

A World Transformed: Connectivity, Speed, Threats and Vulnerability

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This is a discussion paper. It is designed to encourage participation and collaboration, and the authorship can extend as people join in its development. A key aim is to help us look ahead to the policy, social, and economic landscapes that will emerge post COVID-19.

Disclaimer:

The views in this paper are personal views of the authors, and are not representative of any organisations to which they are affiliated.

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1.0 A world transformed: connectivity, speed, threats and vulnerability

1.1 Hyper-speed changes to our world

Who could have imagined that a paper on the impact of the digital transformation and labour and skills shortages, written in late February 2020, would so quickly come to look like economic history? The storyline of that paper; *Facing the Digital Transformation: Emerging Labour and Skills Shortages (Lloyd 2020)*¹ was that, far from worrying about the job losses to come from the arrival of artificial intelligence (AI), the reality on the ground was one of labour and skills shortages.

In some sectors and locations labour markets had become tight and employers in large numbers were concerned about shortages of the skills and competences for the work they wanted to carry out. Governments had been pleased to tell their electorates that unemployment was down, and employment was up. There was a movement to look more closely at those who were inactive and out of the labour market and to start thinking about what might be needed to give them the skills they need. The economy was rolling along nicely - but a month is a long time under a modern global pandemic.

1.2 Hypermobility and the jump from local to global

That turbulent month of March 2020 provided those who of us were writing on the nature of the Fourth Industrial Revolution with a sharp lesson about the deep interconnectedness of things in a highly mobile global economy and society. Interconnected complex systems like this have some attributes that can allow things to cascade out of control with unexpected outcomes and this is what we are seeing². At base, what happened with COVID-19 after November 2019 to disrupt the world had its roots in the evolving nature of the global economy under free market Neoliberalism – the dominant economic system of the Western world for the last four decades. The virus was unleashed in a world that is deeply interconnected, interwoven by complex just-in-time supply chains and ‘shrunk’ by mass air travel. It flourished as a consequence of the hypermobility of people travelling for business and consuming leisure experiences - from both West and



Facing the Digital
Transformation Emerg

¹ Read the paper by clicking on this icon

² A classic feature of these systems is the ‘butterfly effect’ where “a small change in one state of a deterministic nonlinear system can result in large differences in a later state”² - combined of course with a large dose of uncertainty.

East: go and visit the Orangutans in Borneo, travel around Vietnam, see Venice and London, have a luxury experience on a safari? No problem just click online and it is booked.

As a further part of the same process, the emergence of the global gig economy (predicated on the organisation of transactions and work through internet platforms and so much part of our modern world) is one of a number of developments that keep some people in place while demanding that others (the dealmakers) travel the globe to make the business connections. Consumers sit at home (in place) while eBay, Amazon and Alibaba source their material desires around the world, speeding them to us via ever interlinked logistics systems. Spawned by our modern consumerist expectations (the 'tyranny of convenience'), we wait for fast delivery at home. Increasingly sped-up logistics systems are an essential part of the deal.

We did start to have some worries about the impact on the planet of some of these ecommerce behaviours: *"Amazon emitted 44m metric tonnes equivalent of carbon dioxide last year (2019) — roughly the same as Denmark. Emissions at logistics company UPS also rose 6 per cent last year to 14.6m tonnes from a year earlier, in part because of increased reliance on aircraft"*³. We listened to Greta Thunberg berating the United Nations about the environmental damage⁴ but nothing was heard about the potential threat of a pandemic. Naturally, it is easy to visualise a glacier retreating, a polar bear struggling to find food, or a devastated rainforest. It is much more difficult to visualise a microscopic virus attaching itself to people as global mobility vectors and invading countries.

1.3 A virus waiting for the opportunity

The fastest way for a virus to travel around the world is by being attached to the human beings who have paid for their journeys to move rapidly from place to place. If a virus was clever enough to design the transmission system that would maximise its impact, it would probably choose to expand fast air travel in a world infused with the connected hypermobility of people.

So here we are. Mobility without significant limits has become a vital component not just of international economy but of the expected experience of the citizenry. In the EU, as an example, the single market relies on the free movement of goods and workers and it actively moves students around under Erasmus+. The Schengen zone gives its citizens friction free travel across national borders for work or leisure. Inside European countries the inter-regional movement of people is also considerable (12 million worker movements

³ <https://www.ft.com/content/2f7203dc-1b63-11ea-97df-cc63de1d73f4>

⁴ <https://www.youtube.com/watch?v=KAJs dgTPJpU>

a year⁵). Free movement and de-bordering have evolved to create a friction-free megaspace as the basis for everything from leisure pursuits and social interaction to town twinning and collaborative research.

