

## COVID-19 and the case for global development

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**Abstract:** COVID-19 accentuates the case for a global, rather than an international, development paradigm. The novel disease is a prime example of a development challenge for all countries, through the failure of public health as a global public good. The COVID-19 pandemic has highlighted the falsity of any assumption that the global North has all the expertise and solutions to tackle global challenges, and has further highlighted the need for multi-directional learning and transformation in all countries towards a more sustainable and equitable world. We illustrate our argument for a global development paradigm by examining the implications of the COVID-19 pandemic across four themes: global value chains, digitalisation, debt, and climate change. We conclude that development studies must adapt to a very different context from when the field emerged in the mid-20<sup>th</sup> century.

**Main text:** The COVID-19 pandemic accentuates the case for understanding contemporary development challenges through a global, rather than a narrower international, development paradigm. Whereas ‘international’ development focuses on inter-state relations, often via aid, and on problems *of* and *in* the global South, a broader global development approach should consider processes and problems that cover all countries, including those in the global North. Global development should thus focus on collective and shared challenges, with attention to their uneven nature. It should firmly recognise that a more sustainable and equitable world requires transformation of and cooperation with all countries, rather than pushing the ‘developing’ world to become more like the so-called ‘developed’ world.

The case for a global development paradigm rests on three main factors (Horner & Hulme, 2019; Horner, 2020). First, the interconnectedness of contemporary capitalism means that the causal processes shaping ‘development’ cut across national and macro boundaries of North and South. Second, climate change and sustainable development remain key challenges facing the whole world. Third, emerging patterns of global inequality over the last quarter century cut across many North-South boundaries and generate challenges common to all countries. These longstanding issues have been accentuated in the 21st century, and are recognised in the Sustainable Development Goals (e.g. Fukuda-Parr & Muchhala, 2020; Gore, 2015) and the Paris Climate Agreement which set targets for all countries. This commonality needs recognition even while there are undeniable distinctions between and within the North and South. COVID-19 adds even more immediacy to using a global development approach to the analysis of problems and processes, as outlined below.

COVID-19 has spread through an interconnected world in the first few months of 2020, and a prime example of a problem shared by all countries. The failure of a

global public good, in this case public health following the outbreak of the new disease, has translated into devastating health, economic and societal impacts across the globe.

COVID-19 health outcomes cannot be simplistically linked to national incomes or being within the global North or South. The highest infection and fatality rates recorded to date have been in the global economic hegemon – the United States, and in Western European countries. In contrast, the picture is much more mixed in the global South: while some lower- and middle-income countries (e.g., Brazil, Ecuador, Mexico) have become infection hotspots, other countries/regions (e.g. Africa, East and Southeast Asia) have had much lower official fatality rates in the first wave of the pandemic.

COVID-19 overlays and is augmented by the pre-existing challenges of inequality and deprivation. Contra the “great equalizer thesis”, the social determinants of health, including poverty, physical environment, race and ethnicity have shaped COVID-19 health outcomes (Abrams & Szelfer, 2020). This repeats a historical pattern whereby pandemics disproportionately affect the poor and disadvantaged (Ahmed et al., 2020).

Beyond health, the pandemic has created “the worst human and economic crisis of our lifetimes” (ECOSOC, 2020: 2). Hundreds of millions of people have lost their job and livelihoods (ILO 2020). While the impacts have been mitigated, in some cases, by emergency social protection measures taken by governments, many have received inadequate or grossly delayed support. This challenge is magnified in some parts of the global South, with India’s internal migrants a case in point. The crisis is also highly gendered in its impacts (de Paz et al., 2020). Levels of extreme poverty are predicted to increase by hundreds of millions (Sumner et al., 2020). Yet even within

the global South, the economic consequences appear to be heterogeneous, although the exact causes and outcomes remain to be seen.

COVID-19 clearly exposes the falsity of assumptions that the global North has all the expertise and solutions, and highlights the critical need for multi-directional learning. Many countries of the global North would have benefited from the experiences of dealing with infectious diseases in the global South, both in the past, such as Ebola in West Africa (Mogoatlhe, 2020), and COVID-19 in recent months as in East Asia (Pardo et al., 2020) and the state of Kerala in India (Tharoor, 2020). Rather than conventional arguments of development aid from the North being a 'win-win' by promoting a more secure world, Northern learning from the South would have been good for the South too - by reducing the devastating economic impact transmitted through the economic crisis in the North.

#### **Four vignettes**

Four vignettes, across different development studies sub-themes, indicate how the COVID-19 pandemic further highlights the need for adopting a global development approach. These relate to global value chains (GVCs), digitalisation, debt, and climate change.

GVCs: The COVID-19 pandemic has led to significant disruptions in global value chains (GVCs), the principal form of global agricultural and industrial organisation for the last three decades (Barrientos, 2019; Gereffi, 2018). The immediate health emergency revealed serious supply shortages of many intermediate and final goods manufactured largely in China, especially those needed immediately elsewhere to fight COVID-19. Medical products, especially pharmaceuticals and personal protective

equipment (PPE), have been the subject of considerable controversies following export-bans in a number of countries (Baldwin & Evenett, 2020). Almost all countries are reliant on the globalised supply of medicines and PPE. Over time, many other co-dependencies have emerged not only due to supply side dependencies but also demand side co-dependencies. In Bangladesh's garments sector, one of the most high-profile cases of export-oriented development, millions of workers have lost jobs (Anner, 2020). The pandemic has served to amplify pre-existing debates over the continued viability of organising the production of goods and services through GVCs.

