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Imagining Our Lives Post-Pandemic: Degloblalization or Not?

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ABSTRACT. The Coronavirus disease 2019 (COVID-19) is a current global issue, and the ease and speed of COVID-19 viral transmission from person to person, city to city, and to every nation around the globe have exposed the world's interconnectedness and consequent deep vulnerability only in a span of months. Several studies predict that the world after this pandemic will be different. The ensuing deglobalization by politicians seems to have found the most appropriate time. This article reviews the spread and impact of COVID-19 from an intercultural political perspective. It combines specific theories to discuss the performance of deglobalization during the pandemic and the prediction of future globalization. This study summarizes the current reports and discussions about economic and political consequences and attempts to put forth scenarios for the post-pandemic world. This pandemic has severe adverse effects on employees, customers, supply chains, and financial markets. In brief, it will most probably cause a global economic recession and lead to a permanent shift in the world and its politics. Although deglobalization behaviors and sentiments are manifested in the supply chain market and online public opinion, we find that such behaviors and sentiments are largely related to the effectiveness of governance decisions, rather than the shortcomings of globalization. Moreover, the need for cooperation to fight infectious diseases is strengthened. Governments should develop new strategies to adjust the new world order without much delay and be alert to the catastrophic impact of deglobalization.

KEYWORDS: COVID-19, Deglobalization, Pandemic, Cultural infuence

1. Introduction

Before this crisis ends, our political culture may also change. (Thomas L. Friedman)

The global outbreak of the Coronavirus disease 2019 (COVID-19) pandemic has changed the new agenda of the entire world. At the White House New Crown Virus Epidemic Information Conference on March 31, 2020, US President Donald Trump stated that he would "turn the US into a fully independent and prosperous country: energy independence, manufacturing independence, economic independence, and national border independence." Immediately afterward, the White House National Economic Committee Director Larry Kudlow stated that US companies can be encouraged to relocate by repatriating expenses.

Many people believe that the world after the COVID-19 pandemic will be different. The era of deglobalization is coming. Will it be like this? UN Secretary-General Guterres said that the New Coronary Pneumonia pandemic is the worst global crisis since World War II. On May 1, 2020, an essay column titled "Imagining Post-pandemic World" on Science began to receive papers. Experts in various fields are expected to predict and discuss world change in the next 20 years after the outbreak in this column. The multidimensional changes triggered by the pandemic seems to have become the consensus of many studies, and specific changes in different latitudes require imagination and research in multiple fields [8].

This essay has such ambitions to focus on the same issue through personal observations and collected data, combined with specific theories to discuss the performance of deglobalization during the pandemic and the prediction of future globalization.

2. Globalization and Deglobalization

Some people think that as early as the economic crisis broke out in 2008, the process of deglobalization has begun, whereas others set its first year in 2016 Brexit because of the rise of global populism and the election of Trump. Furthermore, many people think that the impact of COVID-19 on the world will be the most obvious starting point of the "reverse globalization" cycle.

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Although defining common globalization remains difficult, it generally means that globalization belongs to a social process, which is characterized by the continuous reduction of regional barriers to various economic (e.g., transnational trade, investment, global production network, and multinational enterprises), political (international alliances, such as the European Union and ASEAN; international organizations, such as the World Bank and the World Trade Organization), cultural, and social activities (including consumerism throughout the world, global media, global ideas and values, such as environmental protection and human rights). As a result, most people can participate in cross-regional activities [9].

The concept of globalization is generally used to describe the closeness between "global" and "native" [3]. A localization process also exists in globalization that is called "glocalization" [7]. The global can change the local, and the local can change the global.

The discussion whether globalization is "unprecedented and irreversible" is mainly divided into three research perspectives: globalism, skepticism, and consolidation theory [3].

Globalists affirm that globalization is unprecedented and irreversible. Its development has its logic and driving force, and it is not subject to the intervention of individuals, groups or even the state. Those who advocate this theory include some beneficiaries and staunch supporters of globalization. For example, Chinese political theorists believe that the process of globalization is an objective law in the historical process.

