

The Coronavirus Pandemic and Business: A Time of Collapse or a Time of New Opportunities?

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Abstract--*The era of scientific and technological revolution that began in the second half of the twentieth century brought a powerful rise of technocratic and scientific ideas, which culminated in the development of concepts of industrial society, post-industrial society and information society. These concepts have found their concretization in the theories of consumer society, leisure society, technotronic, technocratic and computerized society. The article critically analyzes the concept of technological determinism, which is still put forward as a panacea for the treatment of all social diseases. It is shown that scientific and technological progress creates objective grounds for social progress, but is not able to solve any of the global problems of our time. From the author's point of view, these problems themselves are determined not so much by the development of science and technology as by the form of ownership of the means of production. The article also reveals the main reason for the global crisis in 2020: the virus-economic crisis continues to gain momentum both in the world and in Russia. (back in March 2020, many experts expressed the hope that the world economy could avoid a recession (i.e., a fall).)*

Key words--*state, information society, world crisis 2020, pandemic, technological determinism, state property and private property, industrial relations, global problems, socio-economic problems*

I. INTRODUCTION

Almost all thinkers of modern and modern times rightly considered technical progress as the main basis for social progress. On this basis, the idea of technological determinism arose in modern Europe. The core of this idea is the absolutization of the role of technology and technology in social progress, the belief that all social problems can and should be solved by improving technology and increasing labor productivity.

However, this position has serious opponents from the very beginning of its formation. So, for example, Zh. - Zh. Rousseau sharply criticized civilization, which distorted the original essence of man, and proclaimed the slogan " Back to nature!" Nietzsche was no less critical of the benefits of technological progress, considering civilization to be the result of the degradation of primitive human culture, and Spengler considered technical progress to be the foundation of the decline of European civilization. The negative attitude of the common people

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to technology as a source of social inequality and exploitation was most clearly manifested in the "Luddite" movement that spread throughout England in 1811. Many wool and cotton factories were destroyed.

As shown by the publication of the materials of the annual St. Petersburg International Economic Congress, most of its participants are skeptical of the concept of a post-industrial (information) society as the main basis for solutions to all today's global problems – from social inequality to the impending environmental disaster.

The prospects for a new economic crisis were discussed throughout almost all of 2019. The expectation was based on the fact of long-term growth of the leading countries, especially the US. This was not a very rapid growth compared to the previous 25 years, but it was steady. And the longer the period of economic growth continued, the more likely a new crisis seemed. Given that just 10 years ago the global economy was undergoing a structural transformation, experts expected that the upcoming crisis (and sooner or later it was bound to come) would be a normal cyclical one, that is, not associated with serious structural transformations. Based on the experience of the twentieth century, structural crises occur once every few decades (in the 1930s and 1970s) and lead to a radical restructuring of socio-economic and geopolitical balances, currency configurations, and economic paradigms. And now, in the spring of 2020, we have not even entered, but have flown into a new structural crisis. Perhaps the events that began in 2008 with the US mortgage crisis were a forerunner, warning of the vulnerability of the world order and especially the global economy.

II. LITERATURE REVIEW

Director of the Institute of new industrial development named after S. Yu. Witte, Professor S. D. Bodrunov in his report at SPEC–2018 stated that "post-industrial society", the onset of which some theorists proclaimed in the XX century – is a mirage, but a mirage that hides (and reveals) real problems: in the economy, indeed, qualitative changes are brewing, associated with the development of qualitatively new technologies (1, p.14). Therefore, debunking the idea of postindustrialism does not mean abandoning the fundamental concept of technological determinism. We are talking about the birth of a new industrial society of the second generation (NIO.2), which is a spiral of "negation of negation" ("new industrial society" by J. K. Galbraith-mirages " of post-industrialism-NIO.2) reproduces in a new quality the dominance of industry in the economy (Bodrunov, 2018).

From the point of view of S. D. Bodrunov and many modern leading economists, including those involved in the spec, the solution of the most acute social problems should be through the creation of "neonomics", which will arise as a result of the fourth technological revolution. The creation of fully computerized and automated production, as predicted by Karl Marx, will go beyond material production and will only control and regulate it. This will allow, according to S. D. Bodrunov, note the system of property inequality by the system of inequality of abilities and talents (Bodrunov, 2018).

