

Coronavirus and Emergence of an Extraordinary Political Economy: editorial note

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ABSTRACT

Coronavirus, or Covid-19 appeared in a forestry region in China in December 2019 then spread rapidly in 216 countries. While finalizing this note, July first, 2020, this virus had killed about 508000 and infected about 10400000 as well. The speed of spreading such virus is so rapid, the domain of its effectiveness is so huge, and the impacts of that are so broad, that this work can only point out to the main topics of this unprecedented episode. In other words, mentioning the details and the magnitudes of this phenomenon is not affordable in this short article. Consequently, this work is going to highlight main dimensions, key impacts, some routes, and few remedies related to such a bizarre and weird event.

1. Introduction

Rapid spreading pandemic coronavirus, PCV, or COVID19, throughout the world, led to unbelievable problems, in a very short time, and baffled both government and ordinary people as well. This incident is potentially creating a specific political economy. The political economy of any phenomena, pandemic coronavirus, PCV, or the like, is analyzing the politico- economy of that phenomena on one hand, and other social, and cultural interconnections on the other. Therefore, the political economy of PCV or the political economy of other similar subjects is an interdisciplinary approach; an interdisciplinary section of social sciences. Specifically, this section of social science concentrates on the interconnections between the public sector on one hand

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and individual people, the environment, and the society on the other hand. In this work, the main aspects of PCV, the possible origins of that virus, the main payoffs, and its probable solutions are briefly discussed. One aspect of PCV which differentiates it from other phenomena is its multidimensional aspects, because it entails economic, political, social, and cultural features. Economically speaking, raising unemployment, declining investment, slowing down economic growth, decreasing the real income of citizens, falling capital market index, falling international trade and international finance are major impacts of dominating PCV on the life of global citizens (Tharakan, 2020, BLP, 2020, BLS 2020, Ferguson, 2020). As far as political impacts are concerned, PCV has affected the actual performance of domestic governments, international relations, new capacity for collaboration among countries, activities of international organizations including UN, IMF, WB, EU, WTO, and the political parties too. PCV also has led to some changes in political movements, human rights cases, types of protests, and peaceful demonstrations as well. Social impacts of PCV include enlarging the gap between poor and rich, worsening the income distribution status, declining social welfare, changing the middle class, isolation of people at home, and so on. One can point out some cultural considerations of PCV as well. These encompass exercising the new experience in digital working, and the flexibility of religious and ideological beliefs. Changing cultural engineering of different societies, evolution in the family relationships, and clarifying new individual and social doctrines, are among other influential impacts of PCV.

1. Main debates and key dimensions

COVID-19 has struck fear into populations throughout the world and horrified the global medical community, with the World Health Organization declaring it a pandemic only 2 and a half months after the outbreak of the disease (Kim, 2020). Although, the governments throughout the world just started implementing emergency measures, the measures, however, are focused on economic aspects. It is obvious that recovery will only be possible when effective medications and a vaccine become available. Mentioning leading impacts of PCV on different aspects of human life and environmental features

could be helpful. The major topic in the economic framework as a result of PCV includes, but not limited to the following list. One is the destruction of at least one billion and sixty million job opportunities in the first stage of PCV globally. It is also predicted that 305 million jobs would be eliminated in the second wave of PCV. The unemployment rate has increased above 10% in some countries. Another impact of PCV is devastating the lives of poor people. About 30% falling international business, 10% fall in productive services, 20% raising in government expenditures (associated with financial aids), falling over 7% industrial index, 30% falling in the index of financial markets, about 4% falling down the global economy, and adding 60 million to poor people are other economic impacts of PCV. It is also predicted that global income will reduce by 2000bn at the end of 2020.

