# TeachEcoKnowmics Blog Post 3

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This week, I read "How the Coronavirus played out by sector and demographics" by Dan Burns on Reuters on April 4th, 2020. This article was written at a time when the shutdown of businesses was beginning and businesses were having massive layoffs. This is relevant to our recent discussions in class of supply and demand, since it clearly shows the complicated choices that businesses under pressure make about the labor market, and the relationship between the goods and the labor market. In the case of goods and services, the primary driver is demand because people are unwilling to go out and receive non-essential services. There is also a massive increase in the demand of certain items, such as hand sanitizer and masks at this time. In the labor market, we have a decrease in demand since fewer people want non-essential goods, but we also have a decrease in supply because service providers are also less willing to perform non-essential services. As we learned in class, this will generally decrease quantity of labor (higher unemployment, which agrees with the article) but price (wages) will stay roughly the same. In addition, the demographics and occupational fields determine the level of increase in unemployment: as the article notes, non-essential services such as restaurant workers and healthcare workers (except those working in COVID-19 suppression) are hit harder than others. Some industries even have an exceptional increase in demand, such as remote technology providers and scientists developing the COVID-19 vaccine.

At the time of the article, it would probably have been unfathomable to businesses that only two years later (at the present time), we would have the Great Resignation and so many people would be voluntarily quitting at a time when unemployment is already high due to the aforementioned factors.