The World After the Pandemic

A Big Picture Overview of International Political Trends in the Aftermath of COVID-19

April 2020



مركز الكويت للسياسات العامة Kuwait Public Policy Center







Authored by Meshari Bin Hasan for KPPC.

© 2020 Kuwait Public Policy Center

All Right Reserved.

Reproduction and distribution, in whole or in part, by non-profit, research or educational institutions for their own use is permitted with proper credit given and copyright acknowledged to "Kuwait Public Policy Center".

Contact Details: Kuwait Public Policy Center

kppc@scpd.gov.kw Tel: 22430398 – 22450659 The Kuwait Public Policy Center General Secretariat of the Supreme Council for Planning and Development State of Kuwait

Table of Contents

Exe	Executive Summary	
I.	Introduction	5
II.	Acceleration of Global Power Shift from West to East	6
III.	The Aura of Centralised Governance	8
IV.	A Pause in Hyper-Globalisation	10

Executive Summary

This paper presents a generalised overview of international political trends in the aftermath of the COVID–19 pandemic. The pandemic will accelerate the rise of China as a global influential power, shift nationalist and populist policies in the West, and create a pause in the hyper-globalised international economic system.

I. Introduction

The COVID–19 pandemic has sent the international system into shock. Countries have been scrambling to contain the spread of the virus that originated in Wuhan, China in December 2019. Hospitals have been operating at maximum capacity and global economies are being sent into disarray. An increasing number of countries are instating lockdowns and curfews, forcing many workers to stay at home. The COVID–19 pandemic is not the first global pandemic to spread globally. Previous global viral outbreaks included the SARS outbreak in 2003, the Bird Flu in 2005, H1N1 in 2009, and Ebola in 2014. What sets COVID–19 apart from these previous viral outbreaks is the alarming rate at which it has spread. There have been 634,835 confirmed cases worldwide. 29,957 of those cases have been deaths, according to the World Health Organization's March 29th, 2020 Situation Report. Within three months, the virus spread to 203 countries, areas, and territories. Though the rattling underground is being felt now, the aftershocks of the COVID–19 pandemic will be felt as the curve flattens down and the world resumes some semblance of normalcy.

II. Acceleration of Global Power Shift from West to East



The rise of China as a global player has been shifting the pendulum of international power and influence steadily from West to East. The unipolar world of Western hegemony post-Cold War has been weakening with more influential states coming into the fray. The rise of China to the center stage has been an inevitability which the COVID–19 pandemic is quickly accelerating, with more evidence pointing to a multipolar international system where the US, EU, and China vie for influence.

China's later handling of the pandemic has been lauded by countries around the world, correcting the mistakes of its initial handling and earning it international prestige and praise. With the start of the pandemic, China has embarked on a campaign showcasing its swift containing of the virus. Engaging in humanitarian diplomacy, China has also aided countries such as Italy, Serbia, Iraq, and Iran with medical equipment and medical personnel to help as these nations combat their respective battles with COVID-19. In yet another added global effort, China has also donated \$20m to the World Health Organization in response to the pandemic.

China's actions have bolstered its standing as a global leader in times of crisis. Humanitarian diplomacy, coupled with other avenues for diplomatic work, is serving to be a useful tool in China's growing legitimacy and influence. It is a continuation of a strategic campaign to utilize economic and public diplomacy to increase its political capital across the world and shed the stigma of past decades.

In contrast, the West's response has been stumbling and lackluster. In the United States, the federal government did not step into the necessary leadership to provide enough aid and support to global health organizations. The Trump administration has been vocally isolationist, and this has been seen time and time again throughout this pandemic. The EU's efforts are also fledgling, while they balance fielding priority to secure and stabilize their healthcare systems. The spread of the virus rapidly throughout Italy and continuing into mainland Europe put a strain on an already weakened EU structure. The EU's late response to deliver aid and support to Italy highlighted the disjointed nature in which the EU is operating on. The world initially looked to the West for leadership and guidance, but with isolationist attitudes and scrambling responses to secure their national fronts, the West has failed to step up.

International relations is rarely a zero-sum game. In this case, it is a continuous back and forth with gradual gains taking the day. As the COVID-19 pandemic continues across the world, China has gained vital strategic influence and political capital, using the circumstances of the pandemic to showcase itself as an international leader. The continued use of diplomatic toolsets is working in its favor, and as the pandemic subsides, China will be on a new international standing. The Chinese dragon was already awake, but it is walking now.

