

TOP LINE

Renewed lockdowns in Europe and severe restrictions rolling across the United States are likely to bring additional economic turmoil and security risks across industries. The possibility of a domestic or global recession remains in light of the cost of business closures and rising unemployment rates to national GDPs across the U.S. and Europe alike. High rates of business failure along with spikes in unemployment bring a myriad of security risks, including increased rates of hacking, fraud, and intellectual property theft. Businesses should seek to mitigate such risks through reinforcing information security even as other matters seem more pressing.

Positive vaccine news from drug makers Pfizer and Moderna has boosted confidence on Wall Street and driven a market rebound. However, even if both vaccines survive the remainder of trials, they are unlikely to come soon enough to prevent economic hardship across the U.S. and Europe as an increasing number of states and countries pursue lockdowns and restrictions reminiscent of spring 2020. Wall Street and Main Street are once again on divergent economic paths as American small business owners and their employees are unlikely to receive the same financial support they did earlier this summer. As such, [more businesses will be at risk of permanently going out of business](#), which would undermine labor demand and heighten unemployment.

Business leaders should prepare for another economic slump prior to the widespread availability of vaccines. Given the current national political climate in the United States, state and local governments may be best suited to provide financial assistance to businesses suffering from renewed lockdowns. Business leaders should remain cognizant of the potential for lending scams and advise their workforces accordingly.

Question to Consider:

How can business leaders best prepare for another round of Covid related shutdowns across a number of industries absent the federal aid which accompanied in the spring lockdowns?

COVID-19: THE HIGHLIGHTS

[Michigan and Washington joined several other states in announcing additional restrictions to combat coronavirus](#) as U.S. cases passed the 11 million mark on Sunday. The most notable restrictions included a ban on indoor dining at restaurants and bars and closure of indoor fitness and recreational activities. Health officials expressed fear that colder weather in the coming months will drive people indoors and further accelerate the crisis. Industries most affected have expressed the views that such measures are preemptive, extreme, and unnecessarily taxing on struggling businesses and workers. Many in the service industry have warned for months that they are unlikely to survive a second shutdown and despite promises of financial assistance, federal and local aid has lagged. [Even some health experts have expressed skepticism that lockdowns are the answer to the continuing pandemic.](#)

BEYOND THE NOISE: THE NEW NORMAL

Increasing Covid rates and accompanying lockdowns bode badly for businesses as Congress appears unlikely to approve a new stimulus package to aid struggling companies and their workforces. While a number of states have promised local aid, absent a robust influx of money, [more businesses will be at risk of going permanently out of business, driving unemployment rates higher.](#) A renewed rise in unemployment is likely to be accompanied by shrinking GDP, which has the potential to roll into a recession given the economic costs and duration of Covid to date.

TRUSTED RESOURCES: for numbers & guidance

[Johns Hopkins University](#) – Coronavirus Resource Center

[World Health Organization](#) – COVID-19 Pandemic

[Center for Disease Control](#) – Coronavirus (COVID-19)

Please contact Secure Source International at info@securesource.com to schedule a leadership roundtable with our intelligence and security experts to dive into these topics and discuss security and safety related best-practices.