

Rethinking Economy in times of Covid against the backdrop of disaster

To debate

- ▶ **Hyper-globalization and its disproportionate effects.**
- ▶ **The Covid-19 crisis is highlighting the contradictions of globalized trade.**
- ▶ **How can we re-think the economy? Analyzing micro-economic alternatives.**
- ▶ **Social currency, networks of activists, commons and Degrowth values as starting points.**

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The Covid-19 crisis from an economic geography perspective

After ten months of coronavirus and the death toll passing one million, the Covid-19 pandemic has been challenging humankind as a collective like perhaps nothing else before. Yet, as much as this pandemic seems to be an extraordinary, singular event of great historical significance, for geographers it is clear that associated socio-economic crises cannot be treated in isolation. Covid-19 has not occurred in a vacuum but arrives, as Adam Standring and Jonathan Davies and many other commenters have noted, on top of “the organic crisis of neoliberal globalism” (2020, 146).

As economic geographers concerned with global production networks and marketization, recent events have challenged us to critically reflect on the emergence of this pandemic at a time when economic systems have never been more interdependent. Here, we will highlight how the Covid-19 pandemic underscores the contradictions inherent to hyper-globalized economic systems and neoliberal logics. In a second part, we will explore the importance of alternative economies, highlighting how the case study of the Catalan *Ecoarxes* can help in re-thinking and re-performing economy in more progressive and sustainable ways.

A world in chains

Ever-expanding supply chains, production networks, and logistical arrangements have become the hallmark of a globalized economy that thrives on a clever mobilization of borders: allowing almost frictionless mobility while simultaneously exploiting regional differences. Covid-19 has brutally exposed

the contradictions and the asymmetric interdependencies of our globalized supply and production networks. Soon after news about the first cases emerged from China, large parts of global commodity movements became immobilized. This concerns, for instance, the field of agricultural commodities and inputs. Chinese demand for soybeans and soybean meal has been seriously affected, leaving farmers in Argentina, Brazil, and the US to wonder about their economic livelihoods. And since China is also the key source of cheap input commodities such as glyphosate, the collapse of Chinese generic production and price increases will only further squeeze farmers' incomes globally (Figueiredo, 2020).

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In other economic sectors as well, collapsing supply chains are having devastating impacts on economies and the livelihoods of millions of people. This particularly concerns those involved in the producing ends. For instance, writing on the Cambodian garment sector, Sabina Lawreniuk (2020) highlights how declining demands in the EU and US and shut-downs of Chinese factories lead to mass redundancies of hundreds of thousands of already impoverished and indebted workers. In turn, specific clauses in procurement contracts protected global brands from paying for already produced goods. On the one hand this demonstrates how the lives of workers in global production networks are characterized by hyper-precarity and disposability. On the other hand, it is also a showcase for how “the banal infrastructures of production networks optimise the lives of consumers by profiting from the truncated lives of workers” (Lawreniuk 2020, 200). While such volatilities and (dis-)articulations seem to be generic to the functioning of globalized production networks and contemporary capitalism (Bair 2019), it is the Covid-19 pandemic that blatantly underlines its brutal logic.

The breadth of the crisis

At the same time, this global pandemic is much more variegated in its effects. It is also seriously putting at risk large parts of the population situated on the “other side” of these production networks and supply chains. For instance, this concerns shop owners and small and middle-sized enterprises who rely on the functioning of extended supply chains, or public institutions and consumers who depend on the supply of commodities such as pharmaceuticals. What is more, Covid-19 has put a strain on those who had already been unequally affected by almost a decade of austere neoliberal politics. Particularly in western Europe and the US, “austerity can be considered a ‘pre-existing condition’ of social systems, which has served to exacerbate the social and spatial inequities through which risk, capacities, and agency are mediated” (Standring & Davies 2020, 146). This has become visible, for instance, in the different adaptive capacities to lockdown measures across societies. Distancing, isolating, and quarantine became a class privilege for those not reliant on casualized work, precarious jobs, and zero-hour contracts (Ibid.). In many places, Covid-19 has arrived on top of rugged austerity landscapes and austere neoliberal agendas – agendas notably that have their origins in another disruptive event of global scale: the 2008 financial crisis.