The future of value chains, post COVID-19, has consequences for all countries. Growing protectionism and nationalism, including concern for industrial sovereignty, point to an increased relevance for regional and domestic value chains. While discussions of deglobalisation have emerged again, a more multi-polar globalisation may also emerge, especially led by Asia. The extent and nature of restructuring that value chains undergo post-pandemic will have crucial implications for inclusion, quantity and quality of jobs, as well as sustainability transitions.

Digitalisation: COVID-19 has significantly accelerated digitalisation in all sectors. Given the potential threat of infection transmission through the physical space of places, the virtual space of flows has gained expedited relevance and centrality. In the immediate health crisis, COVID-tracking is said to be key to East Asia's successful containment efforts (Huang et al., 2020). Online working and digitally-organised logistics have played a role in mitigating impacts, and promise to be expanded during recovery. Data is an increasingly significant economic asset with major opportunities and necessity for use of new datasets, but also carries the potential for privacy violations and political surveillance. This raises real risks that the greatly-increased

reliance on digital as a result of COVID-19 will deepen problems of injustice: being the right side of the global digital divide becomes pivotal to individuals' socio-economic fortunes and there is potential for data injustices to bring new forms of economic and political marginalisation (Heeks & Renken, 2018). Digital technology and platform economy firms continue to grow in importance: companies such as Amazon, Alibaba and Google are moving to centre stage in organising key infrastructure (Klein, 2020); gig economy platforms have been essential in the COVID-19 response but they present challenges to worker wellbeing (Fairwork, 2020).

In both global North and South, then, the future global development research agenda will need to encompass digital equity (exclusions of the digital divide but also adverse incorporations); data science for development (opportunities but also data justice risks); digital transformation (especially platform-enabled change); and digital sustainability (linking digital not just to climate sustainability but to broader resilience of world systems).

Debt: COVID-19 has had a profoundly negative impact on public finances in three crucial ways. First, high levels of capital flight from low and middle-income countries has closed off new lending for them while pushing down the value of local currencies, making imports and dollar-denominated debt repayments much harder to sustain (Brooks et al., 2020). Second, with variations in the extent, governments around the world have dramatically increased their expenditure. The need for social protection is likely to persist for some time for those rendered poor, unemployed and destitute. Third, COVID-19 has created a significant slump in public revenue through taxation. This “expenditures massively up/revenues massively down” scenario will rapidly drive up debt levels. Argentina has already defaulted on its debt.

The coming debt crisis will differ significantly from both the 1980s debt crises and the 2007-2008 world financial crises and will not be understandable through the international development paradigm. Especially in the global South, international financial institutions will be involved (Kentikelenis et al., 2020), but debt repayment negotiations will be less concentrated on them and the Paris Club. China, for one, and various private sector actors are much bigger creditors. US-China competition prevents the kind of coordinated multilateral response that followed the aforementioned debt and financial crises. Another difference lies in the challenge of managing indebtedness across (almost) all countries, including in the global North. Domestically, there are enormous implications for the possibilities of effective states and political order, shaping the revenues available for social protection, health systems and food security. Internationally, such trends may influence potential commitment to, or retreat from, multilateralism.

Climate change: The COVID-19 pandemic starkly reveals the difficulty that the world faces in efforts to curb global carbon emissions. Confinements and associated economic downturns are predicted to lead to an annual global reduction in CO<sub>2</sub> emissions of between 4.2 and 7.5 percent in 2020 (Le Quéré et al., 2020). Although this fall is in line with the annual reduction rate required to limit global warming to below 1.5°C, it has come at a huge economic cost. Many countries face unprecedented economic recessions, with low-income people everywhere disproportionately hit. The world remains “way off track to meeting either the 1.5°C or 2°C targets called for in the Paris Agreement” (ECOSOC 2020, 17). Yet the possibility of climate change targets, and other environmental concerns such as biodiversity, taking a backseat as economies seek to recover is a serious concern.

Both climate change and COVID-19 pose global development challenges and require responses in all countries (The Economist, 2020). Like COVID-19, climate change is an issue whose underlying causal processes and implications cross borders, and the negative effects are felt much beyond the problem's place of origin. Similarly, the global North is a key part of the problem, and sustainability transitions could benefit from multi-directional learning (Leach, 2015). COVID-19 has highlighted the need for action at local and national scales, as well as cooperation that is multilateral for providing global public goods. Effective global governance for both climate change and COVID-19 is challenging in an era of economic nationalism yet ensuring that adaptation efforts to the short- and medium- shocks of the COVID-19 pandemic are aligned with long-term climate change mitigation efforts will require closer coordination among countries.

### **Global development for a post COVID-19 development studies**

Our contention is that COVID-19 requires a global, rather than an international, development paradigm. The new disease has had widespread implications for all countries through the disruption to GVCs, accelerating processes of digitalisation and fostering widespread indebtedness. It has further revealed the difficulties of tackling climate change and the devastating and highly unequal implications of the failure of a global public good.

Development studies today faces a very different context from the mid-20<sup>th</sup> century when the field emerged. A global development approach offers the potential for greater attention to problems of underdevelopment in the global North, and its role in shaping a more sustainable and equitable world. Indeed, thinking globally holds enormous potential for a more insightful and effective engagement with issues that are



relevant for both the global North and South – be they relative poverty, social protection, sustainability transitions, migration, human rights, urbanism, affordable housing, precarious work and livelihoods, food security and effective states.

A global development paradigm must confront a number of challenges. One is to ensure that a focus on global development as scope (i.e. related to all countries) involves multi-scalar analyses, rather than prioritising the global, and downplaying the national and local, scale(s). A second is that the core insights generated in development studies do not remain confined to the global South but are usefully extended to similar problems in the global North. Finally, the global South, home to an overwhelming majority of the world's population and the world's low-income people (in absolute terms), should be a core focus in global development, but also a source of learning for everywhere.

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