Skeptics believe that the current so-called "globalization" is only limited to specific regions, and it is simply not enough to be called globalization. They claim that globalization is, by no means, unprecedented, let alone irreversible. Such irreversibility is nothing but a discourse constructed by exploiters in the process. The ideology of globalization is similar to a "necessary myth to facilitate a pathological expansion logic of capitalism."

The rest of the people affirm the new changes brought by globalization but deny that globalization is irreversible. They think that different social groups and political organizations control the process of globalization. This essay will discuss globalization in an attitude of eclecticism and skepticism, rather than fanaticism, from the perspective that deglobalization can occur, to gain some space for discussion.

In terms of corresponding concepts, deglobalization refers to a global development trend that is contrary to globalization and that international cooperation and interdependence in the economic, political, and cultural fields are gradually waning. Deglobalization is different from anti-globalization, which is mostly paired with movements and is often used to describe resistance movements (e.g., labor and environmental protection organizations) performed by fixed groups because of the damage to globalization. Anti-globalization movements are often defined as irrational, loosely organized, lacking hierarchy, and dissatisfied with society. Supporters of anti-globalization movements reflect opposition to local governance and policies. However, deglobalization manifests itself as gradual and implicit economic trends and thought trends.

3. Performance of Deglobalization

Economically, the main manifestations of deglobalization are the marginalization of the concept of free trade and the escalation of trade protectionism [3]. The difficulty of advancing the global multilateral trading system and trade protectionism spreading to the world in complicated forms is also included.

In my observation, the pandemic undoubtedly highlights the risks of the global industrial chain, as many media and trade protectionists have said. The shock coming this year threatens to be far more brutal than in previous years. China's manufacturing industry bears the brunt. The dollar value of Chinese exports in January and February fell 17% year-on-year. Exports have fallen, delivery times have increased, and supply chain default risks have increased.

The tourism industry has also collapsed. Hong Kong only accepted 115 tourists during the May holiday. Bloomberg News [6] produced damage to the global industrial chain of countries that imported products from China from January to February.

Against the backdrop of the Sino–US trade war and the pandemic situation, the difficulty of selling, that is experienced by multinational companies, is compounded. At the same time, the outbreak of COVID-19 is highly coincidental with the production core of the global manufacturing industry. The virus has accurately targeted the global manufacturing industry [1] (e.g., Wuhan, Bavaria, Milan, Italy, and Detroit). Economically, the risks of globalization seem clear, and the conditions for the rise of trade protectionism seem ripe.

Politically, counter-globalization is manifested by the increasing tendency of conservative internalization in Western countries, including the gradual extremes of state intervention and regulation. Scholars [7] who support deglobalization begin to believe that this round of deglobalization has a strong political power. The willingness of developed countries and globalized leading countries to return to nationalist positions and participate in international development cooperation has declined.

Britain passed the Brexit referendum (in the polls before the referendum, 42% of the citizens already believed that Britain should give up their mission to promote global development), and the extreme right populist forces in France, Italy, Germany, and other countries rose. Trump vigorously promotes the "America First" strategy and continuously launches international organizations and violates conventions.

We observe governance crisis in some countries that is manifested by the moderate effectiveness of public policies, the lack of effectiveness of national governance capabilities and the promotion of the economy, the decline in people's satisfaction with the government, the political coldness of the people, and the deconstruction of political discourse.

At the cultural level, several Trump supporters in the US agree with his racist remarks. After repeatedly calling the new coronavirus a "Chinese virus" and refusing to apologize, he only silently stopped this statement. Due to the spread of virus features, some people call the virus the "Black Nightmare" and "Democratic Exclusive Virus" (because several major pandemic areas in the US are democratic constituencies, and blacks comprise the highest number of patients infected by the disease and have the highest mortality rate). Reporters from the New York Times recently summarized the remarks of Trump in a span of one week at the White House press conference. Most of the 260,000-word narrative are about self-flaunting and blaming others [2]. The value orientation of pushing risks and errors to others and other countries is the performance of deglobalization. Such a performance can also cause a lousy guidance effect.