According to the IMF, the growth rate of global GDP, as a result of PCV, has faced the most decline since the great depression of the 1930s. Falling down the interest rate to zero in some countries and raising 25% government expenditure in other countries did not help to bail out the crisis tangibly. The first amount of falling global economy due to PCV was estimated to be \$10,000 bn. The share of productive investment is falling down rapidly in the PCV era. Comparing the 2007-2012 crisis with the PCV crisis of 2020 could be informative. Easing the policy of central banks and increasing the demand in China helped the global economy to exit from the 2008 crisis. These two factors don't work, however, in 2020. Because China itself is involved in a crisis, and big central banks like the Fed, EU bank, and so on, cannot work as actively as in 2008. Moreover, the Trump policies and Brexit plan have had influential impacts on global policymaking. China is facing falling 4.5% of its economic growth, and the demand for petroleum has declined dramatically. Closing the productive factories is another economic result of PCV. The activity of considerable numbers of factories depends closely on Chinese demand for oil and other raw materials; China is the most importer of crude oil in the world. Also, the economic loss of airline companies has reached 5 billion dollars in the first season of 2020. PCV crisis is not only an economic crisis rather it is, however, related to diseases, thus it entails different aspects as is compared with an ordinary economic crisis like 2007-2012. In an

ordinary economic crisis, either demand shock or supply shock occurs, in PCV, however, these two shocks occur simultaneously. On the other hand, monetary and fiscal policies can mainly affect the demand side, the problem of supply side after PCV is, however, much more deep. The reduction in interest rate to zero of the like does not work anymore. As if there is no significant elasticity between interest on one hand and the productive investment on the other. Indeed, in some countries, the reduction of interest rates is so rapid that the workability of this instrument is questionable. The falling tax rate does not properly work because the income of the people is very low and the factories are closed. Any way the appearance of PCV is similar to black swan in economic metaphors; it occurred unpredictably and led to crucial and problematic status shortly (Lowrey, 2020, WHO, 2020).

In addition to economics, PCV has had significant impacts on political and social problems as well. For instance, the social movements, and democratic protests have been declined because of the PCV. The human right, and the other political activists in Iraq, France, Yemen, Syria, Hong Kong, Iran and so on, decided to diminish their political movements during the corona period. Of course in such circumstances, the official governments may find an excuse to disregard the democratic rights of protesters. The reduction in a political demonstration, should not persuade the governments to misunderstand the corona status and disregard the key concerns of the protesters in question. Due to protecting the security in the PCV era, despotic governments may constrain the freedom of the people (Badiou, 2020). The PCV also has had an influential impact on some kinds of violent behavior including racism attacks as well. There are remarkable reports about racial attacks against innocent people in some countries. The reaction of official leaders is very important during the corona era. Receiving the main and original message of PCV is a significant reality; both for rulers and the ruled people. Another factor that does have a crucial role in tackling the corona problem is good governance and the optimum management of the public sector. Transparency in reporting the performance of the public sector and their accountability and responsibility in front of citizens is very important. By non-transparent behavior, bad governance will worsen the trend of curing the infected people in the corona

case. For instance, hiding the dawning of the virus in question in China, Iran, and some other countries were the most devastating decisions. In one of the world health organization sessions in 2018, there was a prediction about emergence of an X disease in the future. The main aspects of X disease resemble the current coronavirus. Thus there were already some symptoms of the virus in question. The starting of the PCV from a specific location is signaling and momentous reality too. The dawning of PCV was close to both jungles on one hand and the place of killing the wild animals on the other. These realities indicate some warning symptoms of creating PCV. According to health studies, the relationship between the virus in question and wild animal is seriously realized. Therefore, if the adequate programs were provided and the responsible officers in China were doing their obligations properly, the world would not be faced with such a problematic misery. In sum, failures of the Chinese and Iranian officials and their delay in reporting the onset of the coronavirus aggravated the remedy for the case in question. If almost one person among 100 infected by PCV dies, and if 2b people are infected, in the most optimistic circumstances, 20 million people would die, which is a precarious reality. The impact of PCV and the government performance is not limited to Chinese and Iran, it rather entails other governments with different degrees. For instance, German, Japanese, and South Korean officials got great scores for their performance, whereas others did not (FP, 2020, Larres, 2020, Hidayat, et al., 2020, Izadkhasti, 2020).

