European Parliament

The geopolitical implications of the COVID-19 pandemic

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STUDY

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ABSTRACT

Since the Coronavirus began its spread across the world, many analysts have speculated about its impact: would it merely accelerate previously-existing trends, or would it prove to be a geopolitical 'game-changer', creating a world profoundly different than before? The answer is much more complex than either or: the world during and after COVID-19 will have elements of both, the old and the new, the known and the unknown. This study explores both dimensions of the pandemic's impact: how does it affect the geopolitical context it erupted into, and what possibility space does it open up? The first section assesses the geopolitical trends antedating the pandemic and measures its present and expected impact on them, while the second section lays out the space for action and change created by the disruption. In the third section, the interplay of trends and uncertainties is explored in three scenarios set in 2025: Strategic Distancing; Europe in Self-isolation; and Lockdown World.

The study finds that European foreign policy is entering an era of re-definition in which the European Parliament should play a crucial role. This means outlining the elements of strategic autonomy, but also streamlining them with each other. As such, classical foreign policy needs to join forces with other policy areas such as environmental and technological matters, trade, strategic communication – and of course, health. In that sense alone, the pandemic is already proving to be a game-changer.

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1   Introduction: profile of a pandemic

For an event predicted by so many, the COVID-19 pandemic was shockingly surprising. Since the early 2000s, studies had warned of the increasing probability of a communicable disease going global, but neither states nor citizens had internalised the threat.[1] As the virus spread around the world, shutting down borders and supply chains, crashing oil prices and grounding aircraft, it appeared to change everything – or nothing, depending on the analysis. To many, the pandemic was not a geopolitical 'game-changer'[2] as it would merely accelerate previously existing trends. But to others, an event so global and pervasive was certainly going to create a 'new normal': a world profoundly different than before.

The reality will, of course have elements of both. This has to do with the nature of crises in general, which on the one hand are always embedded in (and often the result of) a certain context that remains the same, but on the other are so disruptive that they create possibilities for change by exposing previously unnoticed vulnerabilities and strengths, re-arranging priorities and creating urgencies.
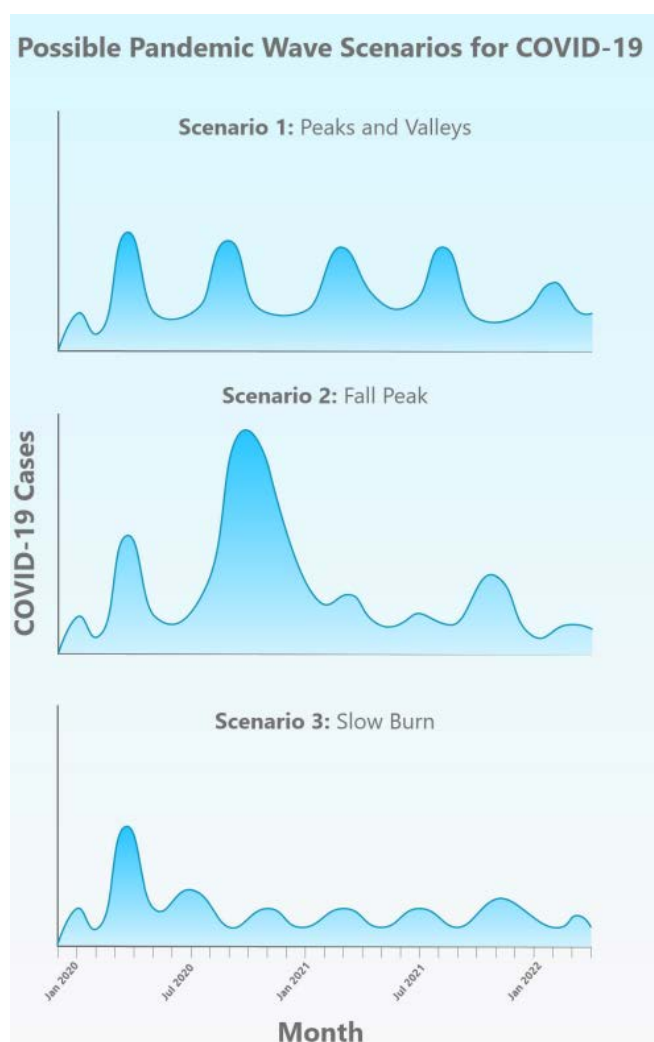
To truly grasp what the geopolitical impact of the pandemic will be for the European Union (EU), both dimensions will have to be thoroughly understood, and set in relation to each other. This study explores both dimensions of the pandemic's impact: how does it affect the geopolitical context it erupted into, and what possibility space does it open up? Whereas our first section assesses the geopolitical trends the pandemic is said to accelerate, our second section lays out the space for action and change created by the disruption. In a third section, we explore the interplay of trends and uncertainties in scenarios.

Seeing that the crisis is all-encompassing, complex, and still evolving, the following chapters are only an assessment of its first six months, and the outlook will require updating as the crisis continues to unfold. At the time of writing, the virus had fully infected Asia, Europe, North- and South America, but had not fully penetrated Africa yet. In addition, the future evolution of the pandemic depends on a number of variables too large to cover here: a vaccine could be developed, the virus could mutate and become less or more lethal, or acquired immunity against it could fade away. Depending on what restrictive measures states impose, the pandemic's evolution could follow broadly three different ways – but in all three scenarios will the disease continue to spread well into 2021, and possibly even 2022.[3]

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[1] Bill Gates, 'We're not ready for the next epidemic', 18 March 2015, GatesNotes, https://www.gatesnotes.com/Health/We-Are-Not-Ready-for-the-Next-Epidemic. The Atlantic, 'Coronavirus Researchers Tried to Warn Us', 13 June 2020, https://www.theatlantic.com/health/archive/2020/06/scientists-predicted-coronavirus-pandemic/613003/. Richard E. Clarke & R.P. Eddy, *Warnings: Finding Cassandras to stop catastrophes* (HarperCollins Publishers: New York, 2017). *Vanity Fair*, ''Prepare, Prepare, Prepare': Why Didn't the World Listen to the Coronavirus Cassandras?', 27 March 2020, https://www.vanityfair.com/news/2020/03/why-didnt-the-world-listen-to-the-coronavirus-cassandras

[2] In foresight, game-changers are developments that fundamentally alter things; other terms that are used are disruption or turning point

[3] Center for Infectious Disease Research and Policy, 'COVID-19:The CIDRAP Viewpoint', 30 April 2020, https://www.cidrap.umn.edu/sites/default/files/public/downloads/cidrap-covid19-viewpoint-part1_0.pdf

Possible Pandemic Wave Scenarios for COVID-19

Scenario 1: Peaks and Valleys

Scenario 2: Fall Peak

COVID-19 Cases

Scenario 3: Slow Burn

Jan 2020   Jul 2020   Jan 2021   Jul 2021   Jan 2022

Month

Three crisis components

This analysis is embedded in the three escalatory components the crisis entails: in a first instance, the pandemic is a *health crisis*, as it sickens and kills humans. In the process, it overwhelmed, or threatened to, national health care systems.

As a result and in a second instance, states all over the world imposed various types of measures *restricting human mobility* in order to reduce transmission and maintain the operationality of these health care systems.

In a third instance, *economic activity was depressed* as a consequence of this reduced mobility.

2   Acceleration? The pandemic's impact on existing trends

COVID-19 erupted into a landscape of change: even before the pandemic unfolded, 'uncertainty' became the defining marker of these times.[4] This perception of the unknown was the result of several changes occurring simultaneously in the international system: from relations with China to those with the United States, from a change in international trade patterns to an increase in disinformation campaigns and a

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[4] See for instance the Economic Policy Uncertainty Index, https://www.policyuncertainty.com/index.html

global decline in democracy, several building blocks of European foreign policy appeared to shift dangerously. Because these shifts occurred over several years consistently in a certain direction, they can be called trends: a pattern of change.

Trends are not immune to change themselves: they can change because attitudes towards them shift, because collective action to counter them is taken or, even more unpredictably, because a new trend supersedes them. A crisis moment such as the pandemic has the potential to alter trends in a variety of ways, as it can change priorities, offer opportunity to review underlying tensions, mobilise unknown capabilities and deplete others. As a result, a crisis can redirect trends, suspend them, or indeed accelerate them.[5] Because of their fluid nature, trends can easily be misread: from taking a solitary signal as a trend via linear extrapolating, lumping together non-repetitive events or forgetting the context, there are several ways that they can be misinterpreted.

In this section, we assess how the pandemic has affected previously existing geopolitical trends. The analysis finds that COVID-19's impact has had more than one effect: while it gave an opportunity for accelerated linear continuity to some, it merged into other trends without being related to them, leading to a misreading of not just the trend but indeed the pandemic's impact on them. It also created a suspension in other trends, creating an opening for a new trend.

2.1   A new normal? Relations with China

Pre-pandemic trend

China's 'rise' has been a long time in the making: since 1993, analysts have noted that its spectacular economic growth would eventually have repercussions for the international system.[6] The true starting point for this was 2012, when Xi Jinping became first the Secretary General of the Communist Party, and 2013 also the President of China. Under Xi, China embarked on a series of reforms and initiatives designed to propel China into the future. In autumn 2013, China launched a project now known as the 'Belt & Road Initiative' – on the surface, an infrastructure project with international reach, but in fact a project designed to 'promote ... a new form of globalization'.[7] As part of the initiative, China gained footholds in a series of

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[5] Le Monde, 'Comment le Quai d'Orsay pense l'après-coronavirus, entre « compétition âpre » et « emprise de la Chine »', 31 March 2020, https://www.lemonde.fr/international/article/2020/03/31/coronavirus-comment-la-diplomatie-francaise-pense-le-jour-d-apres_6034979_3210.html; Bruno Tertrais, « L'année du Rat. Conséquences stratégiques de la crise du coronavirus », 3 April 2020, https://www.frstrategie.org/publications/notes/annee-rat-consequences-strategiques-crise-coronavirus-2020; International Crisis Group, « COVID-19 and Conflict: Seven Trends to Watch », 24 March 2020, https://www.crisisgroup.org/global/sb4-covid-19-and-conflict-seven-trends-watch; Dani Rodrik, « Will COVID-19 Remake the World?', 6 April 2020, https://www.project-syndicate.org/commentary/will-covid19-remake-the-world-by-dani-rodrik-2020-04; Herman Van Rompuy, 'COVID-19: A turning point for the EU?' European Policy Centre, 16 April 2020, https://wms.flexious.be/editor/plugins/imagemanager/content/2140/PDF/2020/Covid-19_Turning_point.pdf; Andrés Ortega, 'The deglobalisation virus', 17 March 2020, Elcano Royal Institute, https://blog.realinstitutoelcano.org/en/the-deglobalisation-virus/; Javi López, ' Política Exterior, 2 April 2020. Foreign Policy, 'How the World Will Look After the Coronavirus Pandemic', 20 March 2020, https://foreignpolicy.com/2020/03/20/world-order-after-coroanvirus-pandemic/; Mathew J. Burrows, Peter Engelke, 'What world post-COVID-19? Three scenarios', 23 April 2020, https://www.atlanticcouncil.org/content-series/shaping-post-covid-world-together/what-world-post-covid-19-three-scenarios/; Thomas Carothers, Andrew O'Donohue, 'Polarization and the Pandemic', 28 April 2020, Carnegie Endowment, https://carnegieendowment.org/2020/04/28/polarization-and-pandemic-pub-81638; Heiko Borchert, 'Looking Beyond the Abyss Eight Scenarios on the Post-COVID-19 Business Landscape', 19 April 2020, 21 Strategies. The Economist, 'Has covid-19 killed globalisation?', 14 May 2020, https://www.economist.com/leaders/2020/05/14/has-covid-19-killed-globalisation

[6] Foreign Affairs, 'The Rise of China', November/December 1993, https://www.foreignaffairs.com/articles/asia/1993-12-01/rise-china

[7] Alice Ekman (ed.), China's Belt and Road and the World: Competing Forms of Globalisation, Etudes de l'Ifri, 2019 https://www.ifri.org/sites/default/files/atoms/files/ekman_china_belt_road_world_2019.pdf

countries in Europe, but also in Asia and Africa. In Europe alone, Chinese direct investments increased from EUR 1 billion in 2008 to EUR 35 billion in 2016.[8]

The real turning point in the Western perception of China was, however, 2017. That year, Xi presented his vision 2050, in which he outlined the way ahead for China. By 2035, China should become a top innovative nation, and by 2050, a nation with global influence. It was also the year where the United States' National Security Strategy of 2017 labelled China a 'revisionist power': a state seeking to change the international system as we know it.[9] In 2018, this antagonism leaked into the economic realm, with the United States banning Chinese companies from its territory and imposing tariffs on Chinese products.

