COVID-19 and the Global Political Economy: Same as it Never Was?

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This introductory article outlines how Global Political Economy and the nuanced perspectives of scholars from this interdisciplinary navigate claims about the origins and consequences of, as well as responses to, the COVID-19 pandemic. Emerging social scientific assessments have tended to understand the pandemic as either an entirely novel crisis (“everything has changed”) or one merely extending preexisting economic and political tensions (“nothing has changed”). Early analyses of political-economic aspects of the crisis assembled in this collection instead highlight both patterns of continuity and change—and the importance of situating changes within prepandemic continuities—that have emerged during the first year of the global pandemic. This introductory article brings together suggestions by and for Global Political Economy scholars, as well as social scientists more generally, for further researching key dynamics shaping the global political economy in the COVID-19 era as it keeps unfolding and evolving.

INTRODUCTION: NAVIGATING PATTERNS OF CONTINUITY AND CHANGE IN TIMES OF CRISIS

More than a year from the global spread of the SARS-CoV-2 virus, arriving at any shared understanding of the pandemic’s origins, implications, and solutions is both an urgent and a daunting task. The complexity and fluidity of rapidly evolving global processes preclude the formation of any single perspective. Yet, just as there is social value in heeding the evolving views of virologists, epidemiologists, and other scientists, there is much that the social sciences and humanities can add in generating nuanced insights into the origins and consequences of, as well as responses to, the global pandemic.

This collection brings together an understanding of how patterns of continuity and change in the global political economy have been implicated in the origins and consequences of the COVID-19 pandemic and attempts to address the pandemic during its first year. Across more than a dozen contributions, diverse perspectives from the interdisciplinary field of Global Political Economy (GPE), drawing from insights across the wider social sciences, are brought together. A primary preoccupation of GPE is how crises shape, or fail to shape, global political and economic relationships. Whether one traces the field’s origins to the restructuring of the world economy in the 1970s or draws its lineage to moral philosophers who studied capitalism’s expansion and overturning of earlier socioeconomic relations (Cohen 2019; Katzenstein, Keohane, and Krasner 1998; Helleiner 2015; Underhill 2002; Ravenshill 2007), GPE’s stress on the “three Cs” of crisis, continuity, and change can inject nuance into diverging claims that, on the one hand, the COVID-19 pandemic is an entirely novel crisis (e.g., Campbell and Doshi 2020), and, on the other hand, that it merely reflects extensions of preexisting economic and political tensions (e.g., Drezner 2020).

In introducing this collection, the following sections highlight the patterns of both change and continuity contributors identify in (1) the outbreak of the global pandemic, (2) its early consequences, and (3) the responses undertaken a year into the pandemic. Our overview stresses how individual contributions to this collection navigate between continuity and change in developing what, together, is a nuanced understanding between claims that either everything or nothing at all has changed as a result of the COVID-19 pandemic. In a final section, we bring together suggestions by and for GPE scholars, as well as social scientists more generally, to pursue further interdisciplinary research into key dynamics of the COVID-19 pandemic and its consequences for the global political economy unfolding.

ORIGINS AND SPREAD OF THE COVID-19 PANDEMIC

This collection traces the COVID-19 pandemic’s outbreak to both important changes and continuities in globalized
modes of production and distribution. While the origins and spread of the pandemic may not come as a surprise and point to continuity, the pace and intensity of the crisis are the result of prevailing structures of global production and consumption. Voelkner and Katz-Rosene, in their separate contributions, identify the origins of the virus in structural economic transformations that enabled the “jump” of the SARS-CoV-2 and other viruses from animals to humans. Voelkner points to large-scale shifts toward industrial food production and globalized farming, while Katz-Rosene stresses how unprecedented ecological pressures are connected to economic drivers of habitat loss and the growing number of encounters between humans and non-humans. These changes are equally situated by contributors within significant continuities. Voelkner highlights the continuity in how the transmission and retransmission of microbes from animals to humans and back stems from the steadily growing intensification of natural resource use over past decades. Katz-Rosene points to far longer-standing environmental degradation intertwined with growing global demand for products produced in developing countries.

