

Weekly Focus



COVID-19 AND WORLD ORDER

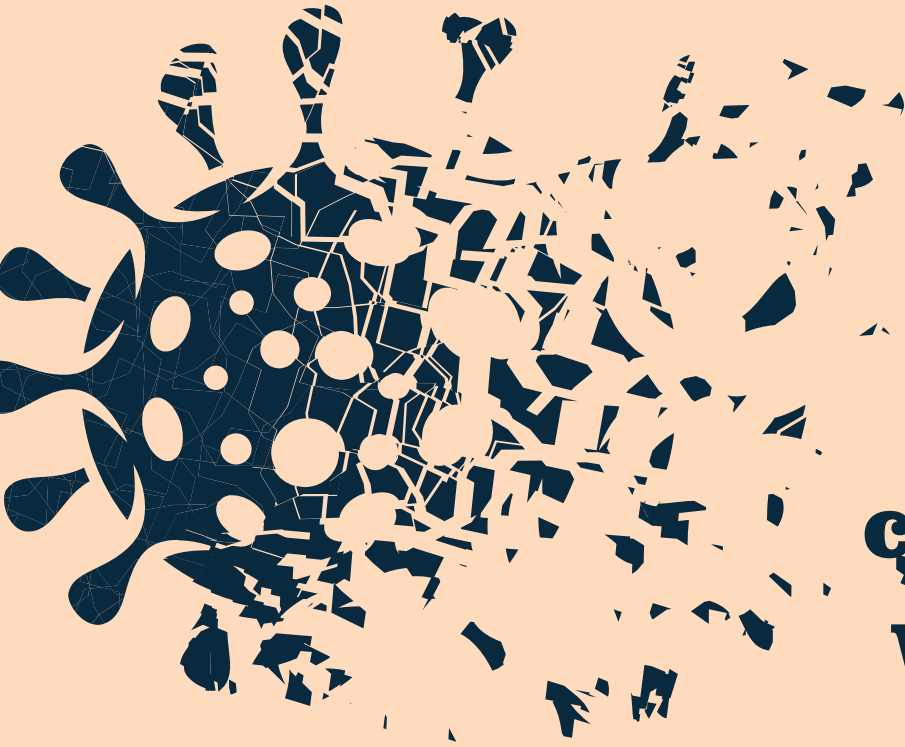
COVID-19 has created a global stir and ushered in a medical emergency in the form of a pandemic, that has impacted almost all the countries across the globe. Humanity as a whole seems to be under a severe existential threat.

At the same time, the pandemic seems to have pressed a global 'Reset' button, thereby stimulating a process wherein policymakers across the globe are virtually working in tandem to combat the crisis and attempting to formulate an alternative socio-economic policies that can perform in the post-COVID world.

In this article, we will try to understand how the current pandemic has affected the contemporary world order and what are the key factors that will determine the new world order post COVID-19. Further, we will also look at the uncertainties that lie ahead and how India can contribute in shaping the new world order. But first, let us understand the meaning of the term 'World Order' itself.

What is meant by World Order?

- World order is a **politico-philosophical concept** related to the nature and objectives of human life, which is observed and analysed in the context of international relations. It focuses on issues of human society and **seeks solutions to problems** like war and violence, unequal distribution and concentration of economic wealth, social injustice, environmental imbalance and alienation of human being from themselves, society and mankind.
 - As defined by Baylis and Smith, the concept of world order not only deals with the issues of international relations i.e. relations among the nation states but also among the transnational institutions, governments and international organisations and thus can also **alternatively be used with the term 'Global Order'**.
- World Order is **different from international order** in the sense that the basic unit of study under international order is the nation state whereas world order **focuses on the ideas and ideologies governing human life**. International order focuses on study of activities, distribution of power, structures, functioning and nature of international political system from political and military perspective, whereas world order focuses on political as well as economic, social, cultural and other aspects of human activities.



How has the pandemic affected the contemporary world order?

