

## Book Review

*COVID-19 and the Structural Crises of Our Time.* By Lim, M.H. and Heng, M.S.H. Singapore: ISEAS Publishing, 2022. 198 pp.

The COVID-19 pandemic outbreak of 2020 has led to a plethora of political economy publications that range from the power play of a declining but still mighty superpower's (United States) attempt to biologically engineer the virus as a biological weapon, and accusations of China's involvement in its origin owing to the publicized accounts of research undertaken at the Wuhan labs. Moving from the causes, the focus has also been on stopping the mutations that has caused several resurgences of COVID-19 cases and deaths. This book provides an engaging and elegant, as well as a lucid account that fits a masterpiece that combines a highly contested but coherent set of arguments, which is backed by evidence to inform readers of the underlying political interests that has shaped the world economy. The chapters start with a recap of two contrasting books by Karl Polanyi (*The Great Transformation*) and Friedrich August von Hayek (*The Road to Serfdom*) that were both published in 1944. Rudolf Hilferding had earlier shown the destructive effects of finance capital that was strangling the manufacturing sector in Germany in the late 19th century, while Ralph Miliband had argued over the instrumentalist role states play to support the capitalist class. The incisive articulation of the two books essentially sets the path for tracing the causes and consequences of the COVID-19 pandemic (i.e., the incessant crises that have been driven by the increasing financialization of the global economy). In contrast to Hayek's simplistic claims of the market economy as driven by 'unregulated' when in effect in reality, as argued by Polanyi, it has been driven by states directing resources to shelter the drivers of finance capital. Consequently, big business rather than the actual consumer reigns supreme in markets. Presented in six chapters, the book examines incisively some of the major crises to argue as to how such crises have been caused, their consequences, and their regular recurrence.

Chapter two attempts to argue over the causes of the COVID-19 pandemic with a compelling argument that, it was to be expected, given the preponderance of powerful interest groups in the world economy, and the

way societies (countries) have responded. Focusing on how these powerful forces have shaped the commercialization of healthcare and continued concentration of capital, the chapter offers a robust account of how these forces have contributed to several health crises across the world. In doing so, the chapter offers evidence to explain why some countries have managed to check the spread of the virus, which shows no correlation between cases and deaths against per capita incomes. One can go further to argue that democratic socialist countries, such as Germany and the Nordic countries, have been able to recover faster while at the same time protecting the poor from being heavily impoverished, but rightwing-government led countries, such as Britain and the United States, have performed dismally as they focused more on shielding stock markets and the banking system.

Chapter three examines how the COVID-19 pandemic impacted on the economies, the rescue packages that followed, and their effects. The chapter flags the dangerous emergence of increasingly integrated supply chains that have evolved with little socially enabling supports to counter potential ruptures globally. Consequently, the rescue packages did not produce the desired effects in several countries. The chapter exposes the lack of a profound healthcare policy in several countries, which is aggravated by such policies being crafted by financial and healthcare economists rather than by epidemiologists.

Chapter four reiterates the contradictions of capitalism that is led by financial capital, which underlines its prime argument that such crises are only going to recur. The chapter discusses several instruments that were invented to shield finance capital, which continue to expose countries, but especially the people, to further ruptures in the future. In doing so, the chapter addresses a number of interventions by governments that are targeted at protecting financial capital rather than introducing social enablers that will reduce the recurrence of such crises.

Chapter five issues a warning on the emergence of populism that has open the political floodgates to neo-nationalism and fascism. What Karl Polanyi had noted in 1944 resonates well to serious unbiased scholars that have rung alarm bells in the past, among others, Paolo Freire, Khoo Kay Jin, Martin Khor, Noam Chomsky, and the book's endorsers. The chapter succinctly notes the rise of populist governments in not just the developed countries, but also in developing countries, such as India.

The final chapter takes footsteps into the future following the conclusion in chapter five that presented optimistic predictions by Amartya Sen and pessimistic predictions by Nouriel Roubini. The chapter provides a synthesis of the leading governance initiatives that characterize the world, i.e., market forces, social protection, and emancipation, though states tend to share some elements of each of the three while social protection tends to become stronger when the unraveling of market forces force governments to offer social protection to the displaced in return for their votes.

The publication of this book is both excellent and timely, and as the authors note, it is an extension of the torch Karl Polanyi had lit. While the book offers a lucid account of the arguments in support of a social state, or at least one that Nicos Poulantzas had argued for earlier, i.e., a state autonomous of powerful interest groups to deliver the interests of all constituents of society. Such an argument has subsequently been expanded by de Jessop, Peter Evans, and Theda Skocpol. However, what is more important now is to see that states evolve to check the powers of finance capital and markets so that they serve as servants rather than masters in the world economy.

**Rajah Rasiah**

Distinguished Professor of Economics  
Asia-Europe Institute (AEI)  
University of Malaya  
50603 Kuala Lumpur  
*Email: rajah@um.edu.my*