Although Europe did not follow the United States in language or measures, it, too, began to display a shift in perception with regards to China. In 2018, it used its Connectivity Strategy in response to China's Belt and Road Initiative, focusing on regulatory and legal aspects of connection.[10] That year, a Chinese hack into the email system of the European External Action Service became public, exposing an increasingly active China also in the cyber domain.[11] A few months later, in 2019, the European Union issued a joint declaration declaring China to be simultaneously a cooperation partner, a negotiating partner, and a 'systemic rival promoting alternative models of governance.'[12]

The growing perception of China as a global player with potentially conflictual intentions began to grow also at the level of international public perception. In Canada, for instance, unfavourable views of China increased from 40 % in 2017 to 67 % in 2019. In the United States, unfavourable views increased from 36 % in 2011 to 60 % in 2019. Negative views were particularly pronounced in its regional neighbourhood, where 58 % of citizens had a negative view of it. (On the other hand, favourable views of China in Russia increased from 64 % in 2014 to 71 % in 2019.)[13]

[8] Erik Brattberg & Etienne Soula, 'Europe's Emerging Approach to China's Belt and Road Initiative', Carnegie Endowment for International Peace, 19 October 2018, https://carnegieendowment.org/2018/10/19/europe-s-emerging-approach-to-china-s-belt-and-road-initiative-pub-77536#:~:text=China's %20global %20rise %20and %20its,the %20rules %2Dbased %20international %20order.

[9] The White House, 'National Security Strategy of the United States of America', December 2017, https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf

[10] European Commission, 'Connecting Europe and Asia - Building blocks for an EU Strategy', September 2018, https://eeas.europa.eu/sites/eeas/files/joint_communication_-_connecting_europe_and_asia_-_building_blocks_for_an_eu_strategy_2018-09-19.pdf

[11] Politico, 'Chinese government hackers penetrated EU communications network, cybersecurity firm concludes', 19 December 2018, https://www.politico.com/story/2018/12/19/chinese-hackers-eu-communications-network-1040166. Jake Wallis, Tom Uren, Elise Thomas, Albert Zhang, Samantha Hoffman, Lin Li, Alex Pascoe and Danielle Cave, 'Retweeting through the great firewall: A persistent and undeterred threat actor', Australian Strategic Policy Institute, International Cyber Policy Centre, 2020, https://s3-ap-southeast-2.amazonaws.com/ad-aspi/2020-06/Retweeting %20through %20the %20great %20firewall_0.pdf?zjVSJfAOYGRkguAbufYr8KRSQ610SfRX=

[12] European Commission, 'EU-China – A strategic outlook', March 2019, https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf

[13] Pew Research Center, 'Attitudes toward China', 5 December 2019, https://www.pewresearch.org/global/2019/12/05/attitudes-toward-china-2019/. Pew Research Center, 'International publics divided on China', 1 October 2018, https://www.pewresearch.org/global/2018/10/01/international-publics-divided-on-china/. Pew Research Center, 'Global Attitudes Toward China and the U.S.', 21 September 2017, https://www.pewresearch.org/global/2017/09/21/global-attitudes-toward-china-and-the-u-s/. Pew Research Center, 'Chinese Public Sees More Powerful Role in World, Names U.S. as Top Threat', 5 October 2016, https://www.pewresearch.org/global/2016/10/05/chinese-public-sees-more-powerful-role-in-world-names-u-s-as-top-threat/. Pew Research Center, 'Russians warm to China as relations with U.S. cool', 8 July 2015, https://www.pewresearch.org/fact-tank/2015/07/08/russians-warm-to-china-as-relations-with-u-s-cool/

Pandemic impact

The pandemic put China at its strategic epicentre from the outset: the fact that it was there that COVID-19 first emerged gave it both an advantage as well as a disadvantage. Being the first in line meant that it was already through the first wave when others were still struggling with it, giving it an opportunity to position itself as a helper and as a crisis management role model. In return, being the location of the outbreak also put China on the defensive and vulnerable to accusations of poor communication with the World Health Organisation and politicised delayed response times. Other aspects, such as a breakdown in supply chains, particularly with regards to medical supplies, added only to the already tense situation (more on that in chapter 3).

Taken together, this meant that China changed its regular communication style and went on the offensive – but stayed true to its broader geopolitical objectives of systemic competition. While this changed little in its already tense relations with the United States, it negatively affected its relations with Europe.

In early March, the official newspaper of the Central Committee of the Communist Party boasted that 'the advantages of the Chinese system have once again been demonstrated', pitting democratic systems against its own.[14] On Twitter, Chinese officials engaged in an aggressive campaign diverting attention from China, pointing fingers at others and sowing doubt about the origins of the virus – a campaign High Representative Josep Borrell Fontelles described as a 'battle of narratives.'[15] This went beyond regular public outreach: a Serbian study into 30 000 tweets between 9 March and 9 April with keywords Kina (China) and Srbija (Serbia) found that 71.9 % was produced by bots, praising China's aid, its friendship with Serbia, and the Serbian government's response to coronavirus, or highlighting a lack of solidarity from the EU.[16] At the same time, a large-scale fact-checking campaign was launched in Serbia verifying information related to COVID-19 and the June elections simultaneously[17] to Facebook labelling misinformation content.[18] Similarly, studies found a Chinese information campaign ramped up in Italy in March 2020, with possibly thousands of bot accounts spreading content not just highlighting China's aid during the pandemic but also EU inaction.[19]

These campaigns have not been without result: polls have shown that for instance in Italy, perceptions of China quickly improved. According to one survey, one in four Italians think that China was their biggest ally during the pandemic.[20] In Serbia, 39 % thought that they received most aid from China - when in reality,

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[14] Dong Yuzhen, People's Daily Online, March 4, 2020, http://en.people.cn/n3/2020/0304/c98649-9664589.html

[15] New York Times, 'Behind China's Twitter Campaign, a Murky Supporting Chorus', 10 June 2020, https://www.nytimes.com/2020/06/08/technology/china-twitter-disinformation.html

[16] Digital Forensic Center, 'A bot network arrived in Serbia along with coronavirus', 13 April 2020, https://dfcme.me/en/dfc-finds-out-a-botnet-arrived-in-serbia-along-with-coronavirus/

[17] Poynter, 'Istinomer fact-checked COVID-19 and the Serbian national election at the same time. Here's how', Tara Kelly, 7 July 2020, https://www.poynter.org/business-work/2020/istinomer-fact-checked-covid-19-and-the-serbian-national-election-at-the-same-time-heres-how/

[18] NBC News, 'Facebook says it labeled 50 million pieces of coronavirus misinformation in April', Olivia Solon, 12 May 2020, https://www.nbcnews.com/tech/tech-news/facebook-says-it-labeled-50-millions-pieces-coronavirus-misinformation-april-n1205316?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosfutureofwork&stream=future

[19] Valbona Zeneli and Federica Santoro, 'China's disinformation campaign in Italy', 9 June 2020, https://thediplomat.com/2020/06/chinas-disinformation-campaign-in-italy/; Francesco Bechis e Gabriele, 'How China unleashed Twitter bots to spread COVID-19 propaganda in Italy', *Formiche,* 31 March 2020, https://formiche.net/2020/03/china-unleashed-twitter-bots-covid19-propaganda-italy/

[20] Ivan Krastev and Mark Leonard, 'Europe's pandemic politics: How the virus has changed the public's worldview', ECFR, 24 June 2020, https://www.ecfr.eu/publications/summary/europes_pandemic_politics_how_the_virus_has_changed_the_publics_worldview

it is the EU.[21] Two studies showed that outlets backed by China (but also Russia, Iran and Turkey) resonate very effectively with their audiences: during the second half of March, the average engagement with English-language content published by Beijing-backed outlets Xinhua News Media and CGTN was ten times as high as that of the BCC. As for French-language content, average engagement per shared article was five-fold that of RT and almost fourfold that of Xinhua News Media compared average engagement with content shared by Le Monde in the period between 18 May and 5 June.[22]

Figure 3: Average Engagement Generated per Article.

Note: Median engagement for all Facebook and Twitter posts.
Source: Authors' calculations based on data collected between March 18th and March 31st, 2020.

Thereafter, the tone of international rhetoric shifted markedly: After originally praising China's handling of the virus, President Trump began to consistently refer to it as the 'Chinese virus'.[23] In June, India banned more than 60 Chinese apps (including TikTok) from its territory following a military clash between the two states. A month later, the United States followed suit. In an interview mid-April, French President Macron said: 'Let's not be so naive as to say [China has] been much better at handling this. We don't know. There are clearly things that have happened that we don't know about.'[24] A bit further on in the crisis, the EU became increasingly vocal about China's increasingly assertive stance, with various EU high-level officials speaking up: Commission president Ursula von der Leyen called the EU's relationship with China 'challenging'[25] while Council president Charles Michel underlined the need to recognise the lack of shared values, political systems or approach to multilateralism.[26]

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[21] Radio Free Europe, 'Who Gives The Most Aid To Serbia?', 9 June 2020, https://www.rferl.org/a/who-gives-the-most-aid-to-serbia-/30660859.html

[22] Jonathan Bright, Hubert Au, Hannah Bailey, Mona Elswah, Marcel Schliebs, Nahema Marchal, Christian Schwieter, Katarina Rebello, and Philip N. Howard, 'Coronavirus coverage by state-backed English-language news sources', *Oxford Internet Institute, University of Oxford, 2020,* https://comprop.oii.ox.ac.uk/research/state-media-coronavirus/; Katarina Rebello, Christian Schwieter, Marcel Schliebs, Kate Joynes-Burgess, Mona Elswah, Jonathan Bright, Philip N. Howard, 'Covid-19 News and Information from State-Backed Outlets Targeting French, German and Spanish-Speaking Social Media Users', University of Oxford, Oxford Internet Institute, 2020, https://comprop.oii.ox.ac.uk/research/covid19-french-german-spanish/

[23] The Conversation, 'Donald Trump's 'Chinese virus': the politics of naming' 21 April 2020, https://theconversation.com/donald-trumps-chinese-virus-the-politics-of-naming-136796

[24] Financial Times, 'FT Interview: Emmanuel Macron says it is time to think the unthinkable', 16 April 2020, https://www.ft.com/content/3ea8d790-7fd1-11ea-8fdb-7ec06edeef84

[25] European Commission, 'Statement by President von der Leyen at the joint press conference with President Michael, following the EU-China Summit videoconference', 22 June 2020, https://ec.europa.eu/commission/presscorner/detail/de/statement_20_1162

[26] Liyuan Lu, 'Analysts see shift in EU's approach toward dealing with China', VOA News, 24 June 2020, https://www.voanews.com/europe/analysts-see-shift-eus-approach-toward-dealing-china

Especially the use of disinformation was criticised in Europe, with Věra Jourová, European Commission vice-president, arguing that Europe 'should not shy away from naming and shaming' those responsible for the 'surge in narratives undermining our democracies' and 'response to the crisis', 'spread by both pro-Kremlin outlets, as well as Chinese officials and state media'.[27] In a joined statement in March 2020, European member states welcomed the Commission guidelines on the screening of foreign direct investment and called on the member states to take all necessary measures to protect strategic assets with a view to protect the 'EU's strategic autonomy, during the crisis and afterwards.[28]
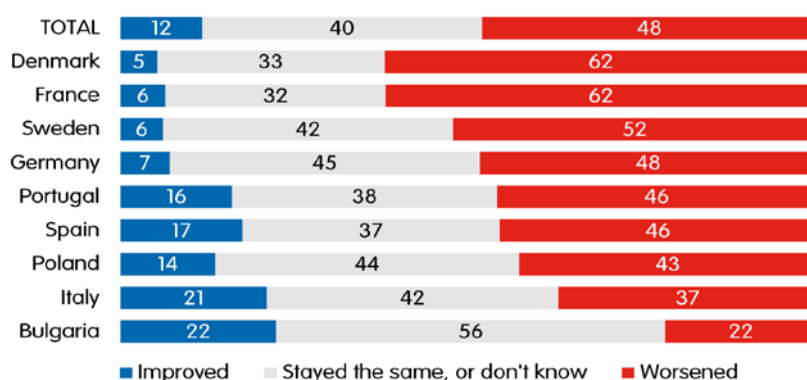
Following the EU – China summit in June 2020, held by video conference, Council President Michel and Commission President von der Leyen issued a joined declaration markedly more positional than the previous one. 'We have to recognise that we do not share the same values, political systems, or approach to multilateralism.'[29] At the meeting, China was also accused of being behind cyber-attacks targeting European hospitals during the pandemic.[30]

What does this mean for the EU and the European Parliament?