The global order was already undergoing a slow and steady metamorphosis. The rise of nationalist sentiments, protectionist sentiments, de-globalisation forces and a lack of faith in multilateralism were indicative of a departure from the established norms of global engagement. The onslaught of COVID-19 has hastened some of these processes and also opened new dimensions and trajectories for the world.

- **Disruption in global economic order:** This is the first economic downturn of this magnitude due to a non-economic cause and has resulted in largest contraction of global output since the Great Depression of the 1930s.
 - Quarantines, travel bans and lockdowns have impacted multiple sectors of the economy. Global economic institutions put this cumulative loss from the pandemic in the range of **USD 5.8-8.8 trillion** or approximately 6.5-9.7% of the global GDP. The International Monetary Fund (IMF) predicts a **3% contraction of the world economy in 2020.**
- **Rise of Nationalism:** The national lockdowns; the prolonged interruptions to international travel; the desperate search in each country for testing kits, hospital beds, personal protective equipment and related health infrastructure tools; the reliance on the local or national, over the international, to sustain supply chains have all **made borders the most salient feature of international politics** again. Instead of focussing on interconnectedness and swimming and sinking together, the pandemic has **forced countries to work on themselves in every possible arena.**
- **Retreat of globalisation:** With closed borders, grounded flights, a decline in immigration and a massive dip in global trade, the neoliberal model of economic globalisation has suffered a severe reversal. Trade wars had broken out before the pandemic itself but the pandemic highlighted the vulnerabilities of global supply chains, indirectly forcing **nations to focus on self-sufficiency** at the expense of global integration.
- **Declined relevance of International Institutions:** With the return of nationalism, and intensified conflicts, multilateral and intergovernmental organisations have become increasingly fragmented, politicised and are struggling to find relevance. Major international organisations like the United Nations, the World Health Organization (WHO), WTO and the European Union have been criticised for failing to respond to the pandemic with the promptness and alacrity that the situation demands.
- **Belligerent China:** Even as the international community sought accountability from China for the pandemic, Beijing took advantage of its faster recovery and fragile global situation to turn **internally more repressive and externally more assertive.** It stepped up its offensive against Taiwan, eroded Hong Kong's autonomous status, allegedly launched a cyber offensive against Australia, attacked a Vietnamese vessel in the South China Sea, and encroached on Indian territory.
- **Amplified role of technological developments:** Technology has become the new frontier of cooperation and competition. It is connecting the world as never before, and changing the way individuals lead their lives, companies conduct their businesses, and states interact. But, it has also become an additional tool in the diplomatic and military arsenal of the big powers, and control over key technological infrastructure from the cyber commons to 5G has become a site of global contestation.

- **Threatened global social safety and security:** Violence against women and human rights abuses have spiked – both of which are harbingers of other forms of violence. Without a social safety net, the lockdown has increased the misery of migrant labourers by leaps and bounds as they are facing joblessness and many are finding it extremely difficult to return to their native places.
- **Renewed focus on protecting global environment and ecosystem:** Lockdowns, quarantines and border closures have led to reductions in global air pollution through decreased travel and production. These **positive environmental effects** are most likely temporary, but **may serve as an example** that changes in our way of life can have prompt positive effects for the environment and demonstrate the usefulness of travel-reducing measures such as work from home, teleconferencing and virtual meetings. Further, enhanced research on zoonotic and infectious diseases has **developed knowledge and awareness among people** about the adverse implications of global interactions on disease spread.

What are the key factors that will determine the new world order post COVID-19?



- **Geoeconomics:** It looks at the effect of COVID-19 on globalisation, supply chains, trade and economic relations.
 - If this **reversal of globalisation** becomes permanent, it **may create more inward-looking national economies**—a sharp contrast from the interconnected world that was, until recently, the natural state of affairs. Further, a new form of **'gated globalisation'** could emerge, one that is less free and less open as the countries around the world become more cautious and selective while trading. This will impact not only advanced economies, but emerging economies as well.
 - For instance, the pandemic has drawn attention to the risks faced by emerging economies due to massive capital outflow and shortage of dollar liquidity in the region. **This would require countries like India to overhaul fiscal policies and growth strategies** to adapt to a less interconnected world.