Multiply this up by other similar arrangements between countries and trade areas around the globe and add it to the huge mass movements inside the world's largest nations and the numbers on the move are simply staggering (A glimpse at global air traffic on Flight Radar 24 on any given day before COVID-19 tells the story). Take China, for example, where IATA statistics for air travel for 2018 note that:

“With close to 4 billion origin-destination (O-D) passenger journeys worldwide in 2018, domestic routes within China again provided the largest incremental increase globally in the number of passenger trips, adding just under 50 million journeys”⁶.

Until now we have taken this as the norm. We expect to be able to fly, at low cost, for work, for play and to seek out the most alluring tourist venues across the globe. We do worry about some malign features crossing borders. We have Europol⁷ for example to watch out for criminal contagion. Australia and New Zealand impose strict restrictions on what vegetation and foodstuffs can be brought into the country by passengers. They seek to avoid contagion with their agricultural system and use sophisticated mechanisms and technologies to enforce biosecurity⁸. But, except in the short term when frightened by events like SARS, MERS and H1N1 (and lapsing thereafter), we do not maintain systems to stop people carrying a disease that could create a pandemic⁹. As we are now seeing, when this happens, we find ourselves forced to use dramatic ex-post responses to *stop mobility itself*¹⁰. So, we shut off the prime motor force of the global economy we have built over the last 40 years.

1.4 Justified emergency action and concerns for the aftermath

Facing the need to react swiftly ex-post to a mega-crisis like COVID-19, we have no time to consider the long-term consequences of actions we feel bound to take. The personal freedoms we so cherish in the West have been removed in hours. The power of the central state to tell us what we can and cannot do and to use all the means at its disposal to watch that we carry out its wishes, is accepted not just with acquiescence but with

⁵ <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20200324-1>

⁶ <https://www.iata.org/contentassets/a686ff624550453e8bf0c9b3f7f0ab26/wats-2019-mediakit.pdf>

⁷ <https://www.europol.europa.eu/>

⁸ <https://www.abf.gov.au/entering-and-leaving-australia/can-you-bring-it-in/declare-it>

⁹ Back in 1969 the novel “The Andromeda Strain” by Michael Crichton was prescient in the phrase (page 109) “*When you think about it, Leavitt said “we’ve faced up to quite a planning problem here. How to disinfect the human body - one of the dirtiest things in the universe - without killing the person at the same time. Interesting.”*

¹⁰ <https://www.homeaffairs.gov.au/news-media/current-alerts/novel-coronavirus>

acclamation¹¹. The rule of law has been suspended in a situation where there is no time to legislate or scrutinise. Of course, there may have been no choice for politicians, given the scale, speed and deadliness of the crisis. As a result we see governments (such as the UK) suddenly partnering with the data oligopolies that only recently they were trying to regulate¹²: *“The NHS has confirmed it is teaming up with leading tech firms to ensure critical medical equipment is available to the facilities most in need during the coronavirus outbreak”*¹³.

The models to which we find ourselves increasingly having to defer tell us this is what must be done and we have to hope that they are right. Economy and society are shocked into a stop condition, while we watch the trends of the graphs of exponential rises in cases and deaths and hope for the arrival of the point of inflection. Unprecedented is the word of the moment and Yuval Noah Harari sums it up concisely:

“That is the nature of emergencies. They fast-forward historical processes. Decisions that in normal times could take years of deliberation are passed in a matter of hours. Immature and even dangerous technologies are pressed into service, because the risks of doing nothing are bigger. Entire countries serve as guinea-pigs in large-scale social experiments”

But he also issues a warning that we will go on to discuss later:

*“Many short-term emergency measures will become a fixture of life. ... What happens when everybody works from home and communicates only at a distance? What happens when entire schools and universities go online? In normal times, governments, businesses and educational boards would never agree to conduct such experiments. But these aren’t normal times”*¹⁴.

1.5 Previous warnings were ignored

So, to look at how we were overtaken by a disease originating in China but sweeping quickly across the entire globe we have to look for the causal context through more than epidemiological models of contagion. With the economy and society we have been building for decades, we have created a continuing paradise for a globally ambitious virus, which (if we were to take the view of ‘alien invasion’) is saying to the world *‘I want to either destroy you or your economy – or preferably both’*.