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It is in this context that researchers, activists, and policy-makers are seeking new paradigms that recognize the dangers of global interdependence. Therefore, economic experiments that are not merely based on profit-oriented values become necessary cases for economic geography analysis. Engaging with alternative economy approaches become crucial in such an endeavor, as they “reconceptualize and re-structure capitalist forms of socio-economic organization and, in various ways, (aim to) shift practices of production, consumption, distribution, financing, and governance towards sustainability, equity and justice” (Schmid 2020, 40).

Alternative economies and experiments as a way forward

Our research departs from such a perspective and focuses on *Ecoarxes* (eco-networks in English), which are regional groupings of like-minded individuals that use social currency and mutual support practices for producing and exchanging goods, services,



Container ship accident off the north coast of New Zealand, 5. October 2011 (<https://www.oceandtm.com/wasspsurvey3.html>, Photo: New Zealand Defence Force)

and knowledge in the Spanish region of Catalonia (Balaguer 2020). These community-based groups have been predominantly active since 2011 and are located in the areas of Manresa, La Garrotxa, Tarragona, Montseny and Empordà. Their emergence is connected to wider social movements and to the 2010 protest and self-organization movements. The *Ecoarxes* are independent and autonomous communities yet maintain links with each other. These groups have even been experimenting with their own currency, which has a zero saldo or sum game approach (where the total amount of debt and credit in the network is always zero). Users keep track of this debt and credit with an online platform that they have developed. The em-

Alternative Economies and commoning in Catalonia: Degrowth practices for new worlds.

This article is based on the empirical material collected by Xavier Balaguer in the context of his PhD project. It investigates emerging forms of “commoning” and radical ecological citizenships in Catalonia, Spain, and examines new forms of monetary/non-monetary exchange/cooperation and emerging practices of degrowth. It therefore explores how these self-organized social movements can provide contributions for theoretically conceptualising and practically implementing alternative forms of economic and political governance and resistance.



A range of essential products offered in Social Currency in the Ecoarxa of "La Garrotxa".
Foto: X.Balaguer Rasillo

pirical material stemming from a project (see info-box) drawing on ethnographic and qualitative methodology suggests that, whereas the most visible part of the network might be the use of an alternative currency, there is a vast set of practices that sustain and foster such economic alterity. This myriad of practices forms and sustains markets that are framed mostly in opposition to orthodox economic rationales and in favor of sustainability, degrowth, community building, and solidarity values.

The economic system established by these communities is based at a local level yet is heavily networked with other communities and like-minded projects in Catalonia and beyond. Goods and services offered by the *Ecoarxes* are often cooperatively- and locally-produced ecological products, which sustain an alternative network of consumers and producers. These experiments are not merely "going back" to some rural primitivism, but rather a more complex, intertwined economy where communities that are not in direct proximity maintain networks on different scales facilitated (in part) by a progressive use of internet tools and platforms.

The case of the Catalan *Ecoarxes* is a micro-economic experiment that can serve as a legitimate start for performing non-capitalocentric economies (Gibson-Graham 2008) while remaining attentive to their own challenges and contradictions. Particularly in times of a pandemic that is having devastating effects on the vulnerable while ignoring the pressing challenge of climate change, the old economic recipes based on neoliberal logics ought to be put in jeopardy. We encourage researchers, activists, and decision makers to engage with experiences that are putting the common, care work, sustainability, and life at the center of their economies. These ought to be genuine alternatives to profit- and competition-based global production networks if we want to re-think and re-organize society while tackling the economic inequalities that the Covid19 health care crisis is producing.

