war. Lockdowns will be hard to sustain unless government can provide a generous safety-net. Farmer couldn't get any more seeds to grow the crops. Sealed of neighborhood countries boundary can create the crisis of food and necessary things. Firms need credit to avoid laying of staff. Informal workers need cash to tide them over. Unfortunately, poor countries do not have the strong financial support to provide these things, and covid-19 has just **made it much harder to pay off**. Poor countries back up plan or preparedness against of COVID is low, either they are not given high alertness or they are lag over it. If COVID attack to slum area of developing countries then developing countries will gradually decrease whole economy system.

The preparedness over COVID by developing countries as given below.

The U.S. ranked first in the world in a number of indicators including: Epidemiology Workforce, Biosecurity and



Emergency Preparedness and Response Planning. Italy as a developed country came over 126th ranked in the Emergency Response Operation Indicator and 59th in Emergency Preparedness and Response Planning. Prior to the COVID-19 outbreak, China had a plan in place to deal with communicable diseases with pandemic potential. Yemen is the country that was infected by cholera over 2.2million people since 2016. Iran ranked 108th in Emergency Preparedness and Response Planning. It is said that 73% of the poor 9 countries citizen lives below 50 score in the Health Security Index that means countries are lack of health remedial equipment's over COVID. Most countries are lack of

foundational health systems capacities vital for epidemic and pandemic response. Many poor and middle-income countries balance of payments crisis, as nations were survived from remittances may tumble as migrants in rich countries lose their jobs. Collapse in a government revenue as they need to raise health-related spending and imports of health equipment to reduce the death toll; welfare so that workers can isolate themselves without running out of money. First and foremost, additional fiscal support for health services is required, including sufficient resources to ensure adequate staffing and testing facilities, and all necessary prevention, containment and mitigation measures. In every situation rich country can borrow or easily manufacture needy things but in the part of poor countries they have to import the goods but it cannot be easy it is because rest of the countries are also affected it. As a result, countries might a heavy loss of increase of death ratio. The trade-off between saving lives and saving livelihoods is excruciating. Shutting down of development projects can be extended with due date completion. The COVID-19 shock will also have a serious impact on poverty.

The data of IMF estimates that under the baseline growth scenario, nearly 55 million fewer people will escape poverty across the development counties in 2020 than would have in the absence of the pandemic (using a poverty line of US\$5.50/day). If the economic situations were to deteriorate further, and the lower-case scenario prevails, then poverty is estimated to increase by about 20 million people.

Prior projections estimated that nearly 75 million people would escape poverty in developing countries in 2020, including over 35 million in East Asia and Pacific Countries alone.

Far from helping, many better-off countries have taken a nationalist turn. Some places, such as the EU are restricting the export of medical kit. That goes against the values they profess to hold. Other countries are in period of economic blockade to neighborhood because it is difficult to supply own side of the country citizens. In global trade is stop up, the economic damage will be far greater. For poor and developing countries that rely on imported food, it could be deadly. As much covid-19 remains unknown governments in poor countries should supply people, goods with timely, accurate information should provide. All the internet and telecommunication services should be free.

The rich nation should cop out this problem and have to assist for the poor nations. Many monetary organizations and international council should release fund for the developing nations so that they can fight to stop from spreading over the whole nation. Assistance of different health related equipment, supply of food, monetary assistance should provide to move on nation. As G20 nations have to set out a proper plan. It should be generous. From this situation, in some extent china is in recovery process but there is question mark from developing countries does china will help other developing and poor countries. China has to send their doctors and nurse all over the world so that nations can fight the virus and should not forget those help in needy situation and they will pay back them. Resources of COVID-19 testing kit should be boosted with the maximum number of productions; supply of health care and infrastructure for food production. Governments should provide unemployment paid as sick leave with job security so that they can freely stay over home. Unemployment benefits should be extended and expanded. Several trade off should be managed. Due to the lockdown most of the business are dismissed, in this case banking loan should be either decrease or rate of interest should be decrease. In terms of tax, government should decrease the tax rate or free for that month and should provide subsidy for further operating of business. Poor countries should owe money from World Bank or IMF and expense in development fields so that poor countries can sustain. If all nations move on or coordinate with global effort to roll back a global prosperous it is applicable. It is too late to avoid a large number of deaths, but not too late to prevent calamity. And it should be looked with globally and locally by rich countries. Covid-19 should be controlled and universe will be back to prosperous life.