Contributors to this collection also identify significant patterns of change in the global spread of SARS-CoV-2. Linsi points to how the rise of hyperconnected production networks enabled the virus to leap with speed and intensity from its initial appearance in China to industrial heartlands around the world. While diseases have long been transmitted along trade routes, the unprecedented speed of contemporary “just-in-time” international exchange ensured that the virus spread far faster than authorities could respond, as also emphasized by Narlikar’s contribution to this collection. Indeed, the valorization of “efficiency” in global production, trade, and health (Sell and Williams 2020) ensured an equally efficient global transmission of the virus.

EARLY IMPLICATIONS OF THE COVID-19 PANDEMIC

Bifurcated understandings of the early consequences of SARS-CoV-2’s spread around the globe are also navigated by contributors to this collection. On the one hand, contributors recognize the transformative nature of early consequences of the global pandemic. In his contribution, Babic writes that the COVID-19 pandemic is “one of the few truly globally experienced phenomena, affecting lives from the local to the level of world order.” As Bernards discusses, the economic shocks of COVID-19 led to losses of both lives and livelihoods at extraordinary velocity and volumes, entailing major alterations in how livelihoods are made. In their separate contributions, Katz-Rosene and Spendzharova further note rapid shifts for many to work from home. These shifts equally rapidly exposed long-standing class, gender, and racial inequalities. Stark divides were revealed between forms of work that could be undertaken by telecommuting and those that could not.

On the other hand, the implications that emerged during the first year of the COVID-19 pandemic are situated by contributors to this collection within important continuities. The spread of the SARS-CoV-2 virus is shown to have accelerated a number of preexisting inequalities: most significantly, global labor market divides between protected “insiders” and unprotected “outsiders,” between men and women, and between the Global North and the Global South. Bernards positions the unprecedented rise in unemployment in the entrenched of low-paid work and precarity that predated the pandemic. Spendzharova emphasizes how variation in the gendered impacts of the pandemic needs to be understood within the preexisting availability of affordable childcare. Egger notes that, despite their growth, private flows of foreign aid, for now, have not displaced traditional public flows and international donor relationships. Weinhardt and Brandi explain developing countries’ deeper-grained structural disadvantages in recovering from the pandemic in the longer term, and point to how preexisting divides between developing and developed countries at the World Trade Organization (WTO) are likely to be further exacerbated in the years to come.

SITUATING COVID-19 RESPONSES ACROSS THE GLOBAL POLITICAL ECONOMY

Changes in the observed short-term responses to the pandemic, furthermore, are also situated in this collection within both transformations and continuities in global trends. In separate contributions, Gertz and Linsi identify key factors driving renewed investment screening efforts and the adaptation of global supply chains that predated COVID-19. Babic explains how the pandemic is further exacerbating global inequalities that had already eroded the liberal order pre-COVID-19. Despite a possible magnification of these global fault lines, however, forms of international cooperation underpinning the liberal international order (LIO) continue. Tsingou notes how intergovernmental organizations like the Financial Action Task Force (FATF) have persistently pooled national sovereignty while seeking to prioritize state security concerns. Ban finds long-standing concerns over strategic independence among central bankers to have conditioned fiscal and monetary responses to the pandemic in Europe. Fuller highlights Germany’s persistent role as key veto player in European economic policy-making. Narlikar suggests that despite the changes in some areas, the WTO has so far largely continued to promote its pre-2020 trade agenda. International Monetary Fund (IMF) calls for state spending in response to the outbreak of the pandemic, Metinsoy finds, are “back to the future” rather than wholly novel.