(For more detailed analysis on emerging pattern of Globalisation, refer to our separate Weekly Focus article on "Globalisation: Ending or Transforming?")

- **Geopolitics:** It examines both the theories and determinants that will contribute to shaping the new world order.



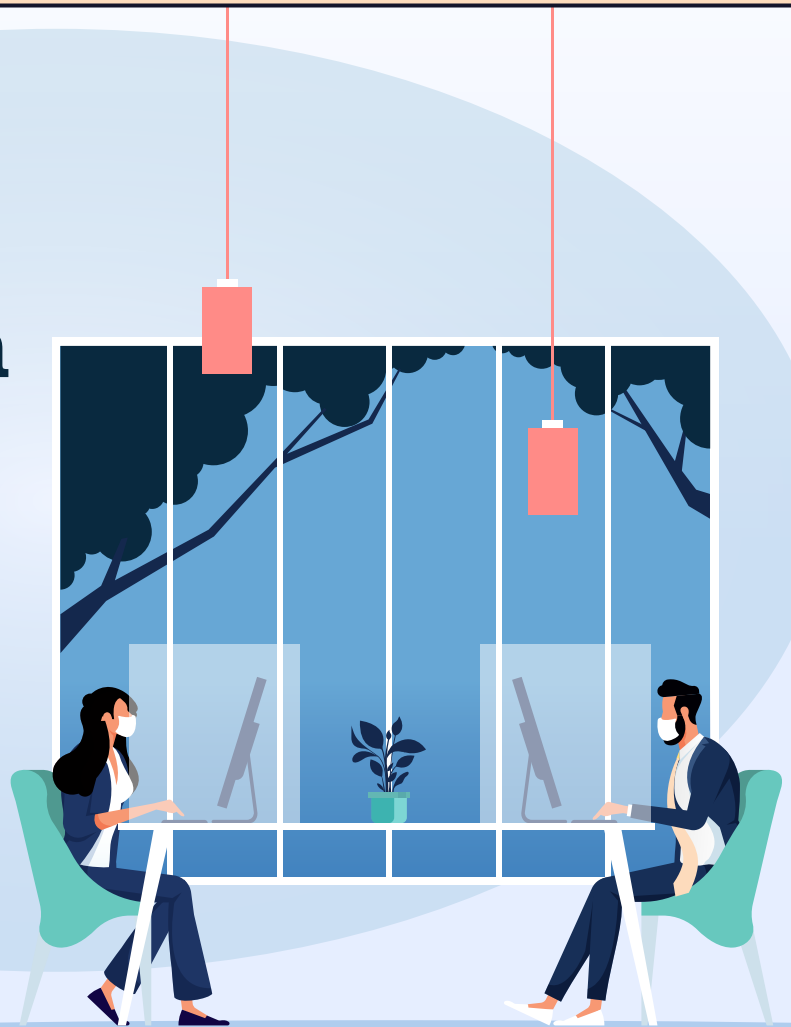
- The biggest perceptible challenge—exacerbated by the novel coronavirus—comes to the Western-led liberal order. Much of the **predominant narrative** focuses on binaries of either arriving at a **China-led global order or going back to a US-led one**.
- The pandemic has shown that states with decisive leadership and state capacity can play a large role in the emerging world order irrespective of the nature of the regime (be it democratic, autocratic or semi-democratic).
- **Resurgence of aid diplomacy:** It utilises **competitiveness in local industries to meet global demands** for medical supplies, medical equipment and essential goods.
 - If this forges new partnerships between countries and organisations, it **may reorient foreign policy imperatives** towards nations that are ready and willing to meet these demands.
 - For example, **China's 'mask diplomacy' or India's potential to manufacture generic drugs on a large scale** throws open the possibility of their improved global standing in a post-COVID-19 world order.
- **Multilateralism:** It delves into the possible demise of the post- World War II global order.
 - A global disease outbreak indeed requires a coordinated global response. Thus, the recent developments surrounding the weakening of global institutions puts forth a collective choice for nations- **either to strengthen the underlying foundations of the global governance architecture or abandoning these institutions altogether**.
 - The crisis has **galvanised regional efforts in some pockets**, such as India's efforts to resurrect the SAARC, which provides a **potential direction to all nations** for continued support towards intergovernmental platforms and global institutions and its manifestation affecting the new world order.
- **Geotechnology:** It considers the use of advanced and emerging technologies to combat COVID-19, and how increasing their use interfaces with geopolitical processes.
 - Countries across the world have deployed mass surveillance applications—arguably, at the cost of privacy and data protection—to trace, track, detect and diagnose fresh infections before they spread further. It may be **useful to explore what the boost in demand for such technology could mean for future norms on individual rights and cyberspace**, which is currently the new plane of existence for mankind.
- **Possible spike in different forms of discrimination:** Another undesirable outcome of the pandemic could be what is being referred to as new-age racism.
 - Globally, **societies could become more self-seeking and inward-looking** leading to further pushback against liberal policies regarding migration and refugees.
 - New questions are likely to be asked about the **source of goods**. More stringent imposition of phytosanitary measures by advanced states on products emanating from the less developed countries might become the new normal.
 - Lockdowns and travel restrictions could potentially **legitimise the rhetoric around border walls in more conservative countries**.
- **Environmental protection:** The pandemic **may inspire future behavioural changes** with positive environmental outcomes and **may also create a negative perception of physical global interactions** and travel among people.
 - If this happens, it **may alter the work culture across the globe** with increased preference for remote working.
 - However, as the dramatic actions taken during the pandemic cannot be completely emulated in non-pandemic times to achieve the positive benefits, **it remains to be seen to what extent the changes brought on by the pandemic, such as increases in telecommuting and reduced travel, will remain once the immediate threat has passed**.