¹¹ <https://www.economist.com/briefing/2020/03/26/countries-are-using-apps-and-data-networks-to-keep-tabs-on-the-pandemic>

¹² *“UK to create regulator to police big tech companies”* <https://www.ft.com/content/67c2129a-2199-11ea-92da-f0c92e957a96>

¹³ <https://www.bbc.co.uk/news/technology-52079287>

¹⁴ <https://www.ft.com/content/19d90308-6858-11ea-a3c9-1fe6fedcca75>

This sort of transmission system with lethal effects has been known about for a long time. We have had Titanic-style warnings about the potential disaster looming over the horizon - SARS was a clear red flag¹⁵. The sudden, deadly arrival of SARS in 2003 was dramatic and its containment was regarded as one of the biggest success stories in public health. Chillingly, we knew even as early as 2001 that more of the same was an inevitability:

“SARS will not be the last new disease to take advantage of modern global conditions. In the last two decades of the 20th century, new diseases emerged at the rate of one per year, and this trend is certain to continue” (Woolhouse and Dye 2001¹⁶).

We had a second chance. In 2009 the H1N1 virus rang the same alarm bells again but, in the aftermath of the 2008 crash, most governments were too busy with the banking crisis to take notice – financial crash ‘contagion’ across the banking system was the major concern of the time. Worse still, in the years between then and now a fixation with austerity as a remedial financial measure found countries like the UK drastically reducing their expenditure on and interest in public health – standing down the lookouts. Professionals in the field were well aware of the hazards ahead, but the push for economic and financial recovery had governments looking the other way when the metaphorical iceberg of COVID-19 hit the apparently unsinkable ship of Neoliberal capitalism.

1.6 The way prepared – space-time convergence

Understanding the process that has led us towards today’s potential healthcare cataclysm, we can see that it has been about much more than failing to heed signals in an ocean with known hazards. What happened has a clear systemic basis in the way the digital transformation brought hypermobility into what was an already internationalised and highly mobile economy and society. Internationalisation, courtesy of air travel and satellite communication has been with us since the 1960s, but the last decade and a half has brought entirely new time-space conditions to the world of business, work and leisure.

Space-time convergence (conceptualised by David Harvey¹⁷) has brought everybody closer together and the most distant places in easy telecommunications or travel reach. Socio-spatial distances have imploded at the same time as people have become able to seek out business opportunities and look for leisure experiences in the remotest corners of the globe. Tourism is a core economic activity and attracting tourists to spend their money in your location is an essential policy goal. On 23 March 2020 Eurostat noted that:

¹⁵ <https://www.theglobeandmail.com/opinion/article-a-forgotten-lesson-of-sars-the-need-for-public-health-specialists-and/>

¹⁶ Cited in <https://www.ncbi.nlm.nih.gov/books/NBK92444/#>

¹⁷ <https://www.oxfordbibliographies.com/view/document/obo-9780199874002/obo-9780199874002-0025.xml>

*“In 2018, tourist accommodation establishments in the European Union (EU) recorded 168 million arrivals from third countries. This corresponds to a total of 512 million nights spent by tourists from outside the EU and an average length of stay of 3.0 nights at the accommodation establishment where they checked in”.*¹⁸

Borders have become increasingly porous or have been removed altogether to profit from the free movement of goods, workers and tourists. Enter a new disease that in past times would have only had local or regional significance. Insert this into a hypermobile, massively connected system and, as the public health experts were telling us for a decade, you can expect something like the catastrophic impact of COVID-19.

¹⁸ <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20200323-1>

2.0 The virus and inequality

2.1 The labour market under the international digital economy

Meanwhile, this same system of inter-connected hypermobility was busy laying down more conditions that would make the arrival of the virus more devastating. A precursor paper to the one on skills originally completed in January 2019¹⁹ looked at labour market trends and the implications for them of the modern digital economy. There was a connecting thread, which was the rise of the internationally configured platform economy opening the door to a radical re-working of traditional labour contracts in a world of internet companies. A feature of this was the demise of so-called ‘fringe benefits’ – those features (such as holiday and illness pay) that have provided a degree of social protection for workers in hard times.

