# Istituto Affari Internazionali

### International Order and the European Project in Times of COVID19

by Nathalie Tocci

COVID19, the disease caused by the new coronavirus that has rapidly turned into a pandemic, could be the proverbial straw that breaks the camel's back. The international liberal order, as well as the European Union within it, has been in trouble for years now. Challenged from the outside by defiantly illiberal powers like China and Russia, as much as from within as Donald Trump disavowed the order that his country had established and sustained, the rules, norms and institutions that have governed international society for over seventy years have languished. The EU, for its part, has been shaken by the successive Eurozone and migration crises, while its surrounding regions were spiralling into conflict and outright collapse. COVID19 could be the final nail in the coffin of a rules-based international order and the European project within it. But it could also give birth to a new phoenix rising from its ashes. Much will depend on how Europe, both internally

and internationally, will confront this epochal crisis.

The sirens of closure are calling. As denial, dithering and dangerous theories of herd immunity have been cast aside, one plain fact is emerging: notwithstanding all its political, social and economic cost, containing the coronavirus requires temporary closure.

We have progressively locked ourselves at home to protect ourselves and our loved ones and community. Our children don't go to school, cannot visit their grandparents and experiment virtual playdates with their friends. We work from home, limiting our outings for food and health purposes, at most singing and clapping from our balconies in solidarity with one another. Streets are empty, giving our cities an eerily beautiful stillness we had not hitherto known. Our borders

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Is this the ultimate vindication of the closure agenda advocated for years by nationalist populists? Does this prove the wisdom of trade protectionism, of Brexit or barbed wire, walls and ports closed to migrants? Were we, the liberals, just plain wrong?

Clearly, our closure could represent a point of no return for globalization, interdependence and European integration. Gone are the days in which Europeans assumed that openness and interdependence automatically brought about peace and prosperity.<sup>1</sup> For decades, this view was unchallenged in mainstream European and, more broadly, Western thinking. But then liberalism meshed into neoliberalism and eventually hyper-liberalism.<sup>2</sup> With it, socio-economic inequalities soared, while social discontent and political unrest grew. Then Europe's tune changed. The global financial crisis, coupled with the Eurozone crisis, along with the implosion - or explosion - of the EU's surrounding regions and the ensuing political crisis over migration, began shattering these European convictions. This sowed the seeds of Eurosceptic nationalist populism, which has taken different shapes across the Union, but which has powerfully converged on the closure agenda. It was an agenda that at times wooed liberals too, notably in relation to migration, as shown most recently by European leaders' call for a "shield" at the Greek-Turkish border.

With the coronavirus, the fragilities revealed by globalization, interdependence and integration have been laid bare. With a global socioeconomic infrastructure looking like a hub-and-spoke network in which nodes are separated by small distances and essential functions are centralized in large hubs, we now know how a crisis in any of such hubs can trigger a global cascade that threatens the system as a whole.<sup>3</sup> We had already seen how the financial activity concentrated in the US triggered a global financial crisis. Today we are seeing how a virus that first broke out in the world's manufacturing hub - China - has become a global pandemic that risks bringing the global economy to a halt. The virus, and the vulnerabilities it is exposing, may become the ultimate stress test for globalization.<sup>4</sup>

The fragilities exposed by the coronavirus and the vindication of temporary closure solutions may well blind us into falling in an illiberal trap. Globally, the temporary restrictions to travel and the disruption of global value

<sup>&</sup>lt;sup>1</sup> Ivan Krastev and Mark Leonard, "The New European Disorder", in *ECFR Essays*, November 2014, https://www.ecfr.eu/publications/summary/ the\_new\_european\_disorder322.

<sup>&</sup>lt;sup>2</sup> John Gray, "The Problem of Hyper-Liberalism", in *The Times Literary Supplement*, No. 6000 (30 March 2018), https://www.the-tls. co.uk/?p=110437.

<sup>&</sup>lt;sup>3</sup> Kemal Derviş and Sebastián Strauss, "What COVID-19 Means for International Cooperation", in *Project Syndicate*, 6 March 2020, https:// prosyn.org/kcL4MJG.

