Ambassador Sanjay Panda's Address at the International School of Diplomacy & Institute of Strategic Thinking (SDE) (Ankara, 28 June 2021)

Post-pandemic International Order - Challenges & Opportunities

Speaking Notes

Prologue:

- Salutation: SDE President Prof. Güray ALPAR
- 61 trainees, including 50 Masters and PhD students from 40 countries and 4 continents. Many aspiring diplomats, budding think-tankers, academics, researchers and geo-political analysts.
- Imparting training in the art of Diplomacy, of which communication techniques assume particular significance. Gone are those days when diplomatic communication was defined as *asking someone to go to hell in such a way that he or she looked forward to the journey*. Today, a successful diplomat is one who communicates clearly, unambiguously with substantive content, while matching national interest with a "global good" intent. One who recognises that we live today in an interdependent and interconnected world, where *if you sneeze in Wuhan, someone catches a cold in Wyoming*.
- In a globalised world, the so-called "splendid isolation" is not an option. We can no longer think of the 19th century Monroe Doctrine or the post-Great Depression isolationist approach pursued by the United States. If anyone had any doubts, the Covid-19 messaging is loud and clear.

It is indeed **topical** that we brainstorm today on the **post-pandemic international order**, or more particularly, the **nature and extent of multilateral cooperation** that we should ideally envisage for global recovery from the shock. Having said that, we should also brace ourselves to face the fact that the **ideal may fall short of the actual** given the **global uncertainties** that we are contending with.

2. The COVID pandemic is the greatest shock to the international system since the 2^{nd} World War. We are also confronted with an unprecedented universal economic slowdown. The contraction of global output has been most severe since the Great Depression of the 1920s/30s. The human cost of the pandemic has been substantial. Lives & livelihoods have been lost. Since the primary cause of the disruption is the pandemic, speed of resumption of economic activity is critical in preventing what is already a recession from growing into a depression.

3. Recessions are usually managed by fiscal stimuli with expansionist budgets and interest rate cuts. This formula was developed during and after the

Great Depression of the 1920s & 30s. In response to the 2008 crisis, G20 had also coordinated an unprecedented fiscal stimulus package. The aggregated stimulus presently envisaged is much larger. The **difference** – today it's not a coordinated move with nations announcing **individual recovery plans**.

4. As for the slowdown, it has in fact **impacted all**. It has **exposed the vulnerability of developed countries including major economic powerhouses**. While there is some optimism now with the arrival of the vaccine, the economic gloom still looms large.

5. Having said that, I don't wish to make a doomsday prediction. There's always **light at the end of the tunnel**. History stands testimony that all crises are succeeded by periods of growth. The **Great Depression & World War II were followed by a period of sustained economic expansion**. Economic rebounds were observed after all the four major recessions in the post-World War II era. Major health crises have led to investments in medical science and public health that have transformed our lives. Similar **transformation and economic resurgence will undoubtedly happen** after we get through the present crisis.

6. Economic thinking is likely to shift trajectories. The most important current debate relates to the merits of globalization vs. localization. "Decoupling" and "de-globalization" are advocated by many who would like to alter the current geometry of international supply chains. "Glocalization" is a possible compromise. Regional and plurilateral supply chains are another halfway house.

7. The Fourth Industrial Revolution is unlikely to be halted. If anything, this crisis is demonstrating the viability of ecommerce and of the expanding market for IT and IT enabled services. Individual businesses will be hit but the digital economy, and digital infrastructure, will grow. The pandemic has made us to recognize is the real potential of the digital in governance, business, education, health, etc. But global economic slowdown may affect venture capital availability to fuel rapid growth.

8. All **crises alter geopolitics**. The international system we are familiar with owes some of its fundamental impulses to the Great Depression and to the Second World War. **Will the geopolitical impact of the current crisis be disruptive or will it be transformational**?

9. The pandemic has **left its mark on both China and the United States**. It began in one and killed the most in the other. Already embroiled in a **trade war**, it has **aggravated the strategic confrontation** between the two. It will be interesting to see how the **post-Brexit European Union** maintains its solidarity and cohesion to remain credible as a single entity.