Relations between China and the European Union were a delicate balance of interests before the pandemic struck. This already fragile position has been made more difficult to maintain as a result of several pandemic-related developments: the aggressive posture of China, along with the exposed supply chain dependency (particularly with regards to medical supplies) has led to a markedly negative perception of China in Europe. While the pandemic might have continued a trend of hostility between China and the United States, it heralded a new diplomatic era between China and the European Union that was perhaps not inevitable. After all, it was the pandemic that injected markedly negative and critical elements into exchanges previously focused on constructive matters such as trade and cooperation on files such as climate change.

For the European Parliament, this means that it can no longer see China exclusively through a human rights lens. Instead, it will be required to take on a much more strategic and long-term view. This will also require recognising China's active us of disinformation, and investments to advance its global objectives.

Has your view of China changed during the coronavirus crisis?

	Improved	Stayed the same, or don't know	Worsened
TOTAL	12	40	48
Denmark	5	33	62
France	6	32	62
Sweden	6	42	52
Germany	7	45	48
Portugal	16	38	46
Spain	17	37	46
Poland	14	44	43
Italy	21	42	37
Bulgaria	22	56	22

Source: ECFR · ecfr.eu

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[27] The Guardian, 'EU says China behind 'huge wave' of Covid-19 disinformation', 10 June 2020, https://www.theguardian.com/world/2020/jun/10/eu-says-china-behind-huge-wave-covid-19-disinformation-campaign

[28] European Council, 'Joint statement of the Members of the European Council', 26 March 2020, https://www.consilium.europa.eu/media/43076/26-vc-euco-statement-en.pdf

[29] Council of the European Union, 'EU-China summit via video conference, 22 June 2020', 22 June 2020, https://www.consilium.europa.eu/en/meetings/international-summit/2020/06/22/

[30] EURACTIV, 'Von der Leyen: Chinese cyberattacks on EU hospitals 'can't be tolerated'', 23 June 2020, https://www.euractiv.com/section/digital/news/von-der-leyen-chinese-cyberattacks-on-eu-hospitals-cant-be-tolerated/

2.2 Out of love? Transatlantic relations

Pre-pandemic trend

Transatlantic relations entered a turbulent period with the arrival of President Trump in power in early 2017. Although several of the issues raised by his administration had also been raised by previous ones, the tone and style differed significantly, making it a particularly challenging relationship.

One of the main points of contention was defence spending: in 2006, NATO allies agreed to targets of 2 % of their GDP to spend on defence. While some allies met this target, the majority of others, such as Germany, Denmark, the Czech Republic, Belgium, Portugal, did not.[31] Throughout 2017 and 2018, comments by President Trump (such as calling NATO 'obsolete') and leaks from his surroundings raised fears of an American withdrawal from the Alliance.[32] By the end of 2019, this had led to increased defence spending amongst NATO allies in an unprecedented way – but European disillusionment with American commitment remained, leading French President Macron to the statement that the United States 'doesn't share our idea of the European project' and that therefore, 'what we are currently experiencing is the brain death of NATO', adding that 'If we don't wake up [...] there's a considerable risk that in the long run we will disappear geopolitically, or at least that we will no longer be in control of our destiny.'[33] These tendencies in NATO had ripple effects for European security, too: in December 2017, the EU launched the Permanent Structured Cooperation (PeSCo), its framework to deepen defence cooperation, and in 2019, it launched the European Defence Fund.

Despite increased European defence commitments, the relationship remained difficult – in part, because transatlantic relations suffered not just from defence issues; trade, too, was a contentious issue. In the first months of his mandate, President Trump named the European Union ahead of China and Russia as challengers because of the trade deficit.[34] From 2018, the United States imposed several tariffs on Europe, including a 25 % tariff on steel imports and a 10 % tariff on aluminium imports.[35] But more generally, the Trump White House displayed a general antipathy towards the European Union difficult to frame, or indeed, resolve, with political means. Signs for this attitude were President Trump's support for a no-deal Brexit, the downgrading of the EU delegation from its embassy status, or secretary of state Pompeo's questioning of whether the European Union 'is ensuring that the interests of countries and their citizens are placed before those of bureaucrats here in Brussels?'[36]

While European leaders met these developments with stoicism or humour (such as then Council President Donald Tusk who tweeted 'America and the EU are best friends. Whoever says we are foes is spreading fake

[31] NATO, 'Defence Expenditure of NATO Countries (2012-2019)', June 2019, https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2019_06/20190625_PR2019-069-EN.pdf

[32] New York Times, 'Trump Discussed Pulling U.S. From NATO, Aides Say Amid New Concerns Over Russia', 4 January 2019, https://www.nytimes.com/2019/01/14/us/politics/nato-president-trump.html

[33] NATO, 'NATO Secretary General announces increased defence spending by Allies', 29 November 2019, https://www.nato.int/cps/en/natohq/news_171458.htm. The Economist, 'Emmanuel Macron warns Europe: NATO is becoming brain-dead', 7 November 2019, https://www.economist.com/europe/2019/11/07/emmanuel-macron-warns-europe-nato-is-becoming-brain-dead

[34] BBC News, 'Donald Trump: European Union is a foe on trade', 15 July 2018, https://www.bbc.com/news/world-us-canada-44837311

[35] Maria Demertzis, Gustav Fredriksson, 'The EU Response to US Trade Tariffs', Bruefel Intereconomics, https://www.bruegel.org/wp-content/uploads/2018/10/EU-Response-US-Trade-Tariffs.pdf

[36] New York Times, 'U.S. Downgraded E.U.'s Diplomatic Status (but Didn't Say Anything)', 8 January 2019, https://www.nytimes.com/2019/01/08/world/europe/eu-us-diplomatic-status.html. New York Times, 'Pompeo Questions the Value of International Groups Like U.N. and E.U.', 4 December 2018, https://www.nytimes.com/2018/12/04/world/europe/pompeo-brussels-speech.html

news.'[37]), American behaviour did trigger a shift in European attitudes hitherto unseen: the envisioning of itself as a sovereign, autonomous or self-reliant pole independent of the United States. In the summer of 2019, the European Council's Strategic Agenda 2019 – 2024 noted that 'in a world of increasing uncertainty, complexity and change, the EU needs to pursue a strategic course of action and increase its capacity to act autonomously to safeguard its interests, uphold its values and way of life, and help shape the global future.'[38]

Pandemic impact

The pandemic did not open an opportunity to review the underlying causes of the pre-existing tensions; as a result, relations unfolded along the lines of the before times. In addition to his attacks on China, President Trump blamed the EU's 'failure to take the same precautions' for 'a large number of new clusters in the United States'.[39] On 12 March, the United States imposed travel restrictions on passengers coming from the Schengen zone – a move the EU criticised as taken 'unilaterally and without consultation'.[40] Although surprising, the move followed the same pattern as other decisions taken pertaining to Europe, in the absence of consultation and accompanied by incendiary rhetoric. By the summer of 2020, the United States proved to be one of the worst-hit states in terms of cases and mortality. It also suffered severe economic impacts, with 30 million new unemployment insurance claims filed in the first six weeks of the pandemic, and a contraction of GDP by 9.5 %.[41] Perhaps unsurprisingly, unrest broke out in May 2020 over the killing of a black citizen by a police officer. In the subsequent clashes, President Trump threatened the application of the Insurrection Act, a law that allows him the use of military force against civilian unrest.[42] Should the United States maintain a moderate level of restrictive measures against the virus, the pandemic is likely to reach new force by the autumn of 2020.

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[37] Radio Free Europe, 'EU Leaders Respond As 'Friends' After Trump's 'Foe' Remarks', 16 July 2018, https://www.rferl.org/a/trump-eu-friend-foe-tusk-timmermans/29366996.html

[38] European Council, 'A new strategic agenda for the EU 2019-2024', https://www.consilium.europa.eu/en/eu-strategic-agenda-2019-2024/#group-EU-in-the-world-zh3uey0ErW

[39] New Atlanticist, 'Trump hits out against Europe in coronavirus speech: The transatlantic alliance suffers', *Atlantic Council*, 12 March 2020, https://www.atlanticcouncil.org/blogs/new-atlanticist/trump-hits-out-against-europe-in-coronavirus-speech-the-transatlantic-alliance-suffers/

[40] BBC News, 'Coronavirus: Trump suspends travel from Europe to US', 12 March 2020, https://www.bbc.com/news/world-us-canada-51846923

[41] Sophia Chen, Deniz Igan, Nicola Pierri, and Andrea F. Presbitero, 'Tracking the Economic Impact of COVID-19 and Mitigation Policies in Europe and the United States', July 2020, IMF Working Paper, file:///C:/Users/fgaub/Downloads/wpiea2020125-print-pdf.pdf

[42] New York Times, 'What Is the Insurrection Act of 1807, the Law Behind Trump's Threat to States?', 2 June 2020, https://www.nytimes.com/article/insurrection-act.html

Forecast of Active Cases and Deaths United States

Forecast of Active Cases and Deaths

Throughout the spring and summer of 2020, the United States continued to escalate relations with Europe also on the issues that preceded the pandemic. With regards to China, Secretary of State Mike Pompeo urged it to choose 'between freedom and tyranny' while adding that 'democracies that are dependent on authoritarians are not worthy of their name'.[43] The decision to withdraw 12,000 troops from Germany, where they were seen as a deterrent force against Russia was seen as another blow to transatlantic cooperation. As President Trump stated: 'We spend a lot of money on Germany, they take advantage of us on trade and they take advantage on the military, so we're reducing the force… they're there to protect Europe, they're there to protect Germany, and Germany is supposed to pay for it… We don't want to be responsible anymore.'[44] In July, Europe was threatened, once more, with tariffs after proposing ways in May to find a commonly acceptable solution.[45] More generally, President Trump repeated his statement that the European Union had been formed to 'take advantage of the United States.'[46]

In contrast to previous years, Europe responded strongly to some of this rhetoric. High Representative Borrell Fontelles called American leadership 'weak', adding: 'They were not at all prepared to face the

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[43] Mike Pompeo, 'Europe and the China Challenge', 19 June 2020, https://www.state.gov/secretary-michael-r-pompeo-at-the-virtual-copenhagen-democracy-summit/

[44] CNN, 'US to withdraw nearly 12,000 troops from Germany in move that will cost billions and take years', 29 July 2020, https://edition.cnn.com/2020/07/29/politics/us-withdraw-troops-germany/index.html

[45] EURActiv, 'Trump threatens EU, China tariffs over lobster duties', 7 June 2020, https://www.euractiv.com/section/economy-jobs/news/trump-threatens-eu-china-tariffs-over-lobster-duties/

[46] Business Insider, 'Trump says the European Union was 'formed in order to take advantage of the United States'', 15 July 2020, https://www.businessinsider.fr/us/donald-trump-says-european-union-formed-take-advantage-united-states-2020-7

problem and now they are seeing the consequences.'[47] When the EU issued a list of states from which travel was banned until further notice in July, the inclusion of the United States was seen as a payback for the unilateral ban on European travellers in March.[48] While this might have very well been for sanitary rather than political reasons, the way the decision was communicated certainly displayed a new type of European diplomatic behaviour.