The earlier paper showed that zero-hour contracts, short-time working, and non-standard forms of labour contracting were fast becoming the norm for up to a third of those in work. The share of this segment in the workforce total has been rising strongly. Platform or gig-economy jobs are, of course, just one element within a more general story of a rise in contracts with few worker benefits and protections. Add to this the post-2008 rise of the self-employed²⁰, who also do not have the luxury of employee-based contract protections and it is clear that a substantial and growing share of the working population is more vulnerable than ever to economic shocks and to downturns of any kind²¹. Average wages have been flat since 2008 – a statistic containing the skew that some at the top have done very well while many more at the bottom have seen very little improvement.

So here is a working population that is substantial, that is not well paid and above all that is highly vulnerable to any shocks that prevent them working flat out to support their families and to service their rent and debt obligations. They simply have to go to work, whether they are ill, exhausted, disillusioned, or exploited. They have no savings reserve



Work and

¹⁹ To read this paper click on the following icon [Employment in the In](#)

²⁰ And the self-employed have been much less well treated in the UK in response to the economic shutdown: *Coronavirus: Self-employed bailout ‘problematic’* <https://www.bbc.co.uk/news/business-52021299> This seems strange given the 2019 Conservative Party Manifesto which stated that they are the political party “to encourage the millions of British businesses that create the wealth of the nation – especially small businesses, family firms and the self-employed” https://assets-global.website-files.com/5da42e2cae7ebd3f8bde353c/5dda924905da587992a064ba_Conservative%202019%20Manifesto.pdf

(page 25). It took until March 26 for the Government to come up with a response support the self-employed.

²¹ <https://www.politico.eu/article/coronavirus-pandemic-leaves-gig-economy-workers-exposed/>

(no resilience to risks or uncertainty). They often have no time to learn the skills that could improve their situation or to look for better jobs.

Many of these workers find themselves in the low paid margins of the public sector where privatisation has brought in for-profit contractors to run everything from school catering, to adult and children's care, care home assistance to cleaning and waste disposal. It is a strongly gendered set with women playing a dominant role. Many others are in the Voluntary and Charitable Sector (VCS) discharging the obligation of the cost-efficient State to the disadvantaged by way short term service contracts that leaves little room for good wages or employee benefits.

2.2 Winners and losers; First class or steerage

Now throw in the coronavirus pandemic with Government requirements to close down and lock down and for many that becomes a simple issue of work or starve²². As disaster hits, lock down against the virus looks very different for this group as opposed to their fellow citizens who can carry on working from home using the internet and the video conference, can sit in their garden when the sun shines, can use their accumulated resources still to buy online the services and goods that make things a little easier²³. Mercifully, the UK government - with trades union and business pressure - realised this early in March 2020 and moved to provide a financial lifeboat.

For many of this group among the working population, being 'left behind' as the literature in some quarters puts it, is not new. The UK already has the status of having the highest levels of inequality in the EU. It has a particular geography – rural, old industrial towns and dispersed widely through the dense populations of the major cities. Adding in the unemployed, the inactive and the homeless, these are the people likely to be most drastically affected by isolation, social distancing and the lock down necessary to suppress the transmission of the virus. They are also those most unable to cope with the collateral effects of everything surrounding the coronavirus event²⁴. Imagine the impact of the current situation on people for whom the following is an apt description:

“30 percent of workers don't feel like they earn enough to maintain a decent standard of living (up from 26 percent in 2017). Almost one in four workers sometimes have trouble meeting their basic living costs because of income volatility (24 percent, up

²² Indeed, as of March 29 potential starvation is now risking social unrest in Italy, and potential organised looting of food stores. <https://news.sky.com/story/coronavirus-italy-becoming-impatient-with-lockdown-and-social-unrest-is-brewing-11965122>

²³ <https://www.pewresearch.org/fact-tank/2020/03/20/before-the-coronavirus-telework-was-an-optional-benefit-mostly-for-the-affluent-few/>

²⁴ As also is the case in the US <https://www.bloomberg.com/news/articles/2020-03-28/virus-erupts-in-poor-u-s-cities-whose-people-have-few-defenses>

from 19 percent in 2017). Moreover, a significant number of workers lack financial resilience – 36 percent would struggle to pay an unexpected bill of £100; 59% would struggle to pay an unexpected bill of £500. A further 45 percent don't expect to have enough in savings and pensions to maintain a decent living of living in retirement. While 32 percent are concerned about their levels of debt" (Wallace Stevens, RSA 2018²⁵)

The precursor paper to this one warned of “*really significant short-term disruptions*” on the way to the hoped-for job bonuses of the new digital economy. It was unimaginable that, less than three months later, the same people described above would have to face the catastrophe of a pandemic lock down. The lifeboat will not be enough and on recovery from the event we will surely need to re-visit the question of how right it is to load the downside risks of labour market shocks onto the most disadvantaged in an unequal society.