Uncertainties that still lie ahead-

- How long will the global economic downturn last, how damaging will it be, and to what extent will it impact all regions and nations similarly?
- How the global governance system will evolve and what are the possibilities of it being rule based?
- Where the U.S. & China relations are heading in the post-pandemic world and how it will shape the emerging world order?
- How can the nations and global institutions reconstruct the global health care system to make it more resilient to global pandemics? To what extent will multilateral institutions such as the WHO become venues for intensified competition between the United States and China?
- How technological developments will shape up the future opportunities and challenges in sectors like education, employment, tourism etc. across the globe?

How can India contribute in shaping the new world order and make a place for itself?



Being a democratic polity, pluralistic society and a market economy, India will grow with others and not separately. India must make a virtue of reconciling global good with national interest. It would require advancing national interests by identifying and exploiting opportunities created by the global contradictions.

It is surely a moment of opportunity for the country to prove its capacity, leadership, vision and chart a decisive course to the frontline of the World Order underway.

- **Strengthening economy:** A strong and a self-reliant economy allows us to be heard and offer more to the world. It is in our interest to support the collective global effort to mitigate disruption in global supply chains by increasing supplies of products where we have available capacity, and developing capacities where we have the potential. Examples include food and agriculture, textiles, E-commerce, IT services etc.
 - India must realise its own vision under the **AatmaNirbhar Bharat campaign** which is based on the premise of 'माताभूमिःपुत्रोअहम्पृथ्विः'-(the culture that considers the earth to be the Mother) in order to achieve happiness, cooperation and peace across the world.

● **Diplomacy and Collaborations:**

- **Connectivity initiatives in the neighbourhood** can act as force multipliers to accelerate regional growth and development, promote people-to-people contact and encourage trade and commerce.
- **Engaging with multiple multilaterals and minilaterals** to participate in dialogue with different but like-minded countries - for instance engaging with groupings like Russia-India-China(RIC), Shanghai Cooperation Organisation(SCO) on one hand and Quadrilateral Security Dialogue(QUAD) on the other hand.
- **Safeguarding and leveraging the Indian Diaspora:** The Indian diaspora has been a source of remittances, technology and intellectual power. Bilateral Migration and Mobility Partnerships and Social Security Agreements are important as they facilitate orderly migration. Further, mechanisms must be institutionalised to engage with them as they have lobbied for India's interests in their respective countries in the past as well
- **Cooperation in healthcare** – in pharma, basic research, vaccines, diagnostics, devices, tele-medicine, hospital administration, healthcare supplies, and in healthcare expertise along with promotion of alternative therapies such as Yoga– is a major opportunity for India.