What does this mean for the EU and the European Parliament?

Although it is not easy to distinguish between pandemic escalation and campaign rhetoric (note: the Presidential elections are scheduled for November 2020), American behaviour during the pandemic played a role in accelerating European self-reflection on notions of self-reliance, sovereignty and autonomy. In his concluding remarks to the European Council, President Charles Michel noted in April 2020 that 'it is of utmost importance to increase the strategic autonomy of the Union' – a statement repeated in the European Commission's communication outlining the way out of the crisis.[49] In June 2020, the EU Defence Ministers agreed to develop a strategic compass for security and defence, a document that would synthesise the threats, ambitions and needs of European defence. Although the trends towards more European self-reliance preceded the pandemic, the crisis served as a push factor to accelerate this process.

The presidential elections in November 2020 could provide an acceleration, or indeed a slowing down of this trend. Should President Trump be re-elected, it is not to be expected that transatlantic relations would develop a distinctively different tone. In the case of an election of the Democratic candidate Joe Biden, there are signs that more constructive relations could be expected. In a third scenario, contested elections would lead to an extended period of unrest, paralysing the United States as a foreign policy, and therefore also security actor.[50] In either case, Europe and its officials will have to engage in a wider debate on its role in the world, the means at its disposal, in the light of changing relationships.

2.3 More trouble: Russia & the Eastern neighbourhood & the Western Balkans

Pre-pandemic trend

Up to 2014, Russia was considered a partner to the European Union, albeit a difficult one. Although cooperating on a range of files such as trade, energy and climate change, Russian postures on a range of issues stood in contrast to that of the EU. First cracks became apparent at the Munich Security Conference in 2007, when Russian President Putin lamented the domineering – and negative – role of the United States and its allies in world politics.[51] In 2011, then Prime Minister, Putin described the Libya intervention by

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[47] Andrew Rettman, 'EU bluntly criticises US handling of pandemic', EU Observer, 21 April 2020, https://euobserver.com/coronavirus/148130

[48] CNN, 'Cracks in the Trump-Europe relationship are turning into a chasm', 4 July 2020, https://edition.cnn.com/2020/07/04/europe/trump-europe-relationship-intl/index.html

[49] European Council, 'Conclusions of the President of the European Council following the video conference of the members of the European Council', 23 April 2020, https://www.consilium.europa.eu/en/press/press-releases/2020/04/23/conclusions-by-president-charles-michel-following-the-video-conference-with-members-of-the-european-council-on-23-april-2020/. European Commission, 'Europe's moment: Repair and Prepare for the Next Generation', 27 May 2020, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0456&from=EN

[50] Newsweek, 'How Trump Could Lose the Election—And Still Remain President | Opinion', 3 July 2020, https://www.newsweek.com/how-trump-could-lose-election-still-remain-president-opinion-1513975

[51] New York Times, 'Putin Says U.S. Is Undermining Global Stability', 11 February 2007, https://www.nytimes.com/2007/02/11/world/europe/11munich.html

NATO allies as a 'crusade'.[52] Following the 2013 chemical attacks in Syria, he cautioned strongly against an American strike in retaliation, instead mediating the removal of the arsenal under the supervision of the Organisation for the Prohibition of Chemical Weapons.[53] What was seen as Russian de-escalation and mediation would, however, later pave the way for a string of actions that would propel Russia back to the world stage as a global actor on a collision course with the EU.

In 2014, Russia annexed parts of Ukraine, a year later, it sent military support to the Syrian government, and embarked on an outreach campaign across the Middle East and North Africa that led it to first support Khalifa Haftar politically, and later on with military support in the shape of the Wagner Group, a private militia.[54] At the same time, it became increasingly prolific in the use of cyber-attacks and disinformation campaigns, most famously during the American presidential election campaign of 2016, but also the French presidential elections of 2017. Russian campaigns are not just focused on elections, they are part of a broader effort to shape public opinion abroad and undermine democracy and the rule of law in the United States but also in Europe.[55] Just before the Brexit referendum, 150,000 Russia-tied Twitter accounts posted both pro-Brexit and pro-EU membership messages - suggesting the campaign aimed at sowing division.[56] RT and Sputnik, meanwhile, posted 261 articles with anti-EU messages, reaching up to 134 million viewers.[57] Evidence of Russian interference in domestic political affairs elsewhere in Europe, too, has accumulated over the past few years, ranging from the Baltic States to the Netherlands and France. Meanwhile, Russia grew closer to China.[58] The two align their positions in multilateral fora, share a point of view on domestic unrest at home and abroad, and conduct diplomacy by the numbers: already, their circle of 'friends' is reaching majority-levels in many UN bodies. In 2019, President Xi called Putin his 'best friend' during a state visit, and the two agreed to double trade over the coming five years, particularly in sectors such as energy, industry and agriculture.[59]

At the same time, Russia's neighbourhood saw an increase in violence: in Ukraine, where it occupies the Crimean peninsula and parts of the Donetsk and Luhansk regions, violent incidents increased by 12 % in the year preceding the pandemic, indicating an escalatory trend.[60] While Russia signalled readiness for

[52] Reuters, 'Putin likens U.N. Libya resolution to crusades', 21 March 2011, https://www.reuters.com/article/us-libya-russia/putin-likens-u-n-libya-resolution-to-crusades-idUSTRE72K3JR20110321

[53] New York Times, 'A Plea for Caution From Russia', 11 September 2013, https://www.nytimes.com/2013/09/12/opinion/putin-plea-for-caution-from-russia-on-syria.html

[54] New York Times, 'Russian Snipers, Missiles and Warplanes Try to Tilt Libyan War', 5 November 2019, https://www.nytimes.com/2019/11/05/world/middleeast/russia-libya-mercenaries.html

[55] See for example: Committee on Foreign Relations, United States Senate, 'Putin's asymmetric assault on democracy in Russia and Europe: Implications for US national security', 10 January 2018, https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf; House of Commons, Digital, Culture, Media and Sport Committee, 'Disinformation and 'fake news': Final Report', 14 February 2019, https://publications.parliament.uk/pa/cm201719/cmselect/cmcumeds/1791/1791.pdf

[56] Committee on Foreign Relations, United States Senate, 'Putin's asymmetric assault on democracy in Russia and Europe: Implications for US national security', 10 January 2018, https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf;

[57] European Parliament, Policy Department for Citizens' Rights and Constitutional Affairs, 'Disinformation and propaganda - impact on the functioning of the rule of law in the EU and its Member States' February 2019, https://www.europarl.europa.eu/RegData/etudes/STUD/2019/608864/IPOL_STU(2019)608864_EN.pdf

[58] Alice Ekman, Sinikukka Saari, Stanislav Secrieru, 'Stand by me! The Sino-Russian normative partnership in action', 6 August 2020, EU Institute for Security Studies, Brief 18, August 2020, https://www.iss.europa.eu/content/stand-me-sino-russian-normative-partnership-action

[59] New York Times, 'Xi Jinping's Visit to Russia Accents Ties in Face of Tensions with U.S.', 5 June 2019, https://www.nytimes.com/2019/06/05/world/europe/xi-jinping-china-russia.html

[60] ACLED, 'Year in Review: The armed conflict location and event data project 2019', Roudabeh Kishi, Mel Pavlik and Sam Jones, 2020, https://acleddata.com/acleddatanew/wp-content/uploads/dlm_uploads/2020/03/ACLED_AnnualReport2019_WebVersion.pdf

concessions on Donbas, a closer look revealed underlying intentions irreconcilable with Ukrainian stability and territorial integrity.[61]

In the years before the pandemic, the Western Balkans' 'European perspective' appeared to become blurred: terms such as 'democratic backsliding' and 'state capture' described worrying developments in Serbia, Bosnia-Herzegovina and the former Yugoslav Republic of Macedonia.[62] Declining freedoms, collusion with criminal networks and increasing corruption over several years together led to a slow erosion of progress, dampening hopes for accession to the European Union or NATO.[63] In 2018, the Sofia Summit declaration remained vague on the accession perspective, with European leaders such as French President voicing concerns over enlargement generally. While the European Commission was in favour of initiating membership talks with Albania and (what has since become) North Macedonia, member states did not follow suit. The growing influence of Russia, directly aimed to undermining the possible European accession of Western Balkan states, became particularly visible in the rise of disinformation campaigns and the support of separatist and incendiary rhetoric.[64]

Pandemic impact

EU-Russia relations remained largely the same during the pandemic – that is, not particularly good. Unsurprisingly, Russia embarked on a disinformation campaign as soon as the pandemic unfolded, targeting European states. French and German content produced by Russian outlets highlighted the weakness of democratic institutions and civil disorder in Europe. It also pushed anti-American narratives to Spanish-speaking audiences across the Americas.[65] President Putin claimed that Russian handling of the virus was superior to the United States, and, as China, credited Russia's political system with its 'success' – although the veracity of Russian case numbers have been contested.[66] Russia went ahead with a constitutional referendum allowing Putin to stay in power until 2036, and – despite a short spat over the Vladivostok celebrations – signalled further rapprochement with China.[67] At the beginning of the crisis, Putin took a stance against criticism of China's handling of the crisis, calling 'the attempts by some people to smear China' on the origin of the virus 'unacceptable.'[68] Xi and Putin promised to fight 'unilateralism' together and support each other in their respective paths of political development.[69] Meanwhile, the pandemic has caused no social unrest – with the exception of some online activity – in Russia, although its

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[61] Karen Madoian, 'Devil in the detail: local versus regional approaches to peace in Donbas', EUISS Brief 2, February 2020, https://www.iss.europa.eu/content/devil-detail-local-versus-regional-approaches-peace-donbas

[62] European Commission, 'Key findings of the 2016 Report on the former Yugoslav Republic of Macedonia', 9 November 2016, https://ec.europa.eu/commission/presscorner/detail/en/MEMO_16_3634

[63] Marko Čeperković and Florence Gaub, 'Balkan futures: Three scenarios for 2025', EU Institute for Security Studies, Chaillot Paper 147, August 2018, https://www.iss.europa.eu/sites/default/files/EUISSFiles/CP_147 %20Balkan %20Futures.pdf

[64] Stanislav Secrieru, 'Russia in the Western Balkans: Tactical wins, strategic setbacks', EU Institute for Security Studies, Brief 8, 2 July 2019, https://www.iss.europa.eu/content/russia-western-balkans

[65] Katarina Rebello, Christian Schwieter, Marcel Schliebs, Kate Joynes-Burgess, Mona Elswah, Jonathan Bright, Philip N. Howard, 'Covid-19 News and Information from State-Backed Outlets Targeting French, German and Spanish-Speaking Social Media Users', University of Oxford, Oxford Internet Institute, 2020, https://comprop.oii.ox.ac.uk/research/covid19-french-german-spanish/

[66] Reuters, 'Putin says Russia's handling of coronavirus is superior to U.S.', 14 June 2020, https://www.reuters.com/article/us-health-coronavirus-russia-cases/putin-says-russias-handling-of-coronavirus-is-superior-to-u-s-idUSKBN23L07U

[67] Politico, 'Putin wins right to extend his rule until 2036 in landslide vote', 1 July 2020, https://www.politico.eu/article/vladimir-putin-wins-right-to-extend-his-russia-rule-until-2036-in-landslide-vote/

[68] Global Times, 'X-Putin call shows joint stance against politicising pandemic', by Chen Qingqing and Yang Sheng, 17 April 2020, https://www.globaltimes.cn/content/1185880.shtml

[69] South China Morning Post, 'Xi Jinping tells Vladimir Putin: China and Russia should stand firm against unilateralism', 8 July 2020, https://www.scmp.com/news/china/diplomacy/article/3092395/xi-tells-putin-china-and-russia-should-stand-firm-against

economy has contracted by 6 %.[70] As in other states, restrictive measures affected temporarily several human rights such as freedom of movement as well as privacy, but several others are permanent, such as the March 2020 law on 'fake news', allowing for measures targeting activists, journalists, bloggers and politicians disseminating information considered false by the government.[71]

Should Russia continue with current restrictive measures for another four months, it is likely to see a rise in cases from September 2020 onwards.