10. As any developing country **India** also has its shares of the problems created by pandemic. In recent months, we in India have gone through a particularly difficult situation. As the **second most populous country**, **planning for and**

managing such a pandemic has been a challenge for the Government. In spite of the best efforts towards prevention, spread and management of pandemic related complications, the sudden surge in in Covid cases at times required whole hearted support of the world community. We are deeply touched by the friendship and solidarity demonstrated by Turkey in extending a helping hand to India during these challenging times. Yes, these are difficult times, but I am confident, India like the rest of the world will bounce back.

11. This brings us to the question of the **post COVID world order**. The **current international system, underwritten ideologically, politically and financially since the end of World War II, is in trouble**. It was **found wanting in its response to the pandemic**, the gravest global challenge since the Great War.

12. Today, we live in an uncertain world. The pandemic, and its consequences, immediate and future, merely illustrate the level of uncertainty that we must live with. We are faced with new and uncertain challenges even as we struggle with existing threats to international peace and security.

13. It may sound somewhat clichéd, but the fact remains that the virus has clearly shown us that it **respects no borders**. Consequently, it's a **global challenge**, which all countries irrespective of their level of development **have to face collectively**. No wonder, the global nature of the crisis **calls for strengthening international cooperation**. We do not know how a post-pandemic world will look like. However, what we do know is that **substantive international cooperation is fundamental for dealing with existing and emerging global challenges**. The **lines dividing countries on the basis of their development matrix are getting progressively blurred in this future cooperation paradigm**.

14. Speaking of international cooperation, I am reminded of a recent initiative, the **International Solar Alliance**, jointly launched by India and France on the sidelines of COP-21 in Paris, and which today has over 90 member countries. Another initiative with wide-ranging global ramifications is the **Coalition of Disaster Resilient Infrastructure or CDRI**, launched by the Indian Prime Minister at the UN Climate Action Summit in New York in September 2019. Similarly, in **vaccine development, the triple-helix model that combines pharma companies, academic research institutions and contracted manufacturers** demonstrates what the French call *"collaboration sans frontiers"* or collaboration without borders. The British-Swedish firm Astra Zeneca joining hands with Oxford and the Serum Institute of India illustrates the point.

15. The **Indian ethos of "Vasudaiva Kutumbakam"** or "the world is one family" is more relevant today than ever before. Our initial supply of made-in-India vaccines to our friends and partners around the world, of **over 66 million doses to 94 countries** including contribution to **COVAX** besides the **UN Peacekeepers**, is an expression of this approach.

16. Today, we are facing **three main prospects** when we reflect on the **post-COVID-19 world order and the international cooperation landscape**.

First, with the crisis acquiring global dimensions, COVID-19 is a **game-changer in international relations**, including development partnership.

Second, in a globalised world, everything is interlinked and interdependent. While there has been a lot of criticism of multilateral institutions, these are here to stay. **Strengthening multilateralism** bypassing ideological differences or narrow nationalistic positions will help bridge the gaps in international cooperation.

17. And, finally, in the face of serious global economic downturn, we are **caught** in a Catch-22 situation – whether to look for a "quick fix" or a somewhat protracted "smart recovery" that is sustainable and addresses our SDG commitments including climate change concerns. It is the latter that envisages international collaboration to "Build Back Better", suggesting a cleaner technology driven green recovery.

18. All said and done, the **pandemic has shown us the limitations of the existing international system**. A purely economic agenda has defined globalization so far, and we have cooperated more to balance competing individual interests, rather than **advance the collective interests** of all. We **need a new template of globalization**, **based on fairness and equity in the post-COVID world**.

19. And in this template, the political content of a more multipolar global conversation will be the new normal. It will require to address new faultlines such as those between digital "haves" and "have-nots". While strengthened multilateralism holds the key to international cooperation across a wide spectrum, bilateralism and plurilateralism may also move on parallel track and have to be accommodated in diplomatic equations.

20. Clearly, **new ideas, new synergies and new energies** are called for as we reconfigure the post-pandemic world order. And in that sense, the pandemic is **both disruptive and transformational** in shaping a post-covid world.

21. I would like to end with these beautiful words of **Mevlana Rumi**, "*There is hope after despair; there are many suns after darkness*". This aptly sums up the current state of play and the likely scenario in the post-covid world.