Keep Social Distancing

The only way to save the world.

When will the corona pandemic end?

Manita Subedi | BBA 1st semester

Globally, there is a wake of increasing infected cases and skyrocketing COVID-19 deaths. Since the beginning of 2020, COVID-19 has been the only thing in everyone's mind. At the time of this writing, April-24th, 2020, there are more than 2.7 million confirmed cases and 191,000 deaths. It is impossible to go to any reputable news source and not be bombarded with anxiety instigating the latest infected cases and death toll's headlines. Until today there are 48 confirmed cases and nine recovered in Nepal. It is obvious to cross a question "when will the pandemic end?".

In brief, it is uncertain. However, according to infectious disease specialists and researchers, some points to end the pandemic.

Ed Young states that one way where all countries on the world are cleaning their act and controlling viral situations under secure quarantine and mass-testing rollout. Nepal, as well as many of the countries, are following this way to control the pandemic. Non-essential meeting places such as gym, restaurant, motel, bar and theatres are entirely close. Consider the US, one of the most developed and initiative nation, has announced national quarantine already become the epicenter of the novel coronavirus.

The second point holds the dangerous way to end a pandemic that is using the technique of herd-immunity. Herd-immunity refers to spreading the virus intentionally in the assumption that those who recover will develop the antibodies to fight against the virus. If Nepal intended to follow this approach, then many vulnerable people will die.

The third scenario is a realistic one which will cause less impact on people's lives, but it is a long process. It is that it will take one to two years to find out vaccines of the virus.

Before Corona-virus outbreak, the viruses were mostly seasonal and duration of immune. We have heard the pesky rumor that COVID-19 will slow down in summer. Now, there is no evidence to believe. There is no certainty, it may or may not be affected by temperature according to the center for disease control and prevention (CDC).

It will be foolish if someone specified the duration of a pandemic, but we can only predict it through a past pandemic, which was similar to COVID-19. Most of the pandemic was last for 12 to 36 months. There are many pandemics which temporarily end and appear again. Worse is yet to come if we do not maintain social distancing and follow quarantine properly. Staying at home is far better than staying in a hospital; therefore, stay safe.



Unfair Advantage of Financial Education

Bidur Prasad Lohani, BBA 1st semester

Before describing about Unfair Advantage of financial education, I have a question. Do you really know what financial education is?

Think for a minute.

This is the type of education that teaches us what we should be doing with our money to be successful. In today's world, financial education is crucial, especially with the world economy in recession or depression. However, our school systems don't teach us about financial education and so most people have never been taught what they need to know in order to take control of their financial lives. This is why I have written this article to give you an idea of financial education and about Unfair Advantages associated with it. What I refer to as an unfair advantage is the competitive edge that you gain through financial education. These are the lessons that you can apply and benefit from it.

Unfair advantage 1:

The Ability to Transform Your Money and Your Life

There are three types of income. They are:

1. Ordinary
2. Portfolio
3. Passive

Most people leave school and work for ordinary income, the highest taxed of the three incomes. When a person saves money, in a savings account they are working for ordinary income. It requires financial intelligence to be able to convert ordinary income into portfolio or passive income. A review, in simple terms, of most typical earning patterns:

1. The poor work for ordinary income.
2. The middle-class work primarily for portfolio income. This includes capital gains, increases in value on their home and stock market investment.
3. The rich work for passive income. This means cash is flowing in, whether they work or not.

I like to interpret the story from a Book of Robert Kiyosaki of the goose that laid the golden egg as a fairytale about portfolio and passive income. If you eat the goose, it's portfolio income...capital gains. If you keep the goose, you will have more and more golden eggs or passive income, in the form of cash flow.

Q) Why knowing how to transform your income important?

Answer: Today central banks around the world are printing thousands of billions of dollars, which means your money is worth less and less. Nepal Raastriya Bank spends millions of rupees in printing new banknotes. Being able to transform your money means you are better able to keep up with the devaluation of the money you earn. When a person learns to transform their income, they transform their lives from poor to middle class to rich. That is what Steve Jobs, Walt Disney, and Thomas Edison did.