<sup>&</sup>lt;sup>4</sup> Henry Farrell and Abraham Newman, "Will the Coronavirus End Globalization as We Know It?", in *Foreign Affairs*, 16 March 2020, https://www. foreignaffairs.com/articles/2020-03-16/willcoronavirus-end-globalization-we-know-it.

chains could mark the end of a free trade era. The European Union has so far managed to swim against the tide, reaching free trade agreements with Canada, Japan, Mercosur, Vietnam and Singapore in recent years. It has done so in a global environment in which nationalism and protectionism have been on the rise, beginning with the trade war between the United States and China, and the growing calls for the decoupling of these two large economies. After the coronavirus dust settles, the mood could well change for good. Going well beyond the lessons to be learned as to how to isolate shocks in the global economy and prevent these from triggering systemic collapse,<sup>5</sup> an instinct of protectionism, if not outright autarky, may prevail.

At European level, nationalist instincts and lack of solidarity may also have the upper hand.<sup>6</sup> The unilateral Polish, Slovak, Czech, Danish, Cypriot, Latvian and Lithuanian decisions to close their borders certainly went in this direction, as did the initial uncoordinated block in the supply of medical equipment by France and Germany to their fellow member states. Likewise, the European silence in response to Italy's appeal to provide protective masks through the EU Civil Protection Mechanism was deafening, confirming to the growingly Eurosceptic Italian public that it had been right all along. In their solemn addresses to their citizens,

even quintessentially Europhile leaders have displayed an embarrassing lack of European reflex. In Chancellor Angela Merkel's otherwise impressive televised address on 18 March, not one word on Europe was spoken. Lastly, while the Commission's early silence and the European Central Bank first fiasco in response to the crisis are now being rectified, the damage done in public perception may linger.

And then there is the risk of illiberalism liberal democracies. within our China, originally the bête noir of the coronavirus, may end up as the victor of this global crisis. In part, this is because it was the first to successfully curtail the virus at home through draconian lockdowns that Western countries. beginning with Italy, have grudgingly but invariably followed. True, European countries have closed in a manner attuned to their open political systems. There has not been the massive physical control and manipulation of public information we have seen in China, nor the extensive collection of citizen data to limit contagion that could eventually be used for other purposes as well. However, we do not know yet whether our "democratic closure" will prove as effective as China's "authoritarian" one, and in any case, in our European way we have followed the Chinese model, rather than the South Korean, Taiwanese or Hong Kong ones.<sup>7</sup>

Moreover, China's global role in the COVID19 crisis has made the inadequacy of the former global

<sup>&</sup>lt;sup>5</sup> Kemal Derviş and Sebastián Strauss, "What COVID-19 Means for International Cooperation", cit.

<sup>&</sup>lt;sup>6</sup> Nicoletta Pirozzi, "COVID-19 Emergency: Europe Needs a Vaccine", in *IAI Commentaries*, No. 20|08 (March 2020), https://www.iai.it/en/ node/11400.

<sup>&</sup>lt;sup>7</sup> Kathrin Hille and Edward White, "Containing Coronavirus: Lessons from Asia", in *Financial Times*, 16 March 2020, https://www.ft.com/ content/e015e096-6532-11ea-a6cd-df28cc3c6a68.

hegemon – the US – painfully obvious. Beijing's display of solidarity by sending plane- and shiploads of protective testing kits, ventilators, masks, respirators and medical staff, as well as its vast global outreach with offers of knowledge transfer, stands in stark contrast to Washington's disdain for a "foreign" virus, its unilateral travel ban on its supposedly closest allies in Europe, its inhuman tightening sanctions on coronavirus-infected Iran, and its pathetic attempts to secure exclusive American rights to a vaccine in development in Germany. As many have noted, China is so far winning the propaganda war.8 Fact is then exacerbated by fiction, with massive fake news campaigns propagating the myth that far from spontaneously originating in China, the virus was engineered in the West.<sup>9</sup> Much like the 1956 Suez crisis symbolized the ultimate decay of the United Kingdom's global power, the COVID19 could mark the US's "Suez moment". Were this to happen, the consequences would not be limited to the US-China rivalry and the global distribution of power. If China, with its political system, emerges as a global hegemon, its power of attraction on liberal democracies may be dangerously irresistible.

Yet a completely different future is equally plausible. It has become as trite as it is true to say that the virus knows no borders and can infect all humans regardless of nationality, colour or religion. Like all major challenges of our age, from climate to digital to demography, pandemics too are transnational by definition. And so, whereas their containment requires temporary closure, not only is such closure to be coordinated to be effective, but it also, and above all, exposes us to the reality that we need more, not less, multilateralism at the global level and integration within our European Union.