In China, the trend of popular thought has become more fantastic than before. Although it is widely criticized by foreign media as incorrect and opaque data, the real life of Chinese people has indeed been on the right track to resume work without being defeated by the virus after April 2020. Therefore, Chinese people generally believe that government data and policies are implemented. In contrast to the chaos, decentralization, and delays in the US, Chinese people have further recognized the superiority of their systems. For a time, anti-American and anti-European sentiments spread in the Chinese network. Unlike what economists predicted, China, an emerging market country that has benefited from globalization, has also produced anti-globalization movements and thoughts because the governance of the pandemic has given Chinese people strong institutional confidence and industrial chain confidence. The overwhelming majority of people are reluctant to take on risks from developed countries, let alone be the blood-sucking targets of the US. China's vibrant industrial chain division of labor and substantial domestic demand make them believe that China can go smoothly on the course of counter-globalization. The operation in the US has extinguished most of the lighthouses in the hearts of Chinese who are pro-Americans.

4. Limits of Globalization?

Before the pandemic of the epidemic, globalization has reached its maximum limit, and we are considering curbing globalization. This outbreak will prompt people to think. (Francis Fukuyama)

Will the intervention in "deglobalization" be similar to 2008 after the crisis vanishes or will it enter the turning point of the historic cycle? To answer this question, we still interpret it in the aspects of economics, politics, and culture.

Economically, Professor Wu Jing, who is committed to the research of the global industrial chain, shared with me his latest statistical results [4]. He stated that the world not only surprisingly needs China now but also cooperation.

He counted data on the risk of supply chain defaults from the outbreak until mid-April 2020 to supply chains. He found the default risk of US companies whose industrial chain in China increased significantly from January to February. At the same time, their credit default risk reduced from February 23 to April 7, during the European and American outbreaks. Taking breathing machines and masks as an example, the world must produce parts and raw materials from China. The pandemic control and early resumption of work in China have played an essential role in the fight against the world pandemic.

Trump should be the guardian of global trade protectionism, although he never admits it. After he became president, he encouraged American companies to relocate through tariffs and anti-immigration policies to achieve his promise of increasing employment. As a result, US companies still not choose to return to their home country but have started a new round of global migration [1], moving from China to Southeast Asia, Canada, South America, and Africa. In a sense, globalization has been further enhanced. Given that companies only consider their comparative advantages, they will only move their factories to cheap places, which are not located in the US. Based on this result, the development of globalization has not reached its limit.

The split of values at the cultural level is worthy of vigilance. The gap highlights on whether the issue is Trump's broad supporters or China's strong nationalist plot of spontaneous, corporate flattery construction by the public. The widening gap between the rich and the poor has made the promise of globalization once untrustworthy, which has allowed countries to give full play to their comparative advantages toward shared prosperity. The damage of globalization to developed countries has led to the hollowing out of industries, the bourgeoisie has further captured profits, and local workers have become weaker than before.

5. Conclusion

Returning to the question posed at the beginning of this discussion, we can now state that the relationship between pandemic and globalization is highly reconstructive. Globalization is not all good, and pandemics are one of them [5], but if we stifle globalization to curb these bad aspects, then all our prospects will also stifle. This study predicts and conducts a critical analysis on de-integration and the results after the outbreak. We believe that deglobalization is a disaster. The COVID-19 pandemic is the shared experience of humanity, and we should unite to construct a new discourse on world development and find new growth points for global development and new models of globalization. The way of trade protection cannot achieve the promises of politicians to the people. The discussion of racial discrimination in the current pandemic is clearly caught in a politicized whirlpool of discourse or emotional extension.

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