3. Some origins and some routes

As the real and actual origins of PCV is concerned, one can mention a series of different factors that lead to such tragic and gloomy status. These are the mentioned list likely. Massive consumerism, extreme and ultra-industrialization of agriculture, deforestation, improper killing wild animals, massive population, malfunction of governments, bad governance of multinational companies, and extreme profit-oriented commercial agriculture are pointed out typically. Consumerism is going to impose above 70% of GDP in a considerable number of countries. Agriculture as a main and natural part of Mother Nature is industrialized excessively. Extreme deforestation,

destroying the natural mines and natural resources by multinational companies is another influential factor in creating such a dangerous virus. According to biological studies, one prepared way for creating and growing the virus is damaging agriculture (Miller, 2020, Wallace, 2020). Preserving the natural soil, protecting the jungle and forests, conserving the natural mines, and natural springs, and safeguarding the natural pastures are main factors which prevent the dawning of all types of virus, including PCV one. The high density of population and immigration of farmers from rural areas to the big cities and residing in the slum parts of cities in question are other potential factors which provide the growth of all kinds of virus including PCV. There is a significant relationship between the high population on one hand and the infection of the virus on the other. Poverty, unemployment, especially NEET type of unemployment are other warning factors and potential creators of diseases and viruses. NEET is a number of the unemployed labor force who are not in unemployment, not in education and not in training. Some less developed countries suffer from such precarious unemployment. Dominating the pure maximizing self-interest business, and maintaining on the commercial agriculture, is another forceful engine to damage the natural parts of the environment and provide the suitable ground for the growth of PCV. Starting with PCV in a jungle-based and food processing center of the wild animals, is both informative and alarming in creating the current PCV. Providing a massive amount of meat of wild animals for different Chinese restaurants and other whole suppliers of wild animals, would easily lead to damaging jungles and providing the production of PCV. Non-standardizing use of wild animals (killing them under the normal age for instance), lack of sufficient health care equipment, and... are amongst other factors influencing the virus in question. According to some studies, killing animals before reaching the natural age is potentially a virus provider. By Adopting to health care rules the smart citizens can save their lives (Fracckia, 2017, Butler, 2020 (Bruine, 2020, Bennet, 2020). A noticeable number of evidence indicates that bad consumption and especially eating pangolins are obvious factors to create the coronavirus. Tremendous consumption of pangolin caused its price from less than 15 dollars a kilogram in 1995 to above 600 dollars in eve2019.

Surprisingly, it is popular that remarkable numbers of clients of pangolin meat are wealthier people who want to flaunt and to show off some of their luxury habits in eating such specific foods. Bad governance, soft governance, hiding necessary information, are other complementary causes of the virus as such. Alternatively, and according to some thinkers including Arendt, it is easily attainable that populism on one hand and totalitarianism on the other are key factors beyond the black swan similar to PCV. The commodification of public health, extreme and indiscipline privatization, inequality, discrimination, maintaining on mere economic growth, and disregarding its environmental byproducts are other factors that are in charge of transmitting the society to such a tough situation (Bracht 2020, Taleb, 2020, UN, 2020). Also, both national and international nonstandard traveling with lack of sufficient insurance and health care is prominent in infecting the people by virus as such. Raising foreign travel from 800 million to 1.5b in 2019, is itself an alarming fact in the current situation and in aggravating the prevalence of PCV.