At the same time, contributions to the collection also identify changes underpinning global responses during the first year of the COVID-19 pandemic. Linsi highlights how supply chain disruptions enhanced multinational firms’ considerations to reshore production at the peak of the pandemic. In their respective contributions, Voelkner and Campbell-Verduyn point to how large multinational pharmaceutical and technology firms sought to alter the public image of big pharma and big tech as tax-dodging villains in attempting to become key protagonists in developing vaccines and digital forms of contact tracing. Tsingou identifies a greater regulatory focus on the financial “plumbing” underpinning remittances, as well as global cooperation between regulators and firms seeking to maintain such cross-
border capital flows. Indeed, a greater role for nation-states is identified across contributions to this collection. Metinsoy analyzes how the pandemic has led the IMF to overturn decades of conditionality imposed on borrowing countries by advocating that governments increase public spending. Katz-Rosene points to growing emphasis on the need for state-led "Green New Deals" to address the climate crisis. Ban highlights a push for "Keynesianism 2.0" through coordinated fiscal, financial, and monetary stimulus in the United States and Europe. Similarly, Fuller underlines how key players in the European Union—once known as fervent opponents of debt mutualization—turned to advocate for shared debt in the form of the European Recovery and Resilience Facility (RRF). Emphasizing the simultaneous return of the state via an expansion and politicization of "national security," Gertz points to the increased role of governments in monitoring and regulating inward foreign direct investment (FDI). Narlikar echoes the widening of security concerns in the WTO's terms of provision for equipment and drugs, as well as the wider securitization of international trade. Such concerns add to what Babic identifies as novel constraints that forms of mercantilism and nationalism pose to the multilateralism underpinning the LIO. In sum, almost without exception, regional and global institutions have so far responded by turning away from a laissez-faire attitude in an attempt to take back part of the control. However, this response appears to be reactive in nature, attempting to mediate the implications of COVID-19. Whether it will lead to longer-lasting reforms in the way production is organized at local, regional, and global levels remains to be seen.

CONTINUITY AND CHANGE IN GLOBAL POLITICAL ECONOMY (GPE)?

A year in, the COVID-19 pandemic remains ongoing, and understanding of its origins, spread, and impacts is still evolving. The analyses of the initial months of this global pandemic brought together in this collection illustrate the relevance of GPE and the wider social sciences to help better understand how we got here and where we may be going. In addition to patterns of continuity and change in the origins and implications of, as well as responses to, the pandemic, contributors to this collection also consider the need for continuity and change in GPE and social science research more generally.

Crises are not only key objects of analysis in and for GPE; they are also moments for reflection on the strengths, weaknesses, and "blind spots" in interdisciplinary scholarship (Best et al. 2020; LeBaron et al. 2020). In their assessments of the COVID-19 pandemic, contributors to this collection identify a number of topics and trends deserving of more nuanced assessment in GPE, including some that have remained "niches" in the networks of the interdisciplinary (Seabrooke and Young 2017) such as investment screening regulating the global economy (Gertz); gender mainstreaming policies (Spendzharova); techno-solutionism and surveillance capitalism (Campbell-Verduyn); or the inner workings of global dispossession and vulnerability (Bernards). Intersecting with a greater focus on these topics is a need for further GPE analysis of regional differences (Weinhardt and Brandi), as well as racialized realities of the origins, impacts, and responses to the virus. What have been seen as more traditional "bread and butter" topics of GPE (Samman and Seabrooke 2017) require more "out-of-the-box thinking" in further navigating continuities and changes in global trade, finance, and production, and the roles of international organizations like the FATF, IMF, World Health Organization (WHO), and WTO, as well as the fate of the liberal international order.¹