Visual: Forecast of Active Cases and Deaths in the Russian Federation with no restrictive measures in place

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[70] World Bank, 'Russian Economy Faces Deep Recession Amid Global Pandemic and Oil Crisis, Says New World Bank Report', 6 July 2020, https://www.worldbank.org/en/news/press-release/2020/07/06/russian-economy-faces-deep-recession-amid-global-pandemic-and-oil-crisis-says-new-world-bank-report

[71] International Partnership for Human Rights, 'Human rights impact assessment of the COVID-19 response in Russia', August 2020, http://afew.org/wp-content/uploads/2020/08/Covid-19-RU-upd.pdf

Only a return to more restrictive measures would allow it to keep the infection curve flat, as the visual below shows.

Visual: Forecast of Active Cases and Deaths in the Russian Federation with highly restrictive measures in place

Forecast of Active Cases and Deaths Russian Federation

Forecast of Active Cases and Deaths

COIN-19
www.coin-19.de

STEERING LAB

Number of Cases

200k

100k

0

−100k

−200k

Jan 2020   Jul 2020   Jan 2021   Jul 2021   Jan 2022

—— Forecast active cases: Russian Federation
—— Forecast deaths: Russian Federation
—— Active cases: Russian Federation
—— Deaths observed: Russian Federation
—— Forecast active cases without change in measures: Russian Federation
▬ Confidence interval

In Donbas and the Eastern regions of Ukraine, the pandemic had a moderately positive effect on violent incidents – but this is likely the effect of lockdown measures rather than an indication for a positive change in attitudes of the conflict parties.

Armed clashes continue

Daily number of violent incidents in Ukraine in 2020: comparison with the median daily number of such incidents in 2019 (baseline = 41)

Checkpoints at the contact line closed

Talks resume via teleconference

First Covid-19 case

20 —
10 —
2019 median
-10 —
-20 —

Jan   Feb   Mar   Apr   May   Jun

Data: ACLED, 2020
(battles, explosions/remote violence, violence against civilians included)

This assumption is further supported by developments in Belarus in August 2020. Following the contested presidential elections, protests erupted that were met with force by the government. While Germany, France and the EU urged restraint, President Putin warned against foreign interference, effectively supporting Alexander Lukashenko, its long-time ally in power. Russia's activity in Libya also expanded during the pandemic, with 14 warplanes deployed in May and violence further escalating throughout the summer.[72]

In the Western Balkans, Russia and China used the pandemic to expand their foothold in the region: Beijing and Moscow coupled some aid to Serbia and the Serbian part of Bosnia-Herzegovina[73] with strong disinformation campaigns, aimed at discrediting the EU. The United States, in turn, exploited the crisis in Kosovo[74] to push for negotiations with Serbia. But countries in the region, too, used the pandemic for nation-branding: both Serbia and Albania sent equipment and doctors to Italy in March and April.[75]

The EU, for one, got off to a rocky start: Serbian President Aleksandar Vucic severely criticised the block – calling European solidarity a 'fairy tale'[76] – for allegedly banning medical exports, even though the Commission quickly reassured that this was not the case.[77] Soon the EU launched an ambitious 3.3 billion euros financial rescue package, consisting of 38 million in funds for the health sector, access to EU instruments and medical equipment (inviting Western Balkan countries in the procurement of medical

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[72] Deutsche Welle, 'Russia expands war presence in Libya', May 2020, https://www.dw.com/en/russia-expands-war-presence-in-libya/a-53623666

[73] Carnegie Moscow Center, 'Ventilator diplomacy in the Balkans', 8 July 2020, by Maxim Samorukov, https://carnegie.ru/2020/07/08/ventilator-diplomacy-in-balkans-pub-81895

[74] This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

[75] Euractiv, 'Vucic: 'Italy has always offered open support to Serbia on its path to the EU', 27 April 2020, https://www.euractiv.com/section/all/short_news/vucic-italy-has-always-offered-open-support-to-serbia-on-its-path-to-the-eu/

[76] Euractiv, 'Serbia turns to China due to 'lack of EU solidarity' on coronavirus', 18 March 2020, by Julija Simic, https://www.euractiv.com/section/china/news/serbia-turns-to-china-due-to-lack-of-eu-solidarity-on-coronavirus/

[77] European Western Balkans, 'Export of medical equipment not banned by EU, member states decide on authorisation', 17 March 2020, https://europeanwesternbalkans.com/2020/03/17/export-of-medical-equipment-not-banned-by-eu-member-states-decide-on-authorisation/

equipment), 750 million in macro-financial assistance, and 1.7 billion in preferential loans by the European Investment Bank. In addition, the European Commission announced an Economic and Investment Plan to follow later this year, as well as the start of accession talks with Albania and North Macedonia.

While the EU is by far the region's largest partner – not only in terms of aid but also trade that adds up to EUR 43 billion annually[78] –, its communication could have been better. A poll in March showed that 39.9 % of Serbians think that most COVID-19 aid comes from Beijing, followed by 17.6 % who thinks it comes from the EU and 14.6 % who thinks it comes from Russia. Communication and information in general pose a challenge in the region: since the pandemic, conspiracy theories have skyrocketed, harming institutional trust and damaging already fragile democracies.[79] But even before the pandemic hit, a majority in the region thought disinformation is a problem.[80]

What does this mean for the EU and the European Parliament?

While the crisis did not open an opportunity for new relations between Russia and the EU, the rapprochement of Russia and China is a trend that will likely have negative implications. This concerns particularly their joined action in multilateral fora, where the pair is already aligning to promote their geopolitical agenda. In July, they both vetoed a UN Security Council Resolution that would have extended aid deliveries to Syria, arguing that rather than through Turkey, these provisions should be delivered by the Syrian government. Russia also continues to expand its presence in Europe's neighbourhoods, both East and South, countering EU efforts for peace in Syria, Libya and Ukraine. Emboldened by its relationship with China, Russia is likely to intensify these activities.

In the Western Balkans, the pandemic left the EU with a rather negative image especially in the early days of the pandemic. At the same time, China and Russia seized the moment to promote themselves – and their system of governance – during the crisis. Although President of the European Commission Ursula von der Leyen stated that *'We have a special responsibility to assist in this pandemic our partners in the Western Balkans, as their future clearly lies in European Union'*[81], public perception in the region does not echo this sentiment. While the share of the population wishing to join the EU is 50 % in Serbia, 63 % in Montenegro, 74 % in North Macedonia, 93 % in Kosovo and 76 % in Bosnia-Herzegovina, but these numbers appear to decline. The EU financial package has been viewed by some in the region as the EU 'throwing money at a problem at the expense of its values and promises'– a sentiment which fits into a wider discontent with the EU approach to the region, which is sometimes perceived as opportunistic.[82]

The crisis has therefore exposed some of the most contentious elements of the EU's approach to the region. For instance, a campaign countering disinformation is clearly necessary but limited by the limited use of social media in the region (between 15 and 23 %[83]). Similarly, the EU could consider including the Western Balkans in its Green Recovery plan. In its efforts to diversify supply chains, the EU can find important trading

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[78] https://balkaninsight.com/2020/08/18/russia-and-china-are-penetrating-balkans-at-wests-expense/

[79] BalkanInsight, 'Growth in conspiracy theories risks undermining democracy in Balkans', 14 August 2020, by Marija Djoric, https://balkaninsight.com/2020/08/14/growth-in-conspiracy-theories-risks-undermining-democracy-in-balkans/

[80] International Republican Institute, 'Western Balkans regional poll', 2 February 2020 – 6 March 2020, https://www.iri.org/sites/default/files/final_wb_poll_deck_for_publishing_1.pdf

[81] European Commission, 'Western Balkans' leaders meeting: EU reinforces support to address COVID-19 crisis and outlines proposal for post-pandemic recovery', 29 April 2020, https://ec.europa.eu/commission/presscorner/detail/en/ip_20_777

[82] Friends of Europe, 'Could COVID-19 poison the EU's relations with the Western Balkans?', 27 May 2020, by Vanja Mladineo, https://www.friendsofeurope.org/insights/could-covid-19-poison-the-eus-relations-with-the-western-balkans/

[83] International Republican Institute, 'Western Balkans regional poll', 2 February 2020 – 6 March 2020, https://www.iri.org/sites/default/files/final_wb_poll_deck_for_publishing_1.pdf
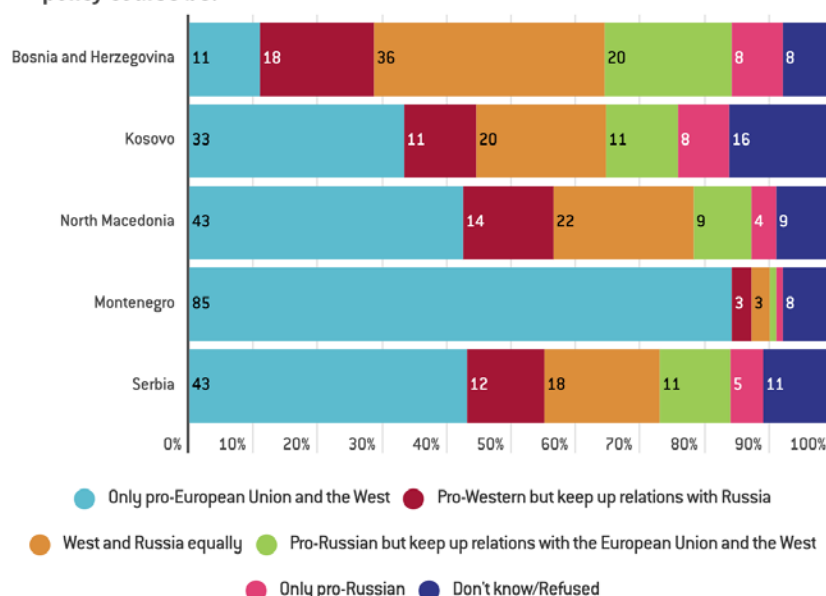
partners in the Western Balkans. For instance the critical mineral borates can be found in Serbia and platinum deposits can be found in Albania.[84]

Figure 2: Responses to the question "What should our country's foreign policy course be?"