Having agreed that the main basis of the "civilizational leap" of modern society is the scientific and technical revolution, we should note that modern adherents of the concept of technological determinism, often referring to Karl Marx, forget the most important postulate of his teaching. According to Marx, the basis of socio-economic formation is not the productive forces, and especially not their part – technology, but the relations of production. The main production relation is the relation of ownership of the means of production. According to Marx, this attitude determines the entire complex system of superstructure, from the system of power to the system of social consciousness.

The authorities traditionally prepare for past, already known crises. But this 2020 economic crisis caused by the pandemic (the spread of COVID-19-coronavirus) may go in a completely different scenario, according to Vladimir Mau, rector of the Russian presidential Academy of national economy and public administration. The second law of economic forecasting States that a crisis happens later than you predict it, but sooner than you expect it. It cannot be learned, it can only be lived through.

III. MATERIALS AND METHODS

The main research tools used in this work are system analysis. Methods of empirical research, principles of formal logic, synthesis and analysis of the works of Russian and foreign scientists are used to study theoretical and practical material.

IV. RESULTS

The assumption that a technological revolution will automatically lead to a social revolution without changing ownership is a dangerous utopia. Note that the concept of "social revolution" usually causes a negative reaction, as it is associated with the concepts of "revolutionary violence", "terror", "civil war" and so on. However, the social revolution is not necessarily associated with a bloody confrontation and can proceed quite peacefully. The closest example of such a social revolution is the political and economic upheaval of the 90s of the last century in Russia. The main argument that this was a real social revolution is a radical change in the basis (which is the criterion of any social revolution) – state property was replaced by private property through total, but mostly not forced, privatization.

Marx and Engels, in the "Manifest of the Communist party" in 1848, pointed out the fundamental problem, without solving which it is impossible to start solving the 10 tasks of socialization of society formulated (including the establishment of a high progressive tax on income) in this (actual today) document. They stressed that the solution to this problem is the Central task of the socialist revolution – "the abolition (elimination) of private property" (Greenberg, 2019). However, extremes in the question of the balance of public and private property lead to very negative consequences.

In the USSR, there was a clear absolutization of the social form of ownership of the means of production, identified with the national one. Such absolutization was the economic basis for building state capitalism in our country, although with elements of socialism in the form of public consumption funds. These funds made it possible to provide citizens with free education, medical services, apartments, and much more.

At the same time, total state ownership of the means of production determines the total state distribution of all material and spiritual means and goods; total planning; supercentralism of power means an administrative and command system that knows "what a person needs"; total control over the measure of labor and the measure of consumption.

At the same time, the system of state capitalism was absolutely necessary for post-revolutionary Russia and the USSR. It provided a solution to the enormous economic and socio-political problems that have been associated with the country's industrialization, collectivization of agriculture, the Soviet Victory in the Great Patriotic War and the Second World War, reconstruction in the shortest possible time destroyed by these wars almost 70% of the economy, superiority in mastering space, the rise of science, education and culture.

However, due to the forced militarization of production and the entire economy of the post-war period, there was a significant gap between the overall level of economic development and the standard of living of the working population in the USSR. This circumstance became a powerful subjective factor in the process of "democratization", which resulted in "perestroika" and reform of the entire system of production and life in Russia.

In the 90's, a revolutionary (or counter-revolutionary?) leap from total state ownership to global privatization of this property happened. Private interest and the element of the market were declared determinants of the economic and social process. But an individual entrepreneur, large or small, pursues his own interests and deliberately opposes them to public ones. The goal of private capitalist production is not a product created for public consumption, but profit. Profit at any cost leads to a general falsification of the products of material and social production. Food, medicines, and even products of heavy engineering and aircraft construction are being falsified.

Everything becomes a "business project" - production, education, healthcare, science, spiritual culture, even the church.

In these conditions, scientific and technological progress not only does not solve the current global problems, but also aggravates them. The growth of labor productivity leads to the appearance of superprofits, to an increasing gap between the "top" and "bottom". Distribution by capital, that is, by the level of ownership of private property by means of production, increases social tension to an explosive level. Possession gives birth to power, and power seeks to multiply and strengthen its possession. That is why the State Duma does not pass any projects to establish a progressive tax, or calls to expropriate property from corrupt officials.