²⁵ <https://www.thersa.org/globalassets/pdfs/reports/economic-insecurity-21st-century-safety-net-report.pdf> An updated version can be found in <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2019/08/economic-safety-net>

3.0 Beyond the pandemic event: no simple reboot

On the other side of the pandemic event we can expect some major discussions on what sort of society we left behind, what happened to whom during the event itself and what might the post-coronavirus world look like. The debates will be sharpened by people's responses to the extremity of the measures needed and from the differential nature of the experiences that flowed from them. It is almost impossible to deal with the complexities involved, but we offer the following section as an invitation to discussion.

Gideon Rachman (March 23rd, 2020) ushers us into the discussion:

“The pandemic is demonstrating that in times of emergency people fall back on the nation-state — which has financial, organisational and emotional strengths that global institutions lack. Second, the disease is revealing the fragility of global supply chains. It is hard to believe that large, developed countries will continue to accept a situation in which they have to import most of their vital medical supplies. Finally, the pandemic is reinforcing political trends that were already potent before the crisis broke - in particular the demand for more protectionism, localisation of production and tougher frontier controls.”²⁶

As the quotation shows, there will be those issues that arise directly from the event itself and from where it emerged against the politics of the moment. In background there are those broader concerns for the economic, social and political system we have built around ourselves.

3.1 The nation state as the locus of action

It was inevitable that the nation state had to step up to intervene in the COVID-19 crisis. This is where constitutional responsibility for the health of the people resides and where the levers of power exist to close down borders and have people 'locked down' and forced to stay indoors²⁷. It was the locus of the first tool in the box to stop the rampant transnational and internal transmission of the virus.

Re-bordering was enacted at speed with barriers to movement that would have been considered unthinkable beforehand (hence the views of Yuval Noah Harari noted earlier). Inside those national borders, in a matter of weeks, control of all movement by the

²⁶ <https://www.ft.com/content/644fd920-6cea-11ea-9bca-bf503995cd6f>

²⁷ Although this is not always the case, and there is not (as of March 30) such severe lock-down conditions in Sweden <https://www.bbc.co.uk/news/world-europe-52076293>

population became another necessary requirement. In effect, by government decree the new boundary for mobility was set as people's front door. Only the hyper-connectivity of the internet survives the shutdown – there is still a world for economic and social interaction among those able to be active in it²⁸.

Outside the front door, 'policing social space'²⁹ was the inevitable next step – to make sure the lock down rules were not transgressed. For centrally controlled surveillance states like China³⁰ or Russia³¹ this meant not a dramatic re-writing of the terms of citizen freedom, but more an intensification of a regime in place. Success in controlling the outbreak, we now hear, is the outcome in China at least. For the western democracies this sudden removal of freedoms is almost as cataclysmic as the pandemic itself³². Personal liberties have been set aside in a way that challenges the entire constitutional democratic order.

3.2 Surveillance as a necessary evil

We should not be complacent that, once put in place, these challenges to personal freedom will simply disappear once the crisis ends. Before COVID-19 happened, Shoshana Zuboff was alerting us in the so-called 'free world' to the arrival of what she called the age of Surveillance Capitalism³³. Her concern was that (largely without us knowing) the online titans Google, Amazon, and the others were gathering, processing and commercialising vast amounts of data about us as individuals. For us in the West, the technology is in place. The big data organisations are already in the field from their commercial activities. They are clamouring to be of assistance to governments in the tracking and monitoring of people and their health.

Of course, we cannot dispute that tracking people and their health status can help³⁴ and that it will be a short-term situation, but there are some key questions to come for our discussion here. For how long, what will be removed, what new powers will be left in place and what will happen to ensure that, while we arm ourselves against future threats, we can protect our democratic freedoms and our personal privacy. Calling the nation state into immediate action was clearly essential given what confronted us. The fact, as

²⁸ And perhaps try to imagine what we would have done if the pandemic had occurred in 2005, well before the hyper-connectivity we enjoy today. <https://www.bbc.co.uk/news/technology-52052502>

²⁹ Such as the use of drones by the UK police <https://www.bbc.co.uk/news/uk-england-derbyshire-52055201>

³⁰ <https://www.nytimes.com/2020/03/01/business/china-coronavirus-surveillance.html>

³¹ <https://edition.cnn.com/2020/03/29/europe/russia-coronavirus-authoritarian-tech-intl/index.html>

³² <https://www.economist.com/briefing/2020/03/26/countries-are-using-apps-and-data-networks-to-keep-tabs-on-the-pandemic>

³³ <https://www.nytimes.com/2020/01/24/opinion/surveillance-capitalism.html> Which defines surveillance capitalism as the commodification of 'reality' and its transformation into behavioural data for analysis and sales.