Source: International Republican Institute's Center for Insights on Survey Research. Western Balkans Regional Poll. February 2, 2020 - March 6, 2020

2.4   Arc of instability: the Southern Neighbourhood

Pre-pandemic trend

The Middle East and North Africa have been a cause of concern for the EU since 2013, when a series of developments led to violent hot spots in Libya, Egypt, Iraq, Syria and Yemen. The region has struggled to recover from these violent years in more ways than one. Terrorist attacks decreased in number and lethality in the years after 2015 – in Iraq alone, numbers fell by 75 % – , but the Islamic State (IS), now no longer a territorial entity, is still believed to have 18,000 fighters in country.[85] Terrorism also remained a concern for Egypt, where IS outlet Wilayat Sinai was chiefly responsible for ranking Egypt 11th in the world in terms of terrorist incidents. War continued in Syria, Yemen and Libya before the pandemic hit, and tensions between Iran and its Gulf neighbours as well as the United States gave maritime incidents in the Strait of Hormuz a dangerous undertone in 2019. From an economic point of view, the region is still reeling from the disruption caused by the Arab Spring, with youth unemployment remaining consistently high with 29 % and in some states, such as Egypt, reaching almost 32 %.[86] In Iran, youth unemployment has steadily increased since 2016, reaching new heights in early 2020 with 28.6 %. After a failed coup attempt in 2015,

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[84] Reuters, 'Europe joins the global scramble for critical minerals', 7 September 2020, by Andy Home, https://www.reuters.com/article/eu-metals-ahome/rpt-column-europe-joins-the-global-scramble-for-critical-minerals-andy-home-idUSL8N2G13WK

[85] Institute for Economics and Peace, 'Global Terrorism Index 2019', http://visionofhumanity.org/app/uploads/2019/11/GTI-2019web.pdf

[86] World Bank, 'Unemployment, youth total (% of total labour force ages 15-24) (modelled ILO estimate) - Middle East & North Africa', https://data.worldbank.org/indicator/SL.UEM.1524.ZS?locations=ZQ

Turkey has also become increasingly repressive, all the while struggling with economic concerns such as worryingly high youth unemployment levels of 24.6 % in June 2020.[87] Despite increasingly authoritarian control, social unrest increased in the years preceding the pandemic over continuously poor governance. Compared to 2018, Algeria saw an increase of demonstrations by 269 %, Egypt (with 161 demonstrations) an increase of 112 %, Sudan of 495 %, Iran of 9 %, Iraq of 207 %, and Lebanon of 1,743 %.[88]

The region has also undergone geopolitical shifts since the Arab Spring, making European efforts to achieve its own foreign policy objectives difficult. The reduced engagement by the United States under the Obama administration – ranging from troop withdrawal in Iraq to inaction on the use of chemical weapons in Syria – left a vacuum that several players have since filled, notably Russia, Iran, but also Turkey, Saudi Arabia and the United Arab Emirates. The Trump administration's regional focus has since been on the Israeli-Palestinian conflict in disregard of several agreed principles, and in exclusion of the rest of the Quartet (Russia, the European Union and the United Nations). It recognised Jerusalem as the capital of Israel, and proposed a peace plan in January 2020 that was rejected by the Palestinian authority because of its bias towards Israel. On Libya, Germany repeatedly undertook efforts to mediate the conflict in the year before the pandemic, but lack of commitment by other outside actors undermined the objective of lasting peace.

Pandemic impact

Given these negative trends, the Middle East and North Africa was hit particularly hard by the pandemic's social and economic effects. Across the region, GDP is expected to fall by 4.7 %, but in states that are fragile or in conflict, this could reach 13 %.[89] Lebanon, which was already deeply in a political and financial crisis before, and had to deal with a devastating explosion in its port in August, faces an economic crisis hitherto unseen. 45 % of its population are projected to fall below the poverty line by the end of the year, and its economy will contract by 12 %. Iran, already struggling thanks to American sanctions before the pandemic, was the second state to be fully hit by the virus. Its economy suffers from high inflation, and is predicted to shrink by 6 %. According to Iranian studies, as many as 6.43 million Iranians could lose their jobs because of the pandemic.[90] After a historic crash in March, the oil price has recovered but is still below pre-COVID-19 levels, but oil-exporting states across the region are facing severe financial constraints. As a result, fiscal support packages have been smaller than in any other world region.[91] Consequently, in states such as Iraq, Egypt and Tunisia, the enforcement of lockdown measures was not a possibility. Governments faced protest and unrest, often forced to choose the economy over health. At the same time, several governments, such as Egypt but also Jordan, seized the opportunity to widen their control over the population.[92]

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[87] Daily Sabah, 'Turkey's unemployment rate falls to 13.2 % in March despite pandemic', 10 June 2020, https://www.dailysabah.com/business/economy/turkeys-unemployment-rate-falls-to-132-in-march-despite-pandemic

[88] ACLED, 'Year in Review: The armed conflict location and event data project 2019', Roudabeh Kishi, Mel Pavlik and Sam Jones, 2020, https://acleddata.com/acleddatanew/wp-content/uploads/dlm_uploads/2020/03/ACLED_AnnualReport2019_WebVersion.pdf

[89] Garrett Nada, 'The COVID-19 Blow to Iran's Economy', 18 May 2020, United States Institute for Peace, https://iranprimer.usip.org/blog/2020/apr/29/covid-19-blow-iran's-economy

[90] Radio Free Europe, 'Iran's Deteriorating Economy, Raging Coronavirus Have Raised Fears Of Renewed Street Protests', 22 July 2020, https://www.rferl.org/a/iran-s-deteriorating-economy-raging-coronavirus-have-raised-fears-of-renewed-street-protests-/30741923.html

[91] International Monetary Fund, 'Five Charts That Illustrate COVID-19's Impact on the Middle East and Central Asia', 16 July 2020, https://www.imf.org/en/News/Articles/2020/07/14/na071420-five-charts-that-illustrate-covid19s-impact-on-the-middle-east-and-central-asia

[92] The New Arab, 'Jordan arrests 1,000 teachers as government crackdown on trade union using coronavirus restriction measures', 19 August 2020, https://english.alaraby.co.uk/english/news/2020/8/19/jordan-arrests-1-000-teachers-in-crackdown-on-trade-union

In contrast to natural disasters, which can have reconciliatory effects on societies in conflict, sanitary crises tend to be exploited by actors that would normally face significant resistance from either groups in society or outside actors. The ongoing conflicts in the region did not heed the United Nations' call for a ceasefire: in Libya violence did not end, but instead increased. Throughout the summer of 2020, both parties escalated violence, without reaching a decisive moment. While violence decreased somewhat in Yemen, Syria, too, saw continuous violent incidents and renewed demonstrations in regions under government control.[93] The Islamic State, after initially advising its followers to avoid Europe, changed tune in June, instead calling for a deliberate spread of the virus (whom it named 'God's smallest soldiers'), an exploitation of unrest in Western countries, and for attacks in Europe 'similar to the strikes of Paris, London, Brussels and other places'.[94] As it stepped up its attacks in the spring of 2020, the withdrawal of French and American troops from Syria and Iraq is a worrying development. The setting up of diplomatic relations between the United Arab Emirates and Israel, albeit touted as a 'peace deal', is unlikely to have any effect on the conflict Israel has with the Palestinians.

Violence escalates

Daily number of violent incidents in Libya in 2020: comparison with the median daily number of such incidents in 2019 (baseline = 3)

UN Secretary General calls for a global ceasefire

First Covid-19 case

LNA announces truce for Ramadan

Data: ACLED, 2020
(battles, explosions/remote violence, violence against civilians included)

No ceasefire on the ground

Daily number of violent incidents in Yemen in 2020: comparison with the median daily number of such incidents in 2019 (baseline = 28)

First Covid-19 case

Saudi Arabia announces first ceasefire

STC declares self-rule over Aden

Data: ACLED, 2020
(battles, explosions/remote violence, violence against civilians included)

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[93] BBC News, 'Syria war: Assad under pressure as economic crisis spirals', 15 June 2020, https://www.bbc.com/news/world-middle-east-53020105

[94] The Conversation, 'Islamic State calls for followers to spread coronavirus, exploit pandemic and protests', 23 June 2020, https://theconversation.com/islamic-state-calls-for-followers-to-spread-coronavirus-exploit-pandemic-and-protests-136224

What does this mean for the EU and the European Parliament?

States in the Southern neighbourhood that already struggled with political and economic crises before COVID-19 are heading in a very difficult direction. For the EU, this means not just insecurity and instability in its vicinity, but also a long-term threat to its foreign policy goals of resilience, good governance and the rule of law. That said, the crisis occurs at a time, ten years after the Arab Spring, when renewed discontent exerts pressure on decision-makers to deliver basic services, reduce corruption and violence. This small window of opportunity can be seized to support civil society actors and decision-makers willing to engage in dialogue and reform. Certainly, any type of engagement that signals even passive support for continuing on the path of the last decade would jeopardise the EU's own objective of a peaceful and prosperous neighbourhood. To make matters more complex, it will be difficult to achieve these objectives without engaging with the other actors in the region, whose objectives are at times diametrically opposed to the EU. This includes actors traditionally shunned by the European Parliament, such as Saudi Arabia, but also Russia. The 'language of power', as High Representative Borrell Fontelles put it, will be indispensable to this type of engagement – including military capabilities.[95]
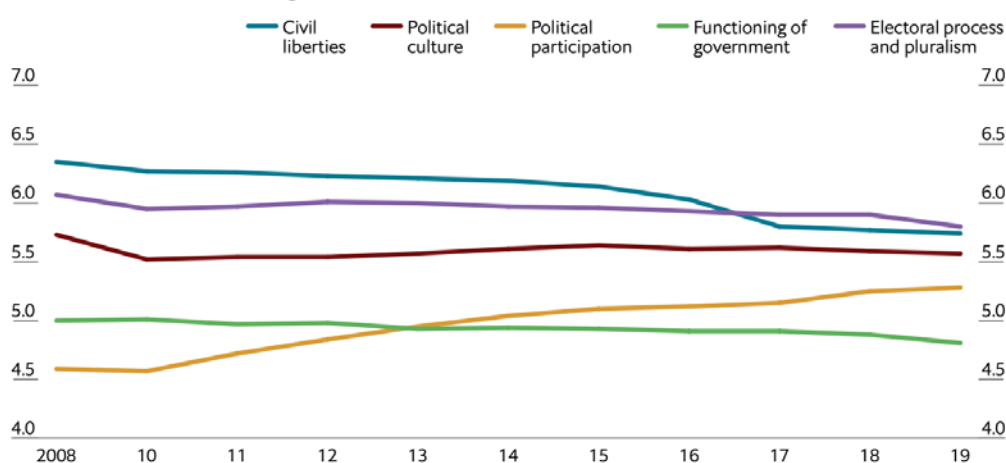
2.5 Democracy on the defensive

Pre-pandemic trend

The years before the pandemic were considered challenging ones for democracy. Even though the number of democracies in the world continues to rise, the quality of democracy is deteriorating, and weak democratic performance particularly prevalent amongst new democracies. According to the Freedom House index, 2019 was the 14th consecutive year of decline in global freedom, with 64 countries experiencing a deterioration in political rights and civil liberties while only 37 seeing improvements.[96]

Chart 2: Evolution of democracy by category, 2008-19
(Index score out of 10, 10 being best)

Source: The Economist Intelligence Unit.

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[95] Josep Borrell Fontelles, 'Embracing Europe's Power', Project Syndicate, 8 February 2020, https://www.project-syndicate.org/commentary/embracing-europe-s-power-by-josep-borrell-2020-02?barrier=accesspaylog

[96] Freedom House, 'Freedom in the world 2020: A leaderless struggle for democracy', 2020, https://freedomhouse.org/sites/default/files/2020-02/FIW_2020_REPORT_BOOKLET_Final.pdf

The breakdown of democracy has been most visible in the region stretching from Central Europe to Central Asia: while it counted 15 democracies in 2010, today there are only 10.[97] Since the early 1990s, voter turnout around the globe has fallen dramatically. Between the 1940s and 1980s, the global average voter turnout remained stable: it decreased by only 2 percentage points from 78 to 76 percent during the entire period. Then in the 1990s it fell sharply to 70 percent, and in 2015 it reached its all-time low of 66 percent. This decline is seen across most regions and in consolidated and semi-consolidated democracies alike, yet the pace differs: in Europe, established democracies saw a drop of roughly 10 percent since the 1980s, whereas in post-communist countries voter turnout fell by twice that percentage since elections were first held.[98]

Figure 4. Global voter turnout by region, 1945–2015

$$\text{Voter turnout} = \frac{\text{Total vote}}{\text{Registered voters}} \times 100\%$$

Source: Voter Turnout Database, www.idea.int/data-tools/data/voter-turnout

Notes: Data is for Legislative (Lower House) Elections that took place across the globe since 1945 and covers 1,833 elections in total.