● **Playing a leadership role:**

- India has always respected and promoted **rules-based order**. This reflects in India's emphasis on the UNSC reforms and also its reaction to International Tribunal for the Law of the Sea (ITLOS) verdict in favour of Bangladesh. India accepted the verdict readily and this could serve as a template for other major powers.
- **Initiating discussions on emerging areas** which require global attention such as Renewable Energy, Climate Change, Cyber Security and Data Protection, E-commerce, Tax Evasion, etc. India has already demonstrated its leadership by establishing International Solar Alliance and Coalition on Disaster Resilient Infrastructure (CDRI).
- **Leveraging soft power and promote its philosophy of Vasudhaiva Kutumbakam** with its centuries of thought, rooted in spirituality, balance, and peaceful co-existence to show the way ahead to the world .

Conclusion

The World is going through its most challenging crisis since WWII. In all aspects, COVID-19 will be a step towards the new global order. However, at present, it is **difficult to discern the shape, form or substance of the post COVID-19 world order** but it will certainly depend on the scale and intensity of pandemic and the capability of nations preventing it.

Strong multilateral cooperation will continue to be critical in our collective fight against the pandemic as also for a global economic recovery and to ensure that the economic fallouts of the pandemic are evenly distributed, so that no one country has to bear a disproportionate amount of economic recession triggered by the global pandemic.



TOPIC AT A GLANCE

World Order/Global Order

- **Politico-philosophical concept** that deals with the issues of international relations, transnational institutions, governments and international organisations.
- **Focuses on the ideas and ideologies governing human life** and seeks solution to problems that impact humankind.

- **Disruption in global economic order:** IMF predicted 3% contraction of the world economy in 2020 and a cumulative loss of \$5.8-8.8 tn.
- **Rise of Nationalism and Retreat of globalisation:** to sustain supply chains has led to massive dip in global trade.
- **Declined relevance of International Institutions** such as UN, WHO, etc.
- **Belligerent China** turned internally more repressive and externally more assertive.
- **Amplified role of technological developments** in international cooperation and competition.
- **Threatened global social safety and security** due to increased violence against women, human rights violations and misery of migrant labourers.
- **Renewed focus on protecting global environment** and ecosystem due to temporary yet positive environmental impacts along with increasing research on zoonotic and infectious diseases.

Impact of COVID on contemporary World Order

Key factors determining post-COVID World Order

- **Geoeconomics:** Future impacts of COVID on globalisation, supply chains, trade and economic relations.
- **Geopolitics:** theories and determinants that will contribute to shaping the new world order.
- **Resurgence in aid diplomacy** utilising competitiveness in local industries to meet global demands.
- **Multilateralism:** Possible demise of the post- World War II global order.
- **Geotechnology:** Impacts of advanced and emerging technologies on issues ranging from individual rights to geopolitical processes.
- **Possible spike in different forms of discrimination** that could be referred to as new age racism.
- **Environmental protection:** Future impacts of COVID on behavioural changes and perception towards physical global interactions.

- **Strengthening economic self-reliance** in order to support the global effort towards mitigating supply chains disruptions.
- **Diplomacy and Collaborations** through
 - Connectivity initiatives in the neighbourhood
 - Engaging with multiple multilaterals and minilaterals
 - Safeguarding and engaging the Indian Diaspora
 - Cooperation in healthcare
- **Playing a leadership role** through
 - promotion of a ruled-based order
 - initiating discussions on areas that require global attention
 - leveraging soft power and promoting the philosophy of **Vasudhaiva Kutumbakam**.

Role and Strategies for India in the emerging World Order