Contributors to this collection point to two specific changes for GPE to contribute further nuanced understanding of the origins and implications of and the responses to the COVID-19 pandemic. First, this collection points to an urgent need for greater research on nonhuman elements and their varied interconnectivities with human activities. Across scholarly disciplines, recognition is growing of how technological infrastructures, material production networks, and ecologies are also not entirely under human control (Tsing et al. 2020). The COVID-19 pandemic illustrates how nonhuman activities operate partly independently of human activity in (re)constituting the global political economy. GPE research can provide insights into how "vital-lethal entanglements" (Voelkner, this collection) between the human and the nonhuman have been made, as well as how they might—and should—be shaped, rather than attempting to fully "control" them in the future. Second, and relatedly, is the need for greater emphasis in GPE on how "the ideational" materializes. The "ideational turn" in studies of crisis (e.g., Carstensen and Schmidt 2018; Samman 2011) has provided great insight into how abnormal events are understood and acted upon by human actors. The global pandemic, however, highlights the need to better understand the mechanisms through which ideas, conceptions, and worldviews lead—or fail to lead—to change. Moving from a focus on "ideational battles" toward a tracing of how institutions and other material "things" enable or disable certain ideas from impacting the world is an important task for understanding the pandemic's origins, implications, and solutions going forward. Such tracing is undertaken in Science and Technology Studies and fields that have productively extended insights from that interdisciplinary, such as economic sociology (Pinch and Swedberg 2008). GPE can contribute to "scaling" ongoing efforts at bridging material and ideational approaches—for instance, by assessing how notions of "good governance" sediment, or fail to sediment, into policy advice by international organizations like the IMF, as Metinsoy suggests in her contribution, or in the resilience of ideas on multilateralism at the WTO, as Narlikar

¹ See, for instance, the seventy-fifth anniversary issue of International Organization, https://www.cambridge.org/core/journals/international-organization/information/to-75th-anniversary-issue.
underlines. Several further contributions to this collection illustrate how such bridging of the ideational and material divide can occur. Ban investigates how the European Central Bank formulates crisis responses in synthesizing concrete monetary constraints with ideas regarding "good policy-making." Linsi, in turn, highlights how material infrastructures such as global production chains reflect sociopolitical attitudes as much as economic considerations. Campbell-Verduyn illustrates how particular ideas for resolving tensions between surveillance and privacy become materially "encoded" into novel digital technologies. Overall, the contributions to this collection stress that when and how ideas materialize across international and national policies is just as important as studying how they interact and "scale up" into global responses to the pandemic.

At the same time, this collection calls for continuity in two central "value-added" areas of GPE research. First is assessments bridging systemic and individual perspectives at the intersection between these levels of analysis. On the one hand, Babic and Katz-Rosene argue from different perspectives for systemic analysis of the global political economy as a whole. On the other hand, contributions call for further attention to how subsystems of individuals and groups (re)shape the global political economy. Fuller indicates the need for further research into how particular moralities of debt affect national and regional policy-making. Similarly, Egger calls for more investigations into how distinct individual notions of solidarity facilitate different types of foreign aid. Tsingou points to the need for research in how the plumbing of global finance is maintained in part by the altruistic choices of immigrants and individual sacrifices in diasporas. Campbell-Verduyn calls for linking "regulatory" and "everyday" GPE approaches in developing analyses that bridge systemic and individual perspectives. Second is the need to continue the interdisciplinary engagements underpinning GPE. This collection highlights the strengths of the field in drawing together insights from a range of academic disciplines in its core emphasis on state-market relations within, at, and across national borders. These interdisciplinary insights stem from, among others, sociology (Tsingou), labor studies (Bernards), business studies (Linsi), development studies (Egger), economic geography (Babic), environmental studies (Katz-Rosene), gender studies (Sp zendzharova), epidemiology (Voelkner), financial economics (Ban and Metinsoy), political science (Fuller), security studies (Geertz and Narlikar), and surveillance studies (Campbell-Verduyn). GPE can continue to exemplify the best of interdisciplinary scholarship through further engagements with other (inter)disciplines that push against knowledge silos.

In sum, this collection underlines the continuities and changes in GPE required for further developing nuanced understandings of patterns of change and continuity underpinning the origins and implications of, as well as responses to, the COVID-19 pandemic. The global pandemic has ravaged the global political economy, exposing a number of underexplored themes in GPE and highlighting the need for the discipline's focus on the "three Cs" of crisis, continuity, and change. The theories, models, and concepts mobilized in GPE, however, must be fluid and changeable as the global political economy itself evolves in the COVID-19 era. The global pandemic, in short, forms both a "stress test" and an impetus for GPE's relevance and remit. Heeding the suggestions summarized here can strengthen both GPE and the social sciences while helping to better understand how we got here and where we're going.

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AUTHOR BIOGRAPHIES

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COMPETING INTERESTS

The authors confirm no competing interests that might have influenced the research reported herein.

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