Let's look at the current situation on the world market. The viral-economic crisis continues to gain momentum, both in the world and in Russia. Back in March, many experts expressed hope that the world economy could avoid a recession (i.e., a fall). So, at the beginning of this year, the well-known rating Agency Fitch gave an optimistic assessment for 2020: the growth of world GDP will be 2.5%.

In March, when the coronavirus factor was already active in almost all countries of the world, the forecast of GDP growth was adjusted to 1.3%. And on April 2, the Agency has radically revised its forecast: world GDP will fall by 1.9% by the end of this year.

I would like to note that in 2009, the global GDP declined by 0.7%. This was the first time since the end of the Second World War that the world economy became to decline. It turns out that the rating agency predicts the onset of an economic crisis on a global scale, which can only be compared with the world crisis of 1929-1933 (the deepest if not in the entire history of capitalism, then certainly the deepest in the twentieth century).

The rapid spread of coronavirus has had a negative impact on the global economy (figure 1): many production facilities have been shut down and retail chains have been closed. Experts compare this state with wartime. It is worth noting that the economic crisis is not a suspension of development, but a real threat of self-destruction as a result of internal problems in the system. The slowdown in growth indicates the transfer of resources to other purposes aimed at combating the pandemic (natural disaster, military threat).

In the context of a coronavirus pandemic, those states that have long and successfully applied the "remote" type of work will have an advantage. This view will help to maintain the balance even if there is a pause

in production. Of course, this does not apply to strategically important industries – they use closed working hours, shift methods and other measures that can prevent the spread of infection. In addition, the fight against the pandemic does not require huge financial investments in the defense industry, as in the context of military operations.

The international monetary fund (IMF) has revised down its forecast for global economic growth in 2020. The decision is caused by the negative impact of a new type of coronavirus pandemic (Covid-19).

In general, by the end of 2020, the global GDP of the world is expected to decrease by 3%. According to the IMF, if the extensive quarantines on the planet are extended beyond the 2nd quarter of 2020, and the coronavirus returns (even with a lighter epidemic) in 2021, the overall economic impact will be twice as strong. The Fund's experts believe that the covid-19 crisis will leave lasting scars in the global economy. At the same time, in 2021, the IMF expects the world economy to grow from 4-4.7 % (UK, USA) to 9.2% (China).

The new type of coronavirus pandemic has dealt an unprecedented blow to global markets. This is stated in the April report of the International monetary Fund (IMF) entitled "Prospects for global financial stability: markets in the period Covid-19.

According to the authors of the document, the outbreak of coronavirus infection has provoked a problem of historical scale for the world economy.

The report notes that in mid-February, stock prices fell to a record low due to fears that the epidemic will turn into a global pandemic.



Fig. 1. Decline in global economic growth in 2020-2021 against the background of COVID-19 (according to the IMF (<https://www.imf.org/ru/Publications/GFSR/Issues/2020/04/14/global-financial-stability-report-april-2020>))

The report indicates a significant decrease in the liquidity of global financial markets. At the same time, it is noted that measures aimed at neutralizing the consequences of the pandemic in the field of monetary and financial policy have increased the level of confidence among investors and have partially reduced the damage caused to markets.

The report emphasizes that an important condition for overcoming the current emergency is the readiness of the global business community to cooperate.

How do other countries support the economy in 2020? In France, the payment for utilities and rental housing is canceled. The authorities also decided to suspend work on pension reform. The government will provide \$330 billion in government loan guarantees to enable businesses to operate.

The Spanish government has promised to provide poor families with free water, electricity and gas. The authorities will allocate 200 billion euros to support the national economy, and the main goal will be to protect the population from mass job cuts.

Italy, Croatia, and the Czech Republic gave citizens and businesses the right to temporarily not pay loans and mortgages.

A three-month delay in the payment of loans was granted to clients by the largest banks in Georgia. The UK will allocate \$39 billion to stimulate the economy, such funds have not been allocated by the government for such purposes since 1992. Part of the funds will be paid to people who were forced to self-isolate due to the coronavirus. About 5 billion pounds will be allocated to the National health service, the rest will go to businesses with fewer than 250 employees (there are about 2 million such companies in Britain). It is planned to reduce taxes for the affected industries. The British Central Bank also cut its key rate three times — from 0.75% to 0.25%.