³⁴ For example, March 31, "Coronavirus: UK considers virus-tracing app to ease lockdown" <https://www.bbc.co.uk/news/technology-52095331>

Rachman points out, that it chimes in well with current US claims for “*more protectionism, localisation of production and tougher frontier controls*” (and also with the UK obsession with Brexit) should alert us to a thread of political thought in the aftermath that might gather momentum. While reversion to the dominance of the nation state is fine as the first tool in the box to address COVID-19, we need to make sure that we keep it in perspective.

3.3 Retaining a global perspective

Pandemics are, by definition, global events. Global warming, to which we should now address ourselves much more forcefully, is a whole-world concern. Establishing what is good and what is bad about hypermobility and a system of complex interconnected international global supply chains is something that needs an international view, not a protectionist nation state one. We should not let the fact that a virus on the loose can jump onto the system and kill vast numbers be a reason to pull up the drawbridge on globalisation more generally – though there will doubtless be voices enough for us to do this in the aftermath. After all, we should not forget the terrible history, in the first half of the 20th century, of the rise of the nation state at a time of recovery from a crisis.

Yuval Harari has a view of the context against which we should address the problem:

“Humanity needs to make a choice. Will we travel down the route of disunity, or will we adopt the path of global solidarity? If we choose disunity, this will not only prolong the crisis, but will probably result in even worse catastrophes in the future. If we choose global solidarity, it will be a victory not only against the coronavirus, but against all future epidemics and crises that might assail humankind in the 21st century”.

3.4 Neoliberalism and hypermobility: a system in need of review

We must emphasise that mobility itself is not the problem any more than the technologies that have underpinned its move to acquire the ‘hyper’ prefix. It is to the way mobility has been deployed, performed and in whose interests that we have to turn for an understanding of how we got here. To explore this, we have to examine the Neoliberal stage of free market capitalism. Neoliberalism enveloped the world, brought in just-in-time logistics and used its global reach to depress wages and commodity and food prices. The first round of new technologies made the ‘Big Bang’ possible and opened up new deregulated markets for complex financial products. The second, with AI and Big Data, has played us all into the ‘tyranny of convenience’ boosting and fast servicing our consumer needs.

It brought us what we wanted – a vast array of on demand goods and services, Facebook, Booking.com, Uber, AirBnB and Amazon, the opportunity to see the far corners of the

world with cheap airlines, spectacles and shows booked easily or live-streamed. It brought us the credit lines and financial products that enabled us to borrow from the future for consumption today. It made some companies and some people staggeringly rich. It gave us the freedom to choose in a deregulated world of low taxes – and so much more.

But we have just discovered to our enormous cost something it did not give us (or to be more precise something we collectively did not demand from it with our wide freedoms of democratic choice), which was security against a shock on the scale of a COVID-19. It also did not (again because we did not will it to) give us the comfort of knowing that, to squeeze the Titanic metaphor one more time, we are ‘all in the same boat’. The devastation brought by the virus will be differential among people, inside countries and across the globe. Mostly indiscriminating in itself (except by conditions such as age and co-morbidities) it is diffusing across a world of extreme inequality.

Neoliberalism is an economic thought construct. It claims no responsibility to act in the public (or people) interest in health or social welfare. Insofar as the system is drawn to respond to crises in these areas it is at the behest of the state – something its more extreme proponents have sought to shrink at every opportunity. No surprise then that it is a pared-down nation state that has been given point position for the response to the COVID-19 crisis. This was also the case in the 2008 financial crisis as the public purse came to the rescue of the banks.

While enormous wealth has been created for some under Neoliberalism, aggregate demand has been largely flat, along with wages for most workers. As Piketty³⁵ has shown us, inequality has run to extremes. Globalisation, hypermobility and international supply chains have provided a powerful means to squeeze workers and small business suppliers hard, while allocating greater risk to them in the face of shocks. While the COVID-19 virus was able to ride the hyper-mobilities of the distribution and people-movement systems to great success, the presence of those same systems has not provided enough incentive to encourage private finance to continue to invest in production. The late Neoliberal turn was toward share buy-back and asset accumulation³⁶.

