COVID-19 AND THE CRUMBLING WORLD ORDER

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ABSTRACT

This paper dwells on the secondary sources and gives a brief account of the world order during the pandemic. The paper looks into how India was estimated to be among the 15 most affected economies by the COVID-19 epidemic, but as the pandemic has raged unchecked, all bets are off. An early estimate by the Asian Development Bank, soon after the epidemic was declared, was that it would cost the Indian economy $29.9 billion. A recent industry estimate pegs the cost of the lockdown at around $120 billion or 4% of India’s GDP. The Confederation of Indian Industry (CII) had at one point warned that the COVID-19 impact, and the existing stress in the financial sector, meant that India would require up to six months even after the entire course of the COVID-19 epidemic is over to restore normalcy and business continuity.

Key words: Word Order, Crumbling, Social Security, Covid-19, Global Community.

Introduction:

India has, no doubt, acted with speed in the wake of the pandemic and declared a lockdown early. Governments declared the pandemic as a serious global crisis, and in the course of national broadcasts in mid-March, announced a series of steps such as a one day ‘peoples curfew’ (on March 22) ‘social distancing’, the setting up of a COVID-19 Taskforce under the Finance Minister to come up with measures to mitigate the economic hardship engendered by the pandemic, and finally a three-week-long lockdown. Several precautionary measures based on guidelines in vogue elsewhere in the world for preventing pandemics of this kind, have also been introduced including ‘home isolation’, ‘home quarantine’, etc.

Future Geo- Political Aspects

The scenario as to what lies ahead is indeed bleak. On the economic plane, according to most experts, a global recession seems inevitable. Uncertainty, panic and lockdown policies are expected to cause demand worldwide to decline in a precipitous way. This will inevitably lead to
a vicious downward cycle, where companies close down, resulting in more lay-offs and a further drop in consumption. A precipitous decline in GDP would follow. To compensate for this loss, massive inflows of government funds would be needed, but most governments, India included, might find it difficult to find adequate resources for this purpose. Equally important, if not more so, is that such massive inflows of funds (if they are to be effective) should be here and now, and not later, by which time the situation may well have spiralled out of control. Global coordination was a must in the extant situation.

**Pandemic as disrupter**

COVID-19 is, in turn, expected to bring about major changes in the global order. Some of these changes have, no doubt, been in the making for some time, but would get accelerated. As of now, though the U.S. is no longer the global power that it once was, it is hardly in retreat. It is, without doubt, increasingly disinclined to act as the world’s gendarme, as instanced by its retreat from Afghanistan after a dubious accord with the Afghan Taliban, but this was not the end of the road as far as U.S. power was concerned. Post COVID-19, however, and given that the U.S. is among the countries badly affected by this pandemic, together with existing uncertainties affecting its financial markets, the U.S. can be expected to step back even further — from one of assertion to neutrality in global affairs.

**Impact of COVID-19 on the global economy**

Already, U.S. command of the global commons has weakened. Meantime, China and Russia have strengthened their relationship, and improved their asymmetric capabilities. The challenge from China is becoming more obvious by the day — measured by purchasing power parity, the U.S. is not the largest economy in the world as of now. Even more daunting from a U.S. standpoint, and also representing a sea-change from the recent past, Russia has become far more economically and politically stable and an important power broker in West Asia. These shifts cannot but, and are likely to, have a direct impact on the liberal international order. It could, in turn, give a boost to authoritarian regimes and authoritarian trends.
Social concerns

Another fallout from the current epidemic might well be the extent to which inequality in incomes impact segments of the population, facing a common malaise. Countries lacking a comprehensive nationwide health system would find this an even more difficult situation to handle. Meantime, as the economy weakens, accompanied by job losses, those without high levels of skills would fall further behind. This is evident to some extent already given recent reports of mass migration across the Indian landmass. Out of work migrant labour, unable to find new jobs since they lack the necessary skills, are attempting to return to their normal habitat, bringing in their wake untold suffering and, perhaps even the spread of the virus. This has all the makings of a huge human tragedy. Existing curbs on their movement would further exacerbate the problem, and could even lead to a major law and order situation.

Digital factor

One possible, and unexpected, aspect of the COVID-19 epidemic could be the thrust it could provide to ‘digital authoritarianism’. China’s authoritarian methods seem to have helped it to contain the spread of the virus — at least for the time being. Somewhat similar tactics are being employed by some other countries as well. In turn, leaders across many nations may find China’s methods, and the embracing of technology to refashion authoritarianism for the modern age irresistible, and a standard to be adapted, even if they profess to be democratic. The rise of digital autocracies could lead to digital repression, and in the age of AI-powered surveillance, create a capacity for predictive control, or what is often referred to as ‘social management’.