The Bank of Japan will issue zero-interest-rate loans to financial institutions to encourage lending to firms affected by the virus outbreak.

China, where the epidemic broke out and the most infected, has already sent about 22 billion dollars to fight the coronavirus. Overall, government support measures will amount to \$ 1.4 trillion, or 1% of the country's GDP.

In the US, the authorities have developed a package of measures worth \$1 trillion. Of these, it is planned to allocate \$500-550 billion in direct payments or tax cuts. \$200-300 billion will go to help small businesses, and another \$50-100 billion will go to support airlines and industry. It is reported that about \$250 billion can go to direct payments to Americans.

The same idea was voiced in Russia. When it turned out that about 1 trillion rubles of budget funds over the past year were not spent for reasons that are not quite clear, one of the state Duma factions proposed to distribute this money to people. It is estimated that each Russian citizen will get 6,800 rubles and this should revive the Russian economy, demand, and purchasing power. But the idea was quickly forgotten and never returned to it.

So far, Russia will allocate 300 billion rubles for a package of anti-crisis measures and the fight against coronavirus. At the current exchange rate of the ruble to \$, Russian infusions are 10 times less than in the UK, 58 times less than in Spain and 263 times less than in the US.

So far, business support measures in Russia are as follows. Russian Prime Minister Mikhail Mishustin instructed the state authorities, the Central Bank and the Federal tax service not to file bankruptcy applications for companies that have debts to the budgets of Russian regions, executive authorities and organizations subordinate to them, as well as debts to banks in cases where they have not previously filed for bankruptcy. The Prime Minister also instructed the Federal tax service to provide "tax holidays" to companies from the tourism and air transport sectors. The deferral applies to taxes and insurance premiums that are due by May 1, 2020.

How does scientific and technological progress affect the solution of global problems of our time? Experts count more than two dozen global problems. Consider the most "flashy" of them.

The threat of nuclear war and nuclear catastrophe is again coming to the fore today. What is the cause of this threat if not scientific and technological progress, the main achievements of which are applied, first of all, in the ever-increasing militarization of material production? Why are almost all discoveries and inventions initially used for military purposes? To answer these questions, we will have to address the question of the nature and causes of war. In primitive society, there were no wars – there were only local and rapid armed conflicts of tribes that did not divide the territory of hunting, fishing, and fertile land. None of this was anyone's property then. The increase in labor productivity due to the invention of new technology led to the appearance of a surplus product, which was the basis for the formation of private property, the class division of people and the institution of power – the state. The army, without which large-scale military clashes cannot take place, is also a product of private property. On the one hand, without the appearance of a surplus product, it was impossible to maintain large detachments of armed men who create neither material nor spiritual values. On the other hand, the main task of the army is to protect the state, its territorial and economic independence, and the state owes its origin to the appearance of private property. The state is a product of class intransigence and an instrument of the domination of the class that owns private property over the class that creates the object of this property – material and spiritual goods.

The second most important global problem for humanity is the violation of the energy balance of the planet, the depletion of mineral, raw materials and biological resources of the earth. It is not difficult to understand that the environmental problem arose precisely in connection with the powerful impact on the earth's ecosystem of weapons with the latest technology and human technology. Therefore, in this area, scientific and technical progress alone will not solve the problem. On the contrary, the scientific and technical revolution has one of its characteristics: the creation of synthetic materials with predetermined consumer properties. Such materials are not disposed of by nature, which creates a major environmental problem.

one of the most pressing global problems is the growing gap between prosperous and poor regions, between the wealth of the few and the poverty of the majority. At the same time, scientific and technological progress directly increases this gap between rich and poor not only in Russia, but throughout the world.

Humanity as a whole has now reached such a level of labor productivity that it would be possible to provide a comfortable and decent life for all 7 billion homo sapiens living on our planet. And at the same time without any "equalization", according to the socialist principle "from each according to ability – to each according to work". But what prevents this? Of course, inequality in the distribution of the resulting social product is determined by the concentration of private ownership of the means of production in the hands of 1% of the World's population. Changing basic relations in a peaceful way that involves appealing to the conscience of the rich, or changing legislation literally in favor of the poor, as shown by three thousand years of class society-it is absolutely hopeless.