But at the same time, 2019 saw a major uptick in protest movements around the globe, as people took to the streets in 114 different countries - those that are demonstration-prone as well as those typically registering lower levels of activism. 71 % countries saw an uptick in demonstrations compared to 2018. Ten major protest movements in 2019 are highlighted: Algeria, that with 2,090 demonstrations saw an increase of 269 % since 2018; Egypt (with 161 demonstrations - 112 % more compared to 2018); Sudan (1,148 - 495 % more than in 2018); Iran (2,424 - 9 % more than in 2018); Iraq (1,069 = 207 % more than in 2018), Lebanon (2,138 = 1,743 %), India (18,198 = 35 % more than in 2018), Indonesia (1,030 is 41 % more than in 2018), Kazakhstan (299 – 865 % more than in 2018); and Russia (2,029 – 57 % more than in 2018). But also Serbia, Turkey and Bangladesh saw significant increases in protests, as demonstrations went up by 403 %, 198 % and 80 %, respectively. Countries in which the largest percentage of peaceful protests met with intervention or excessive force include Egypt (18 %), Sudan (22.3 %), Kazakhstan (20.4 %), and Russia (20.4 %).

The United States was one of the countries with the most activist populations in 2019: a three-month pilot during the summer counted 3,147 demonstration events. But (dis)satisfaction with democracy is not

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[97] Freedom House, 'Nations in Transit 2020: Dropping the democratic face', 2020, https://freedomhouse.org/report/nations-transit/2020/dropping-democratic-facade

[98] Abdurashid Solijonov, 'Voter turnout trends around the world', The International Institute for Democracy and Electoral Assistance (IDEA), 2016, https://www.idea.int/es/publications/catalogue/voter-turnout-trends-around-world

evenly distributed: satisfaction was on the increase everywhere in Central and Eastern Europe[99], but in decline in the United Kingdom and France, and low in Italy and Spain.[100] In Africa, democracy continues its expansion: since 2015 it has seen 32 peaceful transitions of power. And while scepticism of elites remains high, global political engagement, especially amongst the young, is high. 2019 marked a particularly remarkable year for political mobilisation against governments or particular policies: in democracies and autocracies alike and across six different continents, protestors took to the streets. In Algeria, Bolivia, Iraq, Lebanon and Sudan, heads of government were forced to step back; elsewhere leaders were left no choice but to reverse controversial policies. Democracy is becoming a more and more global affair, too. Movements such as the global climate strike led to mass protests everywhere: in March 2019 2200 strikes were organised across 125 countries; in May 2019 1600 events across 150 countries; and in September a series of 4500 across 150 countries took place.

Figure 2.14   Growth in citizen organizations, 1996–2014

Source: United Nations, Department of Economic and Social Affairs, csonet.org.

Pandemic trend impact

As measures against the pandemic restricted the gathering of people, this affected elections and referenda worldwide. As of June 2020, a total of 106 election events across 61 countries and 8 territories had been postponed.[101] At least 67 countries postponed elections between 21 February and 28 June (of which 23 delayed national elections and referendums).
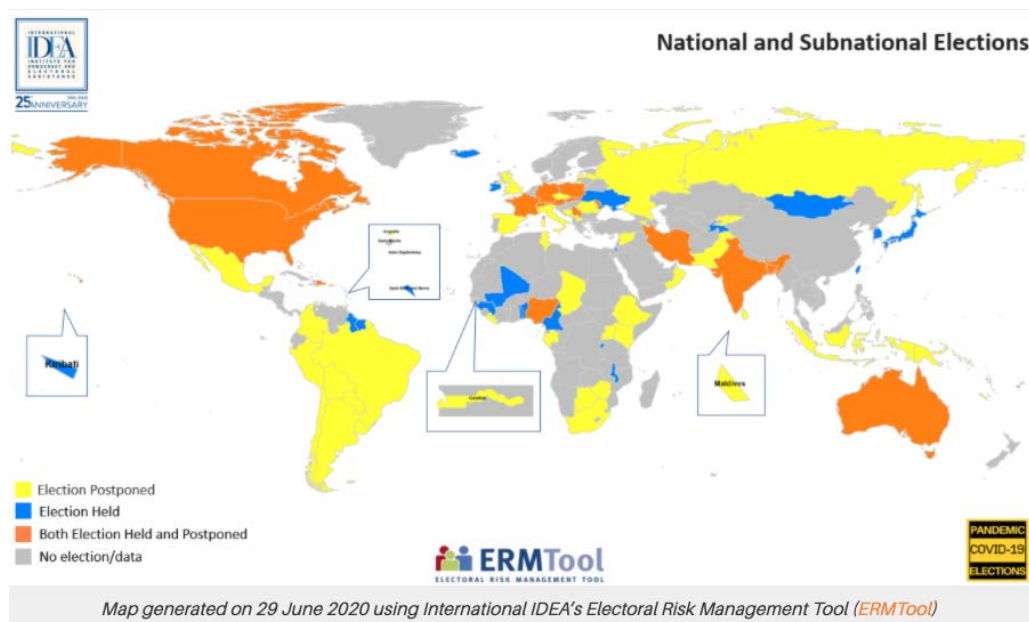
But not all states followed this trend: at least 39 countries decided to hold elections despite pandemic-related concerns (of which 23 countries held national elections or referendums).[102] Where elections did take place, abstention rates were unsurprisingly high - during the municipal elections in France, 60 % of voters decided not to cast their ballot.

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[99] In Lithuania, up from 35 % in 2009 to 69 % in 2019, in Hungary from 21 % to 45 %, and in Czech Republic from 49 to 57 %. In Poland and Ukraine satisfaction went up by 13 percentage points, and in Bulgaria by 6. Support for the transition to a multiparty system has risen over the last decade in this region, too: in Poland, from 70 % in 2009 to 85 % in 2019; in Lithuania with 15 percentage points to 70 % in 2019; in Slovakia from 71 % to 74 %, and in Hungary with 16 percentage points to 72 % in 2019.

[100] Pew Research Center, 'European public opinion three decades after the fall of communism', 15 October 2019, https://www.pewresearch.org/global/2019/10/15/european-public-opinion-three-decades-after-the-fall-of-communism/

[101] International Foundation for Electoral Systems, 'Elections postponed due to COVID-19 - As of June 17, 2020', https://www.ifes.org/sites/default/files/elections_postponed_due_to_covid-19.pdf

[102] International Institute for Democracy and Electoral Assistance, 'Global overview of Covid-19: Impact on elections', 18 March 2020, updated 29 June 2020, https://www.idea.int/news-media/multimedia-reports/global-overview-covid-19-impact-elections

National and Subnational Elections

Election Postponed
Election Held
Both Election Held and Postponed
No election/data

ERMTool
ELECTORAL RISK MANAGEMENT TOOL

PANDEMIC
COVID-19
ELECTIONS

Map generated on 29 June 2020 using International IDEA's Electoral Risk Management Tool (ERMTool)

Since March 2020, major protest movements erupted worldwide. Many were related to COVID-19: in Germany, Russia, and the US, people demonstrated against lockdowns or other forms of restrictions in response to the virus, while in Brazil, Colombia, Israel, Lebanon, Ecuador, and Spain, people demonstrated against their governments' other sorts of handling of the pandemic. Prison protests took place in Colombia, Italy, the US and Lebanon, and in India migrant workers took to the streets to demand their back wages and the possibility to return home. In Argentina increased gender-based violence and femicide rates under quarantine sparked demonstrations, too. But not all protests that took place since March were virus-related: the death of George Floyd in the US sparked protests against police brutality all across the globe, with major movements erupting in the US, Australia, France, Germany, Japan, New Zealand, Portugal, and the UK.[103]

Violence Against Civilians and Protests in West Africa

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[103] Carnegie Endowment for International Peace, 'Global protest tracker', accessed 6 July 2020, https://carnegieendowment.org/publications/interactive/protest-tracker

By May, 50 % of incidents of violence and demonstrations in non-conflict countries in West Africa involved mobilisation over the pandemic. Government response is harsh: by mid-April in Nigeria, security forces killed more people than COVID-19. Videos circulating on social media also showed police brutality in Togo, Benin and Liberia.[104]

Crucially, a number of West African states employ the pandemic (or the lack of attention thanks to the pandemic?) to crush opposition: in Sierra Leone, opposition protests have been banned under the pretext of public health safety; while in Benin and Cote d'Ivoire the government withdrew from protocols under the Cour Africaine des droits de l'homme et des Peuples, that allowed people to seek sub-regional justice. Moreover, emergency powers since the outbreak as well as Western distraction have led governments to repress opposition and manipulate elections: In Guinea, President Condé pushed for parliamentary elections and a constitutional elections in March, after which a nation-wide lockdown was announced and security forces gained additional powers. As streets were empty, a controversial 92 % win by Condé could be declared and a coalition built. In Togo, President Faure Gnassingbé used the COVID-19-curfew to arrest opposition leader Kodjo - for which previous attempts had been barred by mobilisations of Kodjo supporters. Meanwhile in Sierra Leone, a prison riot on April 29 that likely started thanks to the discovery of a COVID-19 case, was framed by the ruling party as a launch of a coup, while opposition claimed it was used as a pretext to crack down on them. In the weeks after, various opposition officials were arrested.

What does this mean for the EU and the European Parliament?

Although the postponement of elections has been interpreted as a threat to democracy, holding them during a pandemic does not lead to legitimate results and hurts democracy equally. It is therefore fair to say that the pandemic might have affected election procedures, but left democracy as a whole in the status it was in before the elections. This is reflected in the increase of real-life demonstrations and online activism during the pandemic, sometimes in defiance of lockdown measures. For the European Parliament, whose role is in part to maintain awareness on human rights and the status of democracy, this means that no blanket statement on the status of democracy post-COVID-19 is yet possible. Instead, the challenges democracy as a system faces should be understood in their entirety: while it is true that states such as Russia and China actively undermine democracies abroad, they are not responsible alone for the dissatisfaction citizens feel. A thorough review of how democracy needs to reform and adapt in the 21st century is long overdue.

3   Geopolitical game-changers in the making

Every crisis opens up the possibility for change. This is because it reorganises priorities, puts some activities on hold while spurring on others, paralyses actors while empowers others, exposes vulnerabilities, and mobilises hitherto unknown resources and capabilities. While a crisis might not change everything, it for sure opens up the *potential* for change by producing what we call game-changers: areas where decisions are yet to be taken, and where the future trajectory is therefore still uncertain. Equally valid terms are crossroads, or decision points. (Hence why the word crisis comes from the word *krisis* in Greek meaning 'decisive moment'.) Game-changers differ from trends in that we have less certainty when it comes to their scope, shape, and lifespan. But they, too are the result of drivers, elements that made them come about in the first place.

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[104] Kars de Bruijne and Loic Bisson, 'States, not jihadis, exploiting corona crisis in West Africa', *Clingendael Spectator,* 27 May 2020, https://spectator.clingendael.org/nl/publicatie/states-not-jihadis-exploiting-corona-crisis-west-africa

COVID-19 too, produces game-changers that will have repercussions on geopolitics. Below, we outline the different possible trajectories they can take. Because game-changers open possibilities and uncertainties, they are formulated as questions – tentative answers to them are given in the scenarios in section 4.

3.1   The new face of trade & supply chains

With its restrictions on mobility, the pandemic negatively affected trade. This was less because of partially or full closure of borders, and more by delays in production as factories were closed, as well as the collapse of air traffic, which made transport incredibly costly.[105] As a result, trade in goods shrunk substantially all over the world to varying degrees: by 26.9 % in Germany, by 33.9 % in France and by 15.6 % in the UK. Exports of services contracted, too, albeit to a lesser extent: by 15.5 %, 23.9 % and 8.8 % in Germany, France and the UK, respectively.[106] In the US and Canada, merchandise export fell by 15.1 % and 29.2 % and imports by 13.6 % and 25 %, respectively – with imports of cars and car parts falling by 52.2 % and 80 %. As for trade in services, Canada witnessed a contraction of 21.1 % for exports and 31.2 % for imports; in the US exports contracted by 10.7 % and imports by 14 %. In Asia, services exports and imports contracted at slower rates: in Japan exports fell by 7.1 % and imports by 5.6 %; in Korea exports contracted by 10.3 % and imports by 5.4 %. In China, services exports even increased by 4.2 %. Merchandise exports fell by 10.6 % in Japan and 21.7 % in Korea during April, while imports fell by 0.1 % in Japan and 9.5 % in Korea. In China, merchandise exports picked up by 3.7 %, nearly reaching 2019 levels, but imports fell by 7.9 %.

