

Necrocapitalist networks: COVID-19 and the 'dark side' of economic geography

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Abstract

The economic fallout from COVID-19 has precipitated a crisis in global supply chains. The lockdown of consumers worldwide has triggered a fall in demand that has so far led to the dismissal of one quarter of Cambodia's garment sector workforce. Though the pandemic is exceptional, this is a crisis rooted in the exemplary rather than extraordinary hyper-precarity of workers in global industry. Here, I argue that COVID-19 spotlights the elusive 'dark sides' of global production in economic geography, revealing the necrocapitalist logics of supply chains.

Keywords: COVID-19, global production networks (GPNs), necrocapitalism, dis/articulation, super-exploitation

Introduction

Beginning with disruption to fabric supply in China and deepening as consumer lockdown curtailed demand from the EU and US, the COVID-19 pandemic has instigated severe crisis in global garment production networks. The effects are devastating both for national economies and the labour that sustains them. In Cambodia, where the garment industry accounts for 75% of exports (ILO 2018), up to 200,000 workers have been laid off or suspended from factories where they usually cut and stitch the world's supply of clothing and shoes (Long 2020): a quarter of the sector's entire workforce (ILO 2018).

The COVID-19 pandemic is unprecedented and its impacts on the global garment industry are 'undoubtedly its greatest crisis in over a generation' (Anner 2020). However, rather than an exceptional moment of rupture, here I demonstrate that the crisis underscores the exemplary hyper-precarity of workers in global production networks. Located in Cambodia when the crisis took hold, I draw from interviews conducted with workers, unions, and business as the crisis unfolded to probe the causes and consequences of the industry's collapse. Heeding calls for scholars to better attend to the 'dark side' of economic geography (Phelps et al., 2018), I argue that the COVID-19 crisis in the garment industry intensifies the existing 'uneven and exclusionary development outcomes' (Murphy, 2019: 943) of global production.

To do so, in what follows I take stock, in turn, of two exclusionary features of the routine organisation of global production spotlighted by the crisis. First, I consider mass redundancies as exemplary of dis/articulation within production networks. Second, I reflect on worker's debt burdens as a legacy of the super-exploitation of labour. In a final section, I argue that the bioeconomic motivations of these twinned processes demands greater attention to global production networks as instruments of necrocapitalism, understood as 'contemporary forms of organizational accumulation that involve dispossession and the subjugation of life to the power of death' (Banerjee,

2008: 1541). The COVID-19 crisis illuminates how the banal infrastructures of production networks optimise the lives of consumers by profiting from the truncated lives of workers.

Dis/articulation: developing exclusions

The collapse of supply chains through the COVID-19 crisis highlights a moment of mass divestment and exclusion in global supply chains. In Cambodia's garment sector, this dis/articulation occurred through twinned waves of disruption. First, as the original outbreak shut down manufacturing in China, upstream supply failed. Later, as new epidemics emerged in the EU and US, the lockdown of retail spaces precipitated a forestall of demand. In addition to postponing anticipated orders, many global brands leveraged *force majeure* clauses in procurement contracts, refusing to pay for goods already made or in production. Production lines and shipping networks ground to a halt as factories were unable to pay workers. Up to 200,000 garment workers in Cambodia alone, at the time of writing, are temporarily suspended or dismissed (Long 2020).

If the triggering of *force majeure* conjures a state of exception, however, it is one that proves the rule. Indeed, the governance of global production networks is hallmarked by a 'routine volatility...accepted as an essential feature of contemporary capitalism' (Bair 2019: 71). Fast fashion, in particular, is a notoriously footloose industry, where retailers optimise profit by chasing lowered pay, protections and regulation across production territories (House of Commons, 2019). The disposability of workers under this strategy is irreducible to the current crisis. Instead, dis/articulations are part of the ongoing reproduction of capitalist relations as buyers, suppliers and intermediaries finetune margins (Bair and Werner 2011).

In the time of COVID-19, these dis/articulations have accelerated but this is a case of shifting gear, not switching tack. Thus, as Balan (2020) argues, 'these pandemic times are not so much "unprecedented" but rather the culmination of something extraordinarily normal'. Under these conditions of life 'quickened, amplified, intensified', moreover, 'the infrastructures we inhabit become more apparent, evident, legible' (Balan 2020). Here, the COVID-19 crisis in industry exposes existing tensions and contradictions in the organisation of global capitalism. The hierarchies of power in global production, though contested, tend to favour lead firms at the expense of workers, whose 'vulnerability is written into the DNA of global supply chains' (Nova and Zeldenrust, 2020: 7).