Academician of the Russian Academy of Sciences R. I. Nigmatulin proposes to solve the issue of owning 1% of the population in Russia 71% of the public wealth "in a peaceful and civilized way" – by introducing a progressive tax (Nigmatulin, 2018). But one who owns, also rules. This is probably why the issue of a progressive tax has not even been put on the agenda of The State Duma for the past 20 years.

Increasing labor productivity, scientific and technological progress lead to the appearance of an ever – increasing army of "extra people" - the unemployed, and, consequently, the poor. This army may soon be significantly replenished not so much by people engaged in primitive physical labor, but by teachers, tutors, doctors, engineers, managers of various levels – representatives of intellectual labor.

The fight against international terrorism is today one of the most serious global problems. What is the basis of this terrorism? Many believe that the basis of this growing phenomenon is the "clash of civilizations". In this case, first of all, we mean the clash of the Christian West and the Muslim East. However, not all European States are so United and they are not opposed by a consolidated East. In addition, not all of the East is United under the Muslim green banners. It is enough to recall one of the world's undoubted economic leaders – China.

Again, scientific and technological progress contributes to the expansion of the technical equipment of terrorism rather than hinders it. It is not a matter of technological progress or regression, but of the struggle for the economic redistribution of the world between multinational companies and not states. In this clash, terrorism serves as one of the most effective tools in seizing territories, markets, and cheap labor – that is, means of production.

The problem of information "overheating" is also included in the list of global problems. The essence of the problem is that the amount of information that must be assimilated and processed by a specialist when moving to a certain border becomes irresistible for this specialist. From here, information ceases to be such, it becomes "information noise". Further, the amount of information outgrows another quantitative boundary, beyond which it can not cope with computer systems. Such information flows cannot be filtered, reduced, or processed in any available way. At the same time, there is a problem of information support for all spheres of human activity. It would seem that this problem can be solved precisely by scientific and technological modernization of information systems and their achievement of a qualitatively new level. However, this approach again obscures the question of the purpose of material and spiritual production, mainly determined by the form of ownership of the means of this production. If all capitalist production is aimed not so much at product quality as at increasing profits, then this "information noise" can be specially created in order to make it easier to "fish in troubled waters".

V. CONCLUSION

Thus, scientific and technological progress is two-sided – on the one hand, it is undoubtedly the basis for increasing productivity and production efficiency. But on the other hand, this progress can lead (and is already leading) to the strengthening of existing global problems and the emergency of new ones, such as the problems of interaction between the latest information technology and society. As we have tried to show, the social consequences of scientific and technological progress are largely determined by the nature of industrial relations, and not by the development of science and technology itself. Hence the conclusion – the question of the balance of public and private ownership of the means of production must be solved dialectically, without resorting to a strict logical disjunction "either-or". Here we should not use the principle of the "Golden mean", achieving balance in the ratio of public and private. The system-dialectical approach assumes the preservation of the unity of the opposite with the priority of state ownership of the means of production as a system-forming center. This will allow us to preserve and strengthen the state vertical of planning, management and power in its dialectical unity with the initiative of private entrepreneurs.

The threat to global stability is now obvious — it is collapsing before our eyes, as if in slow motion. To overcome the growing crisis, in addition to the work of scientists to find a vaccine, the actions of politicians to calm society and economists to prevent economic ruin, the key condition is the solidarity of people and countries. And this is solidarity based on trust. But it is precisely these qualities — solidarity and trust — that have been the main drawbacks of public life in almost all countries of the world in recent decades. Only solidarity and trust can be the Foundation for overcoming the pandemic and minimizing its damage. Many years ago, during the confrontation between the two superpowers in the 1970s, I came across this idea in a Soviet newspaper: if the earth was attacked by aliens, the USSR and the United States would quickly find a common language and become allies. It seems that this is the time. But only in a multipolar world should many players — States, regions, and individual citizens — become allies. Solidarity and trust are the key words of the new era.

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