Globally, COVID19 has laid bare the limits of a governance architecture that merely monitors and suggests, rather than enforces. The World Health Organization (WHO) has been monitoring the global evolution of the virus on the basis of information which voluntarily states provide. However, some states, particularly in developing or fragile contexts, do not have the capabilities to provide accurate information. Others, notably authoritarian ones like Russia, are unwilling to do so. Such patchwork monitoring is compounded by the WHO's toothless recommendations lacking any enforcement mechanism.<sup>10</sup> The current crisis reveals the inadequacy of the current order, but rather than indicating a bright future of nationalism and unilateralism, it points to the need for more global coordination and cooperation. The international order is not inadequate because of an excess of norms, rules, laws and institutions, but because

<sup>&</sup>lt;sup>8</sup> Matthew Karnitschnig, "China Is Winning the Coronavirus Propaganda War", in *Politico*, 18 March 2020, https://www.politico.eu/article/ coronavirus-china-winning-propaganda-war.

<sup>&</sup>lt;sup>9</sup> Nona Mikhelidze, "Se la disinformazione russa in Italia corre più della pandemia", in *AffarInternazionali*, 17 March 2020, https:// www.affarinternazionali.it/?p=79456.

 <sup>&</sup>lt;sup>10</sup> Ferdinando Nelli Feroci, "Prime lezioni per la comunità internazionale", in *AffarInternazionali*, 17 March 2020, https://www.affarinternazionali. it/?p=79449.

these are too few and weak. The onus is now on multilateral platforms and institutions, to prove their worth, not only in containing and ultimately defeating the virus and sustaining the global economy, but also by learning the positive long-term lessons from this crisis, beginning with the quest for sustainable development.

A supranational push at the global level would be desirable, but may not be likely. When it comes to Europe, there may be greater room for optimism. After a slow start, the European Commission took the lead in coordinating the temporary closure of Schengen's external borders, not least to prevent an ongoing uncoordinated erection of internal borders within it. It has acted to safeguard the integrity of the single market too, by working to reverse the initial attempts by member states to limit the export of medical equipment within the Union. Most significantly, the Union has stepped into the area where its greatest competences lie: the economy. Flexibility in fiscal policy is now a given, and state aid rules will be temporarily relaxed to assist companies facing liquidity crises in key sectors such as transport and tourism. Seven billion euros will be mobilized in support of small and medium-sized enterprises in trouble. And a further 37 billion euro in cohesion funds have been earmarked for the crisis.<sup>11</sup> Last but not least, the European Central Bank decidedly geared up its efforts, announcing an extra 750-billion-euro temporary asset purchase programme (coupled with previous commitments,

the ECB is about to provide support for over one trillion euro in 2020) and thus indicating that it will still do whatever it takes to save the euro. All this has happened, but it is still only the beginning. The coronavirus is so fastmoving and so acute that what seemed unthinkable yesterday may become reality tomorrow. To mention one, talk of Eurobonds, for years a pipedream of European federalists and indebted Eurozone members, may become tomorrow's necessity.

Beyond the economy, much remains to be done. COVID19 has revealed the limits of a Union in which public health remains an exclusively national competence. Be it in terms of medical prevention or emergency response requiring key medical equipment, as well as the coordination of member state policies, there is a major European role to be played. In security and defence, COVID19 has given a new twist to what it means for the Union to "protect" its citizens, for instance by armed forces equipping themselves to backfill and provide surge capacities to member state security forces when in need.

The COVID19 crisis, coming on the heels of the Eurozone and migration crises, represents yet another opportunity for the European project. So far, the Union has always built itself on the ashes of crises, but it has also always done the bare minimum to pull through. This half-way transformation of crisis into opportunity has been a leitmotif of the European project so far. This time it may be woefully insufficient. As the coronavirus vindicates, exacerbates and accelerates many of the global

<sup>&</sup>lt;sup>11</sup> Nicoletta Pirozzi, "COVID-19 Emergency: Europe Needs a Vaccine", cit.

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trends we have watched in slow-motion in recent years, Europe must rise to the challenge if it is truly to protect its citizens and the values of a rules-based multilateral system.

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