The word education comes from the word educe. Educe means to draw out, not to put in. Unfortunately, our school system is not interested in drawing out your financial genius. They want to keep putting more stuff into you. And, in most cases, this “stuff” programs you for life as an employee.

Unfair Advantage 2:

The Ability to Be More Generous

The primary reason there is so much greed in the world, which can be found in Maslow's Hierarchy of Needs, at the second level: Safety. With a strong financial education, you have a better chance of reaching Maslow's fifth level, Self-

Actualization. At Self-Actualization, the you becomes more generous, giving rather than taking. As long as you feel insecure financially or uncertain at level two, you will remain needy, which often leads to becoming greedy.

Unfair Advantage 3:

Increase Your Emotional Intelligence

Intrapersonal Emotional Intelligence is often called the “success intelligence.” One indication of high emotional intelligence is “delayed gratification”. One reason why so many people struggle financially is because they cannot delay their gratification. Most people would run out and buy luxury goods which may not be that important in current time. By teaching yourself to buy assets first and then use their assets to buy liabilities, you are increasing the success intelligence.

Unfair Advantage 4:

Use Debt to Become Richer

Our schools do not teach students about money or debt. I have seen so many people in city of Nepal like Kathmandu who buy houses taking loans thinking it is an asset and fall deeper in debt. After they are married, they go deeper in debt with mortgages, car payments, and consumer debt. With financial education, you will learn that there is two types of debt, good debt and bad debt. Good debt makes people richer and, bad debt makes them poorer. Since debt is the new money, a financial education will teach you to become richer using debt. You will not have to live your lives saying, “I can’t afford it” or “I don’t have any money.” In learning to use debt to acquire assets such as real estate, you learn to be more generous in choosing a type of investment that serves a need in Nepali society—like providing affordable housing. When you do that, you earn passive income and pay less and less in taxes.

There is a famous saying by Bill Clinton “What you earn depends on what you learn” that is why Financial Education is important for us. It equips us with the knowledge and skills that we need to manage our money effectively. Without it, our financial decisions and the actions we take—or don't take—will lack a solid foundation for success. As you now know the unfair advantage of a financial education, I hope you will take a step forward on learning more about financial education and applying the things that you have learned.



SARASWATI BUSINESS SOCIETY



Agricultural Entrepreneurship





Its time now.

Youth in Nepal
should think
about Agricultural
Entrepreneurship.

Message from BBM Director



Narayan Prasad Aryal

Lecturer, SMC

(Ph.D. Scholar)

I am really delighted with the work initiated by Saraswati Business Society, club formed by BBA/BBM students. In this pandemic period of coronavirus, our students have started to publish weekly magazine digitally. This initiation from the students will definitely help them to grow their skills and help to broaden their academic knowledge. Also, this will increase student's habit of reading and writing using digital tools. We have been providing different facilities for students in time and again to grow their skills inside the college. Saraswati Multiple Campus provides its students with different opportunities and they are given the freedom to bring their ideas in implementation. We are always with the students and with their creative works. I would like to assure all the students that the BBM department will be always there to support the creative ideas and work of the students.

I wish all the best to team SBS and I believe they will keep working to always meet their goals and objectives.

Congratulations and best wishes!



Rita Subedi

Lecturer, SMC

(Ph.D. Scholar)

First of all, I would like to welcome your team to this writing exercise where even we, as teachers, struggle to express ourselves fully. This is a big step as you set forward to obtain knowledge for yourselves and strive to work for the wellbeing of the society.

I extend my warm-hearted congratulations to your team. Your effort to communicate through forms of review, story, case-study, sharing of experiences, new ideas, opinions and thoughts in the first and second edition of online magazine is praiseworthy. I believe that doing little things is much better than not doing anything.

At the outset, let me remind you that making writing as a habit is an integral part of a learning process. Writing has proven to be helpful in retaining information because putting your learning into practice is important for cementing it in your mind, as practice creates new neural pathways in the brain. Writing also helps you organize your thoughts and helps you eliminate mistakes. Further, as you enhance your ability to express yourselves, this creates further avenues like getting a job, improving communication skills, improving focus and most certainly advanced your learning.