The Neoliberal option looks exhausted as a strategy for balanced and sustainable growth (if it ever had this property). The recovery from 2008 is incomplete. Against this broad context, the ability of the private sector to help tackle the ravages of COVID-19 was always going to be very limited and it should surprise no one that the earliest responses

³⁵ <http://piketty.pse.ens.fr/en/>

³⁶ Typified by the situation where the airline EasyJet was asking for Government support, while paying its founder a £60 million dividend. <https://uk.finance.yahoo.com/news/easy-jet-pays-founder-60-m-while-asking-for-uk-state-aid-to-deal-with-coronavirus-crisis-102451905.html>

from the airlines in particular is to ask for some form of state subsidy to keep their businesses intact.

Governments have had to be the ones to step up. But it is not going to be enough. Not just nation states, but also global consortia will be needed to cope with the scale of the crisis. The sheer scale of state fiscal activism required to restore any level of growth, employment and demand will inevitably raise fundamental questions about why we should return to the Neoliberal project in its previous form. This sees the state as the guarantor of its market freedoms but needs to call on it for bail out from time to time.

It will surely demand a re-think of the relative merits of public versus private value and of the state as an active player - not just in the virus recovery process but in the future of the economy as a whole. In a situation not dissimilar to the aftermath of World War 2 we may need to recover the lessons that Keynes taught us about the best balance between state and business interests.

4.0 Conclusion: seeking to gain from a world transformed

4.1 Taking the global ecosystem seriously

We will surely now have to adjust our collective mindset to grasp that we are living within a complex, multi-dimensional, dynamic, system with the capacity to produce unexpected events that can cascade out of control. There are some quick lessons here. We are much more vulnerable than we think and we have just been caught out. 'Standing down the lookouts', as noted earlier, is clearly going to be recognised as a very bad idea for watching transmissible health hazards in a hyperdynamic global system. Critically, the threat posed by global warming must at last get the attention it deserves.

4.2 Adopting a global sense of proportion and responsibility

When we move to start thinking more broadly about the lessons to be learned, it is important to start out with a sense of proportion. It is not just the developed countries (the subject of this paper) that are suffering. We have yet to see the toll elsewhere in the world and it may be even more devastating. While we are reacting against COVID-19, there are still over 400,000 deaths a year from malaria³⁷ and over 3,000 children a day in Africa die of the disease³⁸. Every three seconds a child somewhere in the world dies of starvation³⁹ and 820 million people suffer from food poverty⁴⁰. On top of that, health systems in Africa are seldom resilient enough to counter conventional diseases, let alone the potential demographic catastrophe that may arise if mass contagion takes effect⁴¹. As we think our way forward, where will global solidarity sit?

4.3 Re-asserting the essential value of the public realm

In the end, when the crisis of COVID-19 is behind us, we surely need to put aside the notion that we should simply go back and re-boot the economic system we had before. There will be powerful voices for this but there is too much wrong with it that we need to redesign. The virus event starkly demonstrates that economic policies that see the state stripped of the resources it needs to support the health and welfare of society are

³⁷ <https://www.who.int/gho/malaria/epidemic/deaths/en/>

³⁸ https://www.unicef.org/media/media_7701.html

³⁹ <https://www.theguardian.com/global-development/2019/jun/05/nearly-half-of-all-child-deaths-in-africa-stem-from-hunger-study-shows>

⁴⁰ <https://www.who.int/news-room/detail/15-07-2019-world-hunger-is-still-not-going-down-after-three-years-and-obesity-is-still-growing-un-report>

⁴¹ <https://www.bloomberg.com/news/articles/2020-03-29/africa-is-two-to-three-weeks-away-from-height-of-virus-storm>

criminally short-sighted. Lock downs tend to be deployed to stop contagion, but chiefly to form a political hedge against the capacity of the health services to cope with extreme demands. A decade of funding restrictions from a government-imposed austerity on the health and care services can be read off in unnecessary deaths. A central feature of the debate after COVID-19 has to be a rethinking of the role of the state in a balanced and sustainable economy and society. We have discovered to our cost that the state is much more than a vehicle to support the free market economy and to occupy those spaces where market failure occurs.

