

Covid-19: A New Hope for Global Multilateralism

AUGUSTINE PETER

The World Economic Forum Global Risks Report 2019¹ has captured the current state of multilateralism when it noted that while global risks are intensifying the collective will to tackle them appears to be lacking, and divisions are hardening. The report highlighted that the growing nationalism of world politics is a deepening risk.

Arrival of Covid-19 Pandemic and its Impact

The Covid-19 pandemic is unique in that the entire world is in lock down, in contrast to the interlinked and increasingly globalising world of yesterday. This has serious implications for the economy. The UNCTAD in its Trade and Development Update Report² has analysed the impact of the pandemic and noted that the contraction of the global economy going to be substantial.

Wither Global Multilateralism?

The Covid-19 pandemic has brought the state of multilateral institutions into stark focus. Even while the problem was coming up shaking the whole world, affecting already over 210 countries, there was no serious effort for coordinated global action for months. WHO, the multilateral organization in focus, was seen to be very much in the picture, but was faced by a divided world, with sharp accusations against its efficiency and partisanship being raised. The UN Security Council could not come up with a statement or plan of action. The UN General Assembly



resolution was seen by many as a mere formality. The slow and divided response of the international community has resulted in the epidemic turning into a pandemic.

How to Turn Crisis into Opportunity? Can G20 Deliver?

Crises open up opportunities. The UN was the product of a crisis; so was the G20 in 2008. UN75 provides opportunity for the world to recall the importance and utility of the multilateral process. G20 provides the best platform to resurrect the global multilateralism, with its wide representation, the active presence of Think Tanks (T20), Business (B20), Gender groups (W20), Civil Society (C20), etc. Will the world leadership rise to the occasion and convert this tragedy into an

Visiting Fellow, RIS.

opportunity to bring global multilateralism to the centre stage.?

With reference to the Covid-19 menace Anne O. Krueger³ noted that while in the past the international community held a coordinated response to similar crises, this is conspicuously absent now. G20 response to the problem has been seen by many to be slow. It was left to Indian Prime Minister Narendra Modi to take the initiative on two major fronts: (i) to take the lead to have a virtual conference of the South Asian Association for Regional Cooperation (SAARC) heads of State/ Government⁴ and share their views, and set up a SAARC Covid-19 Emergency Fund, as also the decision to make available technical and financial support to the SAARC Member countries to face the Covid-19 challenge. It was also made clear that India's Rapid Action Force (RAF) would be available for all SAARC countries for Covid-19 emergencies; and (ii) PM Modi also called upon the G20 countries to have a virtual summit, which took place on 26, March 2020, and where it was decided that this group would pump into the global economy US\$5 trillion. In a Communique, G-20 leaders declared that they are committed to do whatever it takes to overcome the pandemic

along with other international organisations like WHO, IMF, UN, WBG and others.

The G20 response has, however, not met with good review internationally. Goodman et al. (2020)⁵ noted that the March, 26 G20 communiqué essentially recounted and endorsed what national governments and central banks are already doing individually through aggressive fiscal and monetary policy. The G20 proposals in the Communique were also seen to be generalities⁶.

Can the G20 Lead?

What are the ways for G20 to come back to the winning ways of its initial years? Way forward for resurrecting the global multilateral institutions need to take into account the following:

- A counter narrative to the logics staunchly floated for unilateralism and against multilateralism needs to be expounded and articulated.
- Following from (i), the critical role of multilateralism for all-round welfare and progress of humanity has to be driven home to people across countries and viewpoints. In the absence of multilateralism there is likelihood of blocks crystalizing around the major powers, reducing the efficiencies of international trade



substantially.⁷Multilateralism is not a zero-sum game.⁸

- All around mess at the multilateral arena cannot be sorted out by piece meal solutions: comprehensive and well thought out strategies need to be worked out. The UN world is on a near standstill for decades; and we are at the door step of UN75. The situation in the Bretton Woods institutions is no different. Multilateral trading system tells similar story.
- Any change involves 'change leaders'. Personalities and coalitions have to emerge. A new QUAD consisting of the US, China, EU and India has to emerge. Collective leadership is the need of the hour.
- To have a manageable solution, while embarking on reform of the multilateral institutions ambitions should be kept within reasonable limits.
- Efforts have to be made by the G20 to revive the Doha process by presenting the WTO members with a reasonably acceptable and fair agenda for negotiation.

The Secretary General of the United Nations Mr. António Guterres was frank when he stated⁹ that multipolar world is not a solution. He has exhorted one and all that it is very important to recognise the importance of multilateral mechanisms. Obviously, multilateralism is the way forward. G20 is the platform that can take the discourse in this direction forward. A new QUAD consisting of the US, the EU, China and India has to emerge and to sit around the table to give direction to the G20 to fulfill this objective.

Endnotes

- ¹ http://www3.weforum.org/docs/WEF_Global_Risks_Report_2019.pdf accessed on 06-04-3-2020
- ² UNCTAD (2020 a), The Covid-19 Shock to Developing Countries: Towards a "whatever it takes" programme for the two-thirds of the world's population being left behind
- ³ Anne O. Krueger, Only Multilateralism Can Save Us, Project Syndicate, March 19, 2020 available at: <https://www.project-syndicate.org/commentary/covid19-only-multilateral-response-can-work-by-anne-krueger-2020-03> accessed on 05-04-2020
- ⁴ [https://www.narendramodi.in/prime-minister-narendra-modi-s-interaction-with-saarc-leaders-on-](https://www.narendramodi.in/prime-minister-narendra-modi-s-interaction-with-saarc-leaders-on-fighting-coronavirus-548793)

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- ⁵ Mathew P. Goodman, Stephanie Segal and mark Sobel (2020), Assessing the G20 Virtual Summit, Centre for Strategic and International Studies, USA, available at <https://www.csis.org/analysis/assessing-g20-virtual-summit> accessed on 05-04-2020
- ⁶ Harsh V. Pant, A redundant G20, Raisina Debate, MAR 30 2020, ORF: <https://www.orfonline.org/expert-speak/a-redundant-g20-63859/> accessed on 06-04-2020
- ⁷ Dadush and Guntram B. (2019)
- ⁸ <https://www.weforum.org/agenda/2018/11/globalization-4-what-does-it-mean-how-it-will-benefit-everyone/>
- ⁹ <https://www.weforum.org/agenda/2019/01/these-are-the-global-priorities-and-risks-for-the-future-according-to-antonio-guterres>

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