III. The Aura of Centralized Governance



The COVID-19 pandemic has stretched countries around the world thin. It has put great strain on their governance apparatuses. With more countries closing their borders in an effort to curb the spread of the virus, an interesting development has occurred; many countries impacted by COVID-19 have seen a rise in nationalism. Nationalism is more effective in times of crisis, where it can be utilized against a common (and in this case, invisible) enemy, where countries can justify otherwise unwanted policies to preserve the greater good.

The Chinese example proved to be a successful test case in the implementation of centralized governance and nationalist policies. China's successful dealing with the virus by putting virtually the entire country on lockdown is owed to how centralized the government is. The swift and decisive manner in which the central Chinese government has responded could not be replicated in more open democracies, where the power of the government is trickled down to local authorities and where members of parliament scrutinize the government's actions. The replication of the Chinese model poses a double-edged sword; at what point does centralizing power within the government start to impede democracy? There are neither right nor wrong answers to this question.

I It is important to note that this paper does not advocate for one system of governance over another, it simply poses observations on the effects of each system on the handling of COVID-19.

COVID-19 is going to be a generational hallmark, a crisis that will sit in the minds of many people for years to come, shaping their ideas and thinking. The allure of nationalist and populist policies as a result of this pandemic will spread across the world in the short term. Countries will more closely try to replicate the Chinese model to better replicate their experience in handling the pandemic. Examples of this are already taking shape, with Hungary's Victor Orban passing sweeping legislation effectively nullifying parliament, imposing rule by decree, and an indefinite state of emergency.

The real litmus test of this nationalist approach will be more visible in upcoming elections around the world. Iran's presidential election is scheduled to take place in 2021. With Iran's reformist government hit hard in recent years because of increasing sanctions from the West, the US' pulling from the 2015 Nuclear Deal, the killing of Qassim Suleimani, and the added shock of the COVID–19 pandemic. The pandemic has hit Iran especially hard. With a crippled economy and struggling infrastructure, the government was ill-equipped to handle the influx of infected cases, with the virus quickly spreading across the country and affecting the upper echelons of the Iranian government. The government's response and lack of transparency to the pandemic have both been heavily criticized. At this point, it is difficult to argue in favor of a third term of a reformist government. The conservatives will gain the upper hand during the election cycle, particularly if they focus their campaigning efforts on more nationalist and populist agendas.

The US presidential elections set to be held in November 2020 will definitely be affected by the pandemic. The Democrats have been attacking the Trump administration for its stumbling response to the epidemic and especially the president's dismissive remarks in February and early March. These attacks will continue to hit Trump's reelection campaign and into November. It is unclear at this point how much this will hurt Trump's reelection efforts since the pandemic is still coming into its peak, but it has certainly made things worse for Trump's success later this year.

Other upcoming elections around the world will be interesting to observe as well. Japan, Germany, and France are expected to display a rise in nationalism and populism, a trend likely to echo the rise of conservatism in the West. As a result of this direct influence, we will see more electoral platforms be based on populist promises. Even though this will have repercussions in the short term, Western leaders will shy away from these policies in the medium to long term, ultimately coming back to more pragmatic internationalist agendas.

IV. A Pause in Hyper-Globalization



With borders closed and flights cancelled, globalization has been one of the biggest victims of the COVID-19 pandemic. The virus is forcing countries and companies to increase their capacity to cope with disruptions to global supply chains. With the majority of global supply chains flowing from China, this has taken a drastic hit on the international economy. Companies will have to create redundancies and focus more on local manufacturing if they expect to keep revenues and profit margins close to where they were before the pandemic. Stability in global manufacturing can be protected with increased governmental involvement, securing key sectors and offsetting any collapses.

The international economic system will take time to recover from the shock of the pandemic, with revenues of companies very likely to see a noticeable dip for several quarters. International shipping will also shrink, as countries will be warier of imports. This will put incredible strain on an already weakened international economy. A global recession is expected as more economies take a hit, and growth will happen at a glacial pace. This might not be a complete end to globalization, but it will be a pause. The world is embarking on a new phase of international capitalism; a rethinking of how global economies act. Two questions seem to be pertinent at this stage: Is this the beginning of a new form of internationalism? Will this be the catalyst that will alter the nature of capitalism?

PAGE II