4.4 Reviewing elements of the hypermobile world

There are areas where the opportunity will quickly arise to re-examine some aspects of how and why we chose to travel so much. Things will have already changed by the time the airlines are looking to start operations again. First, even with cheap fares, the aftermath of COVID-19 will leave very large numbers of people with neither the funds nor perhaps the inclination to go back to the scale of leisure travel they had become used to. Many of those who have filled the cheap air travel seats (the affluent elderly) may find their mobility restricted not just by the affordability of air fares but by health insurance costs as the industry calculates a new risk profile⁴².

The mobility profiles for business travel should also change. The benefits of the online video conferencing have been available for some time, but COVID-19 has provided a massive real time experiment that will undoubtedly change business behaviours. There will surely be a shake out of the airline industry going forward. The maps of reduced pollution and improved air quality we are currently seeing should surely have a role in how that plays out (while we are so focused on health). Change will come - but with pandemics and global warning in mind - there is a view to be taken on behalf of society as a whole.

4.5 Using the crisis to look at labour market conditions and inequalities

How labour markets will emerge from the COVID-19 pandemic is very uncertain, but this is a good time to have a serious discussion about what we want our labour market and work-life balance to be. In one short month some powerful lessons for this debate have come from the COVID-19 experience in the UK. The demand that was driving signs of skills shortages and falling unemployment has gone and will not be back for an indeterminate time. Post lock down, unemployment may rise very rapidly. Those already at the bottom of the labour market and inactive will be pushed further down the queue.

⁴² And, of course, UK nationals travelling to Europe will not even have the basic cover provided by the E111 card!

For many of those in precarious employment (20-30 percent of the workforce), where the operation of the labour market has left them to take the risk with little resilience to survive, the outcome will be potentially catastrophic - with a threat to the social and political consensus. The UK Government Universal Credit programme – already flawed and riddled with delays – will surely not cope as we emerge from the stop phase. Discussions of a Universal Basic Income have already begun to emerge⁴³.

4.6 Revising our sense of the value of public sector work

Something else that has been learned about the labour market is the perverseness of the way workers are judged and rewarded in the contemporary market economy. We have no difficulty at the moment in understanding the value to all of us of those nurses, allied health professionals and care assistants who are on the front line in this crisis. Their obvious value does not, however, reflect itself in the personal costs of their training, their wages and their contract conditions. This is a clear opportunity to re-evaluate the contribution of all those workers in and on the margins of the public sector - across the range from care home assistance, to adult and children's care, to cleaning and waste disposal and to school catering. Under a regime of cost saving privatisation, many of these people were assigned to the precarious labour market. They form the core of what has come to be called the Foundation Economy – those services we depend on locally for things we normally take for granted. The virus gives us a golden opportunity to reflect on why it is that their contributions to society and economy are valued so poorly in wage and contract terms.

4.7 Protecting our personal freedoms

The impact of the event on personal freedoms might need to be watched particularly closely. We have already speculated on how far the re-empowering of the nation state chimes in with some currently powerful right-wing discourses. COVID-19 has put a premium on monitoring people and tracking the progression of the disease. As already noted, those centralised states already with comprehensive systems for monitoring their citizens' lives have made good use of it.

For democratic societies, deploying surveillance more generally would be massively contentious - but, again, the crisis has served to fast-forward measures that would take years of debate and scrutiny before implementation. There is a risk that – necessary though it is now – the personal data we are having to collect, the movements that have to be monitored and the compliance that has to be logged and observed, will not fully

⁴³ <https://www.ft.com/content/21672cd6-6ce4-11ea-9bca-bf503995cd6f>

evaporate once the crisis is over. How will we ensure that crisis-driven losses of individual freedom from COVID-19 are put 'back in the box' once the danger is over?

4.8 Going forward with imagination

We are faced with what everyone agrees is a situation unprecedented in recent history. We are naturally anxious. The situation is still evolving, and we are a long way from a resolution. We can be critical, and we can be questioning as an expression of our concern. But even a crisis of this magnitude is an opportunity to be creative and apply our collective expertise. We leave the last word to Indy Johar:

“One of the real structural challenges we face is the systematic loss of our intentional capacity to imagine futures – real alternative futures - not just tinkering with the world we find ourselves locked in to”. (Indy Johar, February 2018⁴⁴)

⁴⁴ <https://provocations.darkmatterlabs.org/moonshots-mission-capital-95f03a2c6de6>