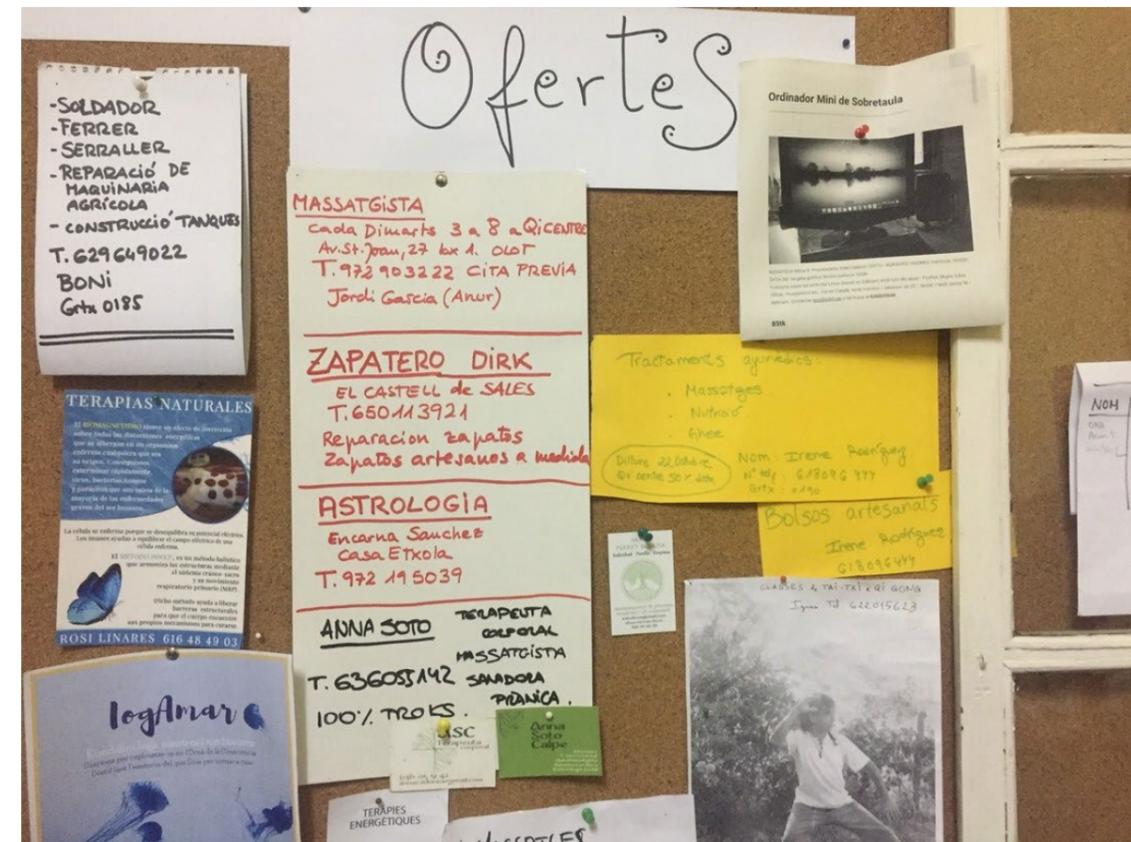


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Services such as ironmongery, shoemakers, massages, natural therapies and construction offered in Social Currency. Foto: X.Balaguer Rasillo

Zusammenfassung

Problematierung der Hyperglobalisierung in Zeiten von Covid:

Als wissenschaftliche Disziplin thematisiert und problematisiert die Wirtschaftsgeographie globale soziale Ungleichheiten und Abhängigkeitsverhältnisse vor dem Hintergrund wirtschaftlicher Prozesse. Mit Blick auf globalisierte Handels- und Produktionsnetzwerke argumentieren wir in diesem Artikel, dass die Covid-19-Pandemie deren Widersprüche und Problematiken besonders deutlich akzentuiert und verschärft. Diese Problematiken liegen insbesondere darin, dass globale Produktionsnetzwerke unausweichlich mit einer wirtschaftlichen Logik verknüpft sind, bei welcher Profit über das

menschliche und natürliche Leben gestellt werden. Im Gegensatz dazu rücken wir alternative ökonomische Organisationsformen und deren Aktivist*innen in den Fokus, welche sich Degrowth und Commoning-Werten verpflichten und somit aufzeigen, wie unterschiedliche Vorstellungen von Wirtschaft möglich sind. Am Beispiel der katalanischen Ecoarxes in Spanien wird deutlich, wie mikroökonomische Experimente von grosser Bedeutung werden können, wenn wir uns den kommenden sozialen und ökologischen Herausforderungen stellen wollen.