Lastly, it is believed that educated persons are crucial for the well-being of the society. Unfortunately, this has not been realized in our society. I think that we Nepalese are capable and well enough but there still exists a missing link. Your responsibility is to search for this missing link as you embark on this journey to achieve knowledge, skills and value to play an active role in well-being in society which may added beautification of the world.

Answer From our last week question

Question

Why Nepali students are attracted towards foreign country for higher studies?

What can government do to stop this trend?

Swornim Khadka, BBA 5th Semester

Talking about Nepali student attracted towards foreign country has been trend since ages. It is due to advance and new methodology of teaching and learning as it mainly student oriented as students are assigned task and have to go on field visit to understand about that the particular subject. Which has been found beneficial as exposure is huge and helps to tackle daily life changes. Comparing and contrasting in the context of Nepal we are still studying outdated course and we are still using trend of teacher-oriented methodology where teacher comes and explains that subject matter till end of the year and semester, we mug up and vomit take in our answer sheet. Where knowledge and learning get limited within the four walls only, I feel and creativity seems lacked in one self.

Prabesh Lamichane, BBA 5th Semester

Many students go abroad for higher studies not just for the quality education but thinking that they will be able to work part time or full time to pay for their studies. But all people don't stay there after graduation, some come back to Nepal learning more and developing new skills. We can take example of owner of KKFC where Roberts are used in serving food. And to stop this trend, government should make environment in country to provide quality education and guarantee job placement for qualified education and guarantee job placement for qualified students. Even though, this approach cannot totally stop students from going abroad, at least it helps to lessen the existing big number.

Aaditya Acharya, BBA 5th Semester

In my opinion, even though many Nepali students go abroad for higher studies, there are only few who actually go for better education. For many students, abroad study is a gateway to work and earn money there. Some go abroad with fear that even after completing higher studies in Nepal, they will not get job. So, Government to stop/minimize this trend, should not just focus in opening new universities or colleges in country but rather should create more job inside the country by promoting entrepreneurship and new businesses.

Anita Bista, BBA 3rd Semester

Studying abroad helps to learn new languages, appreciate others culture, overcome challenges of living in other country and gain a greater understanding of the world along with international certificate. In comparison Nepal has very limited development in the sector of technology and has insufficient education material, what I have realized till now is that Nepalese studies is totally based on theoretical rather than practical basis knowledge and the syllabus has not been changed or updated since decade. No any University guarantee replacement after higher study. There is also another reason behind the curtain, because of destroyed economy of country every youths dream of more standard living, with modern facilities n handsome salary is not possible even if we study hard or work for 18 hours.

Q&A with Chiranjivi Neupane

Chiranjivi Neupane, a BBM student in Saraswati Multiple Campus has started his own company named C-tech Network Private Limited which supports networking and software development.

→ Share your experience in starting your own business?

At a very early age and before completing graduation starting a company needs a lot of time and sacrifices. Parents also won't be supportive of your dream. But luckily after my struggle, I started my journey of business in 2018, which aims to develop, support, and supply the digital products and software. I have 5 people in my team, who are creative and innovative. We are working together and We still have long way to go to meet our objectives.

→ What inspired you to start the business?

Invest in yourself, take the risk, and you'll gain the experiences from it and, someday it will surely reward us.

→ What are the possibilities that you have seen in your business?

In recent years, Nepal has moved towards the digital sectors, every Nepalese wants to take advantage of revolutionary products and services but everyone doesn't understand how to operate the software and technology. So, we offer our clients as per their requirements and resources and help them in this regard. Our company also operates the e-commerce business related to fashion industry.

→ What does it take to turn the dream into reality?

Build a supportive team. A team can motivate and energized you to make things happen, so I advise all who want to start a business is first or last, we must make a team to reach our objectives. The only best action is to make a first-team and then start a company, which will support the next step towards the journey.

→ How much does money matter while starting a business?

First, I don't think money should be a hurdle that stop anyone to start their own business. Money matters but partially, it only works if you know how to invest your money in your ideas.



Chiranjivi Neupane
BBM 7th Semester

Question of The Week

What are the career challenges for students, teachers and other people in academic field due to COVID-19 pandemic?

SARASWATI BUSINESS SOCIETY

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Bridging gap between theoretical and practical education