

"Are we entering in a winner-takes-all economy? Why and what can we do about it?"

The following definition of a "winner-take-all" is given by the Cambridge dictionary, so a winner-take-all is "the entire prize going to the one competitor". In this essay we are going to study this phenomenon but in economics. As you may know there is a well-known phenomenon in the economy, and it's the concentration of power and wealth that has been taking place during the last decades, and even the last centuries. Moreover, this phenomenon has been accentuating because of the technological advances all over the world. There's nothing new here, but, now, at the present there is a major factor to think about, and it's the Coronavirus. Yes, the coronavirus has been a game-changer since the end of 2019 and throughout the year 2020 into the worldwide economy.

As the world is becoming more complex, how did the coronavirus accentuate the concentration of power and wealth? And what are the solutions we can think about?

The phenomenon of "winner-takes-all economy" and the situation influenced by the coronavirus is going to be explained in the first part of this essay. In the second part of the essay, I'm going to propose some solutions to mitigate this current issue.

Throughout this essay is going to be hard to focus, on only one country, or on a company or even in a specific year, because this is a worldwide affair. So, a "winner-takes-all" in the market or in economy, is where the most powerful and competitive actor are able to take all the advantages and make important benefits thanks to their consumers and they let to the competitors and the small retailers with very little financial benefits. Now, let's get briefly back in time, even before the internet has appeared, there was already huge companies like Mc Donalds which has been implanted in France for the first time in 1979, there was also other companies in the market, we can take the examples of luxury brands like Channel, Hermès, these are only a little few example of oligopolies. Imagine if a fast-food restaurant and a multinational company like Mc Donald is implanted in a city, no matter what its size is, because of its renown and its reputation is going to take an

important number of clients and instantly become an important competitor to local restaurants, even if it is not the best for people's health, people will go into this fast-food. Another fact, that can explain this situation is also the rise of import-export between countries, the growth of mass production and the development of what we call the "society of consumption", and that's a fact, there is more and more people in the world, so the economy follows, the point is that the companies double their effort to reach as much as consumers as possible. Then, after the apparition of the internet and the development of exchanges between countries the number of oligopolies has increased, so for illustrate this we can take the example of Amazon, which firstly offer a delivery service, now also offers and sells its own products, this company has been able to adapt itself into the current world thanks to its rapidly growth but also by using the data of consumers because it has access to it, so for this kind of company it's easier to access to this information than small retailers. Now, let's focus on the current crisis caused by the Coronavirus, at this point it's obvious that the technologic devices are part of our lives, at the school, at the work and everywhere we go we have our smartphone very close to us, so what are the consequences that the covid-19 has brought? One thing for sure it's that things in our times move and develop very fast. The virus has been widespread rapidly, a lot of people were dying, so the majority of countries in the world has decided to impose a lockdown in their entire territory, the borders were closed. But thanks to internet and technological advances that we have we could continue to communicate, bought things, people had learned how to work from home, and that's where companies like Amazon, uber-eats, Zoom and all the companies that could continue to offer services had certainly made their best sales revenue, and what about the small retailers? The local businesses? The little artisan? Those ones can't compete, it's out of their hands, the sanitary restrictions do not let them to continue their businesses, so they are struggling, and for a lot of them this crisis led them to bankruptcy.

As we just seen there is more and more concentration of power in only few companies and it's hard to the smaller businesses to compete. So, how can someone entry and success in the economy market? After all we have just seen, it seems impossible, and we can think that only the talented people can entry in the economy, for example, J. K Rowling, the writer of Harry Potter or an inventor can only achieve "something" in these days, but that is not the case, there's others ways

than being lucky to take a place in this modern world. For example, a young person has everything in his hands to develop a company, thanks to the social networks for example, is no more necessary to pay the television to diffuse their ad, all that an entrepreneur have to do is work with its smartphone from home, then take their audience and make them their potential and future consumers. But more than that, if a person wants his company to growth they have to be on the move and follow the trends and if it is possible anticipated them. This may seem difficult but, in fact, is not, we have access to a lot of information, we can change our ideas and communicate with a lot of people, nowadays is easy to know what's is happening on the other side of the planet, these are the steps to follow for a young person, but now let's see how a small retailer can manage to develop its company, as the young person is important to be up-to-date on what is happening, but let's take an example of a company that doesn't have the as much access to consumers' information as Amazon, so what they can do is take risks, invest into a new product, invest into new marketing strategies and beg this to work. It's the same for the shareholders, they are regularly taking risks in investing on innovation. And we as a consumer why we should support the small businesses? First, we can talk about morals so that help the people closer to us, then in this kind of situation, in a crisis, we can believe that we don't have other choice than buying things from Amazon or other websites, but we did have. We can also have ecological moral, and refuse to consume things that came from the other side of the world, consuming local is better for the earth, for the local businesses, and for the health of everyone, we can exactly know where our products are coming from, and this way we are also fought against the companies that relocated they factories where the workforce is cheaper and unfair. In addition, by refusing to buy things in internet we can protect our private life, is kwon that big companies have access and can buy information of people, they make profit of it by reselling them. To finish thanks to our investment on buying local and from small retailers we protect the diversity, the variety of products, that is to say, if we buy something else than the big companies offers us, we could continue to have a large choice of products, we will know if we buy a quality product or not, plus, often the product that we found in internet are cheaper but also not of a good quality

To conclude this essay and to respond to our key question we can confirm that we are entering in a winner-takes-all economy and this phenomenon is being

accentuated by the current sanitary crisis, which affect most of the world's countries, but we also saw how can a random person can manage to entry into the economy and participated in it, the technological advances give everybody a chance to create a business. Now, we can ask ourselves if there any possibility to the economy to return back at a time before the Coronavirus crisis? And what we have learn from this crisis that we can keep?