Super-exploitation: exclusionary development

The policy community typically frames workers' incorporation into global industry as a 'win-win' (Selwyn, 2019) for labour and business. According to this logic, as Cambodia's garment workers arrived ready for their shifts at factories, only to find them shuttered and be turned away, they might have been expected to quickly discern the impending reality that, 'for many in capitalist society, the only thing worse than being exploited is not being exploited' (Choonara, cited in Tyner 2019: 127). Yet the conditions of factory work in Cambodia mean unemployment facilitates no ready emancipation from the clutches of industrial exploitation. The immediate thoughts of workers ran not to hungry mouths but mounting loan repayments. 'The workers who are in debt will die if the factories close', one worker (Navy, garment worker, 27th

February 2020) at a threatened site gravely surmised. 'Everyone here is high in debt – except you', added a colleague (Chanthol, garment worker, 27th February 2020).

In Cambodia, 2.6 million borrowers owe US\$10 billion in microfinance debt (Licadho 2020). The average loan, at US\$3804, is the highest in the world and more than double GDP per capita. Whilst garment workers comprise 5% of Cambodia's total population, they hold 20% of all microfinance loans (Flynn and Mech 2020). How workers accrue such over-indebtedness through employment is a product of 'super-exploitation' (Selwyn, 2019), where workers are remunerated below their social reproduction costs. Historically, in Cambodia's garment sector, wages have been low and falling in real terms until 2011 (ILO 2018). Although worker militancy has subsequently leveraged gains, remuneration is still below living wage levels needed to sustain workers. Even with working overtime in a week that exceeds fifty hours, many 'find it difficult to earn enough to meet their individual basic calorie requirements' (Selwyn, 2019: 89).

The result of this short fall is depletion – 'the bodily degradation of the worker' (Selwyn, 2019: 73) – and debt. 'If people are short, they go to whoever they can find to borrow money', one national union leader lamented: 'every one of them is in debt' (general secretary, independent union, 18th February 2020). The COVID-19 crisis in the global garment industry thus exposes less an exceptional event but inured structural deficiencies, leaving workers to grapple with the legacy of effectively subsidising global industry through astronomic levels of personal debt and bodily depletion.

Necrocapitalist networks

In drawing attention to the routine work of dis/articulations and super-exploitation in the global garment industry, the COVID-19 crisis underscores the cruel logic of a sector that the UK Parliament now acknowledges is 'based on the globalisation of indifference towards these manual workers' (House of Commons, 2019: 3). Workers' lived experiences of depletion, debt, and disposability speak to the hyper-precarity of their position in the supply chain, and the 'Janus-faced' logic of the global production network: 'its role not only in making live but also in letting die' (Chua et al., 2018: 625). Provoking an introspection of 'the fundamental biopolitical question of who lives, who dies and who decides' (Tyner, 2019: x), the crisis exhumes a crude reality that production networks are infrastructures of biopower that foster, amplify, and optimise life for consumers at the expense of the depletion, injury, and death of workers.

However, the moment of the pandemic brings into focus the 'pecuniary issue' (Tyner, 2019: x) that undergirds this uncomfortable inequity, moving the issue beyond the realm of biopolitics to the bioeconomic. Here, the bio-arithmetic of the industry's response to the pandemic reveals how global retailers actually profit from the truncated lives of labour: bodies no longer deemed necessary for accumulation are expelled from the production network, wilfully abandoned without means of customary (sub-)subsistence. Production networks are therefore more than infrastructures of biopower, they are instruments of necrocapitalism, 'defined as contemporary forms of organizational accumulation that involve dispossession and the subjugation of life to the power of death' (Banerjee, 2008: 1541).

In so doing, production networks embody the 'contradiction between capitalism in the pursuit of profit and the requirements to sustain and reproduce life itself' (Tyner, 2019: xiii). Indeed, the necrocapital network in feeding on its own workers is feeding on its own vitality: bodies left to degrade through overwork and depletion, shoring

indebted household economies that can no longer sustain their own reproduction, produce a weak and weary workforce. Such levels of super-exploitation are unsustainable and demand corrective dis/articulations. Here, periodic crisis presents as rejuvenation: exhausted bodies expunged in order to replenish the labour force through the incorporation of fresh flesh.

Conclusion

The COVID-19 pandemic may be unprecedented but it has not occurred in a vacuum. The economic crisis it precipitates magnifies the social inequalities and injustices that already cleave global society. Though it seems extraordinary, 'COVID-19 is telling the truth' (Balan, 2020) about the mundane violences that propel the global economy. In the global garment industry this means exposing the 'dark side' of production networks as necrocapitalist infrastructures that optimise the lives of consumers by profiting from the truncated lives of workers.

If, as Arundhati Roy (2020) argues, 'the pandemic is a portal', then nothing, as she writes, 'could be worse than a return to normality', which for garment workers worldwide means greed, exploitation, exhaustion, inequality, depletion, debt, dying. Instead, by highlighting the necrocapitalist 'dark sides' of global production, the pandemic demands acknowledgement of 'how our disposable living fosters the disposability of other lives' (Laurie and Shaw, 2018:15) and requires corrective action. To be ignorant is no longer an excuse; to be indifferent is to be complicit. Global industry must be transformed to ensure that workers are not put to die for profit.

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