4. Some elementary and possible solutions

To prevent returning of such eccentric virus, PCV, some action plans must be done both in the short and long run. In the short-run, the action plan in question suggests the following instructions. Firstly, passing by law the social health coverage as a kind of human right. Secondly, efficient and centralized monitoring of the good government for equipping sufficient health accessories. Thirdly, providing an efficient social security organization to safeguard all, especially poor people in front of all kinds of vulnerabilities. Fourthly, new global monitoring from the side of the UN and its other affiliations for supervising global immigrations, international traveling, and so on. Fifthly, passing international laws against hiding the news about the new virus, and requiring reporting the health situation of all countries to the UN and WHO. Passing a law against cutting the natural forests and killing wild animals, and punishing those who damage the environment. In the long run, an alternative package could be followed. Firstly, restructuring the educational system and reinforcing Mother Nature in a broad framework. Secondly, reorganizing the consumerism patterns and designing a moderate

consumption model individually. Thirdly, improving the agricultural sector and giving freedom to traditional farmers. Fourthly, paying attention to the elimination of poverty and resolving the massive inequality between rich and poor. Fifthly, reinforcing social capital and trust between the government and the citizens. Sixthly, reforming the formal institutions and maintaining both government and market mechanisms for progressing the economic system, creating good institutions, and destroying the bad institutions in the Schumpeterian framework. Seventhly, launching a series of democratic institutions, and devoting specific budget to promote R&D and finally getting the basic message from side of both individual people and public sector officials with respect to this astonishing phenomenon i.e. PCV.

5. Concluding remarks

1- Dawning the PCV is the reflection of malefaction of mankind. To prevent the repeating of another PCV, individual people, governments and societies as a whole must take into their consideration a peculiar package of plans and policies. As the PCV is a distinctive phenomenon, the policy makers and people must have a characteristic program for curing it too.

2- PCV introduced us to ourselves. We now know what our shortcomings are? Why are we facing PCV, and so on? The specific reality regarding PCV is that it does not discriminate between people, rather it treats them all democratically, it does not differentiate between races, religions, political, ideologies and so forth. It taught us to help each other to live socially and to figure out that vulnerability of one is vulnerability of all. It showed brilliantly the interrelationship between mankind, environment and society. Restructuring the systems and subsystem and changing individual and governmental mentality is crucial in combating it.

3- The role of some business centers, and multinational companies in creating PCV should be highlighted. As the main incentive of some companies was maximizing private profit, and preventing PCV, is not profitable per se, the mentioned companies did not make efficient efforts to preserve the environment and to prevent the PCV.

4- For sustainability in the political economy, resolving the bad consumption is necessary, good governance and optimum management in the public sector is required and an efficient collaboration between the public sector on one hand and individual people, market mechanism and private sector on the other is indispensable. These manners and policies will help us to redefine covering the gap between supply and demand in economic terms too. In other words, destroying the environment and obtaining commodities by damaging mother nature is not a proper filling of the gap between demand and supply. Taking into consideration the global management, restructuring the international relationships, eliminating all types of conflicts; ideological, racial, religious or tribal are essential in reducing the vulnerability in front of PCV.

5- The involvement of the disciplined government in bailing out the economy from the impacts of PCV is necessary. Providing social insurance, public healthcare, public transportation, utilities, necessary IC and ICTs, and protecting natural agriculture, are crucial too. Safeguarding poor people is vital for immunizing the globe from new viruses. Raising tax on wealthier people to finance for preventing the new virus is necessary. Tackling the original causes of PCV is much more important than resolving the effects of the very virus. The governments are mostly concentrating on the effects and there is no sufficient evidence indicating that they are planning to identify the main causes of PCV to prevent its getting back in the future.

6- Bothering the natural environment should be construed as a sin. PCV is possibly a reaction of Mother Nature to mankind damaging the environment. PCV could be simply translated simply to other natural episodes like flood, earth quake, volcano, and so on. Meanwhile the damage that mankind and the pure self-interest companies have done to the environment, has been too sharp and thus Mother Nature reacted vis-à-vis in creating PCV. PCV warns us to get the relevant message, otherwise we should be ready to endure the calamities much more than PCV in future.

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