COVID-19 will fundamentally transform the world as we know it: the world order, its balance of power, traditional conceptions of national security, and the future of globalisation. The lethal combination of an interconnected world and a deadly virus without a cure is taking humanity into uncharted waters. When we emerge from the lockdown, we must be ready to confront new political and social realities.

Crumbling world order

The rampant spread of COVID-19 is also a failure of the contemporary world order and its institutions. The contemporary global order, whatever remains of the institutions created by
the champions of World War II, was a hegemonic exercise meant to deal with isolated political and military crises and not serve humanity at large. COVID-19 has exposed this as well as the worst nativist tendencies of the global leadership in the face of a major crisis. That the United Nations Security Council took so long to meet (that too inconclusively) to discuss the pandemic is a ringing testimony to the UN’s insignificance.

**Affect the course of globalisation**

Regional institutions haven’t fared any better. SAARC, curiously resurrecting a practically dead institution, was short-lived. The EU, the most progressive post-national regional arrangement, stood clueless when the virus spread like wildfire in Europe. Its member states turned inward for solutions: self-help, not regional coordination, was their first instinct. All this is indicative of a deeper malaise: the global institutional framework is unrepresentative; a pawn in the hands of the great powers, cash-strapped, and its agenda is focused on high-table security issues. The global institutional architecture of the 1940s cannot help humanity face the challenges of the 2020s. Nothing less than a new social contract between states and the international system can save our future.

One country that is likely to come out stronger from this crisis is China. Reports indicate that China has now managed the outbreak of COVID-19, and its industrial production is recovering even as that of every other country is taking a hit. The oil price slump will make its recovery even faster. When the greatest military power found itself in denial mode and the members of the EU were looking after their own interests, China appeared to use its manufacturing power to its geopolitical advantage. Beijing has offered medical aid and expertise to those in need; it has increased cooperation with its arch-rival Japan; and President Xi Jinping spoke to the UN Secretary General on how the international community can fight the virus. Its richest man, Jack Ma, has spearheaded the private sector’s fight against COVID-19. The Chinese propaganda machinery will magnify this. Chinese actions are a smart economic investment for geopolitical gains. COVID-19 will further push the international system into a world with Chinese characteristics.

Neoliberal economic globalisation will have taken a major beating in the wake of the pandemic. Economists are warning of a global recession. Even as the virus is pushing back the
‘successes’ of neoliberal globalisation, globalisation’s political counterpart is found wanting in dealing with the situation. The first instinct of every major economy was to close borders, look inwards and localise. The pre-existing structural weakness of the global order and the COVID-19 shock will further feed states’ protectionist tendencies fueled by hypernationalism. A more inclusive global political and economic order is unlikely any time soon, if ever. The ability of big corporations to dictate the production, stocks, supply chains and backup plans will be limited by increased state intervention to avoid unpredictable supply sources, avoid geopolitically sensitive zones, and national demands for emergency reserves. The profits of big corporations will reduce, and the demand for stability will increase. Some would gladly argue all this could potentially mean a retreat from hyperglobalisation and its attendant flaws. However, the assumption that COVID-19 will bring about a more balanced and inclusive form of economic and political globalisation is perhaps misplaced. State intervention in economic matters and protectionism are the easy way out, and that’s precisely what states will do once the crisis is over. It would be return of the ‘Licence Raj’ through the backdoor, not a push for inclusive and responsible globalisation with its associated political benefits.

**Neo-Racism**

Yet another undesirable outcome of the pandemic would be a spike in various forms of discrimination. Globally, societies could become more self-seeking and inward-looking leading to further pushback against liberal policies regarding migration and refugees. New questions are likely to be asked about the source of goods. More stringent imposition of phytosanitary measures by advanced states on products emanating from the less developed countries might become the new normal. Lockdowns and travel restrictions could potentially legitimise the rhetoric around border walls in more conservative countries. Tragically, therefore, while one answer to global pandemics is political globalisation, COVID-19 might further limit it. Within India too, there could be a trend towards discrimination, with ‘social distancing’ producing undesirable social practices.

**Conclusion:**

The state has failed in its inability to save us from the pandemic notwithstanding its tall claims about national security preparedness. And yet, the state has returned, with more power,
legitimacy and surveillance technologies. In fact, the nervous citizenry will want the state to be omnipresent and omnipotent, no matter the consequences. The state, which was losing its influence to global economic forces, will return as the last refuge of the people in the coming age of mass disruption. With the severe beating that globalisation has taken, state-led models of globalisation and economic development would be preferred over (big) corporates-led globalisation. Given the symbiotic relationship between the state and big capital, states have become used to protecting the interests of their corporations, often at the cost of the general public. Consider, for instance, that the first response of many Western states was to protect their capital markets than be concerned about public health.

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