This development was quickly dubbed the 'reversal' or 'slowing down of globalisation' as it appeared a continuation of decreased trade in goods the year before. There are two problems with this perception: firstly, it defines globalisation primarily as a phenomenon of trade in goods, when in reality it also includes trade in services, movement of people, flow of information, and capitals.[107] Secondly, it interprets the decrease in trade geopolitically as a result of the Sino-American 'trade war'.

A more accurate analysis shows a much more nuanced picture. To begin with, all other areas of globalisation (or, to use a more fitting term, global connectedness) continued to grow before the pandemic, with the exception of trade in goods which fell by 0.4 % in 2019. What is worth noting is that this decrease cannot be labelled a trend because it happened only over the course of one year, but trends run over several years. In 2017 and 2018, global trade was expanding by 4.8 % and 3.4 %. A closer look also shows that this dip was not so much the Sino-American 'trade war', but a combination of low oil prices, low

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[105] Between February and May, air freight rates per kg on routes from Hong Kong to North America had increased from USD 3.19 to USD 7.73 and to Europe from USD 2.52 to USD 5.88; on Frankfurt-North America cargo routes, freight prices per kg increased from USD 1.84 in February to USD 3.83 in April before falling again slightly to USD 3.71 in May. Aircargo News, 'Airfreight rates - TAC Index', accessed 23 June 2020, https://www.aircargonews.net/data-hub/airfreight-rates-tac-index/. World Bank, 'Global Economic Prospects, June 2020', 2020, Washington, DC: World Bank.

[106] OECD, 'International Trade Pulse, OECD - Updated: June 2020', 18 June 2020, http://www.oecd.org/sdd/its/international-trade-pulse-oecd-updated-june-2020.htm

[107] The Economist, 'Special report on global supply chains', 11 July 2019, https://www.economist.com/special-report/2019/07/11/supply-chains-are-undergoing-a-dramatic-transformation. Steven A. Altman & Phillip Bastian, 'DHL Global Connectedness Index: Mapping the Current State of Global Flows', 2019, p.7 https://www.dhl.com/content/dam/dhl/global/core/documents/pdf/g0-en-gci-2019-update-complete-study.pdf

global productivity and decreased demand for Japanese products in the United States.[108] Because of this, pre-pandemic expectations were high that global trade would return to pre-2019 levels from 2020.[109]

Where the pandemic *did* produce a potential geopolitical game-changer, however, was in the creation of a new perception of supply chains and critical goods. Although the vast majority of disrupted production was in sectors such as electronics, computing and textile manufacturing sectors, the disruption shone light on the dependence on certain medical supplies, particularly protective equipment and medication produced in China and India.[110]

This critical dependence on particularly China during a health crisis fell into the tense geopolitical context elaborated in section 2.1., and spurred a rethinking of certain goods as 'strategic', and invited a review of supply chains of such goods. Looking at various expert polls, changes in supply chains are indeed foreseen – and outlooks are markedly different from those made before the pandemic. A survey with business leaders and tech experts demonstrates that while before the pandemic, 45 % of respondents did not anticipate any changes in supply chains; thanks to the pandemic, this percentage was down to 15 %. More than 60 % of the respondents said to expect significant or moderate changes to supply chains in the long run, with the most significant decreases in presence of supply chain components expected in China and Russia, and the largest increases in the US, Canada, the UK and Australia.[111]
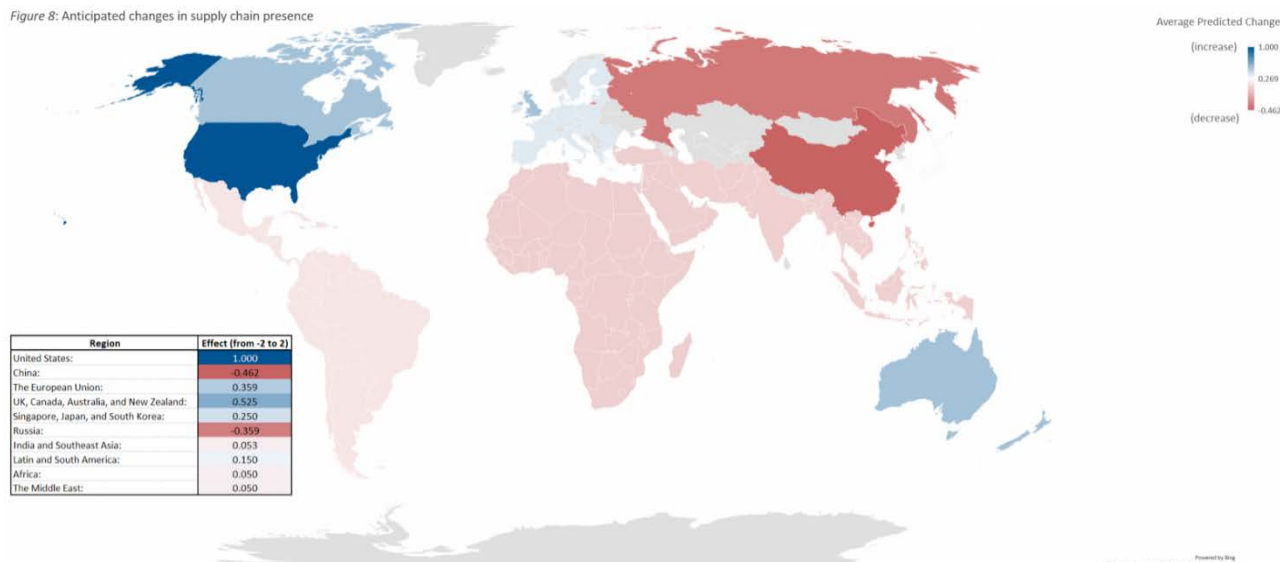

Figure 6: Priority changes to supply chains

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[108] As a result of China's expanding domestic consumer market and a maturation of supply chains, its exports to the United States were in decline even before the spat over imports, falling from 7.4 % of China's GDP in 2006 to 3.6 % in 2017. When the 'trade war' started, they decreased from 3.5 % of China's total economic output (GDP) in the first quarter of 2018 to 3.2 % in the second quarter of 2019 - a mere 0.3 %. The share of China's total exports going to the United States fell from 19 % in the first quarter of 2018 to 18 % in the second quarter of 2019 - by 1 %. The American share of China's imports meanwhile went down from 8.0 % in the first quarter of 2018 to 5.7 % in the second quarter of 2019, reflecting a more dramatic drop. Quartz, 'Global trade growth is on its longest losing streak in a decade', 28 January 2020, https://qz.com/1791936/global-trade-plummeted-in-2019/

[109] World Bank, 'Global Growth: Modest Pickup to 2.5 % in 2020 amid Mounting Debt and Slowing Productivity Growth', 8 January 2020, https://www.worldbank.org/en/news/press-release/2020/01/08/modest-pickup-in-2020-amid-mounting-debt-and-slowing-productivity-growth. IMF, 'The World Economy: Synchronized Slowdown, Precarious Outlook', 15 October 2019, https://blogs.imf.org/2019/10/15/the-world-economy-synchronized-slowdown-precarious-outlook/

[110] World Economic Forum, 'Managing COVID-19: How the pandemic disrupts global value chains', 27 April 2020, https://www.weforum.org/agenda/2020/04/covid-19-pandemic-disrupts-global-value-chains/; Sam Lowe, 'Securing Europe's medical supply chains against future shocks', 29 May 2020, Centre for European Reform, https://www.cer.eu/publications/archive/bulletin-article/2020/securing-europes-medical-supply-chains-against-future

[111] Atlantic Council, 'Expert survey series: Supply chains and the effects of Covid-19, geopolitics, and technological innovation', 1 June 2020, Andrea Little Limbago, Stewart Scott, David Bray and Peter Brooks, https://www.atlanticcouncil.org/blogs/geotech-cues/supply-chains-and-the-effects-of-covid-19-geopolitics-and-technological-innovation/

Figure 8: Anticipated changes in supply chain presence

Region	Effect (from -2 to 2)
United States:	1.000
China:	-0.462
The European Union:	0.359
UK, Canada, Australia, and New Zealand:	0.525
Singapore, Japan, and South Korea:	0.250
Russia:	-0.359
India and Southeast Asia:	0.053
Latin and South America:	0.150
Africa:	0.050
The Middle East:	0.050

Governments have been encouraging companies to re-shore: Japan announced in April subsidies and direct loans worth USD 2 billion for companies that shift production from China back to Japan, and USD 220 million for those reshoring from China to ASEAN countries.[112] Elsewhere, too, initiatives to increase autonomy from China are being launched: the UK initiated the idea of a '5G club' of ten democracies, including the G7 countries and Australia, South Korea and India, to create alternative suppliers of 5G technology and avoid reliance on China.[113] In June, the EU put forward a proposal to curb foreign subsidies – a move that is generally interpreted as an attempt to push back Chinese companies' influence on the European market. In addition, on 12 June the EU imposes anti-subsidy tariffs on glass fibre from Chinese factories in Egypt,[114] marking the first explicit targeting of China's Belt-and-Road programme. And on 13 June the EU launched a review of its trade policy to address, inter alia, the reshoring of Europe's industry.[115] These developments are of course not novel: the 5G discussion was heated long before Coronavirus was first detected and the European Commission mentioned the need for measures to curb foreign subsidies already in March 2019 in its Communication on China; but the pandemic provided a more urgent context to this debate.[116]

It should be added that while the pandemic served as a wake-up call that global supply chains are increasingly vulnerable to shocks, the necessity to rethink them extends well beyond this health crisis. The World Bank measured that 80 % of global trade flows through countries with declining political-stability scores, and more global production happens in areas vulnerable to climate change.[117] For instance,

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[112] Forbes, 'Japan ditches China in multi-billion dollar Coronavirus shakeout', Kenneth Rapoza, 9 April 2020, https://www.forbes.com/sites/kenrapoza/2020/04/09/japan-ditches-china-in-multi-billion-dollar-coronavirus-shakeout/#4c102495341

[113] The Times, 'Downing Street plans new 5G club of democracies', Lucy Fisher, 29 May 2020, https://www.thetimes.co.uk/article/downing-street-plans-new-5g-club-of-democracies-bfnd5wj57

[114] Reuters, 'EU imposes tariffs on Chinese makers of glass fibre fabric in China and Egypt', 15 June 2020, https://www.reuters.com/article/us-eu-china-egypt-trade/eu-imposes-tariffs-on-chinese-makers-of-glass-fibre-fabric-in-china-and-egypt-idUSKBN23M27J

[115] Politico, 'Brussels forges new weapons to shield EU market from China', 16 June 2020, https://www.politico.com/news/2020/06/16/brussels-forges-new-weapons-to-shield-eu-market-from-china-325145

[116] European Commission, 'EU-China: A strategic outlook', 12 March 2019, https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf

[117] McKinsey Global Institute, 'COVID-19 and climate change expose dangers of unstable supply chains', Kevin Sneader and Susan Lund, 28 August 2020, https://www.mckinsey.com/business-functions/operations/our-insights/covid-19-and-climate-change-

companies sourcing leading-edge chips from Korea, Japan, Taiwan or elsewhere in the western Pacific can expect that hurricanes sufficient to disrupt supplies will become 2 to 4 times more likely by 2040. And the probability that heavy rare earths production in south-eastern China is severely disrupted by extreme rainfall doubles by 2030.[118]

The first direction the pandemic could thus push towards is a thorough reshuffling of value chains that redirect production processes towards countries sharing the same values. We may see sustained efforts by states and trading blocks to push companies to re-shore, and a spike in measures to curb foreign subsidies. Even if framed as efforts to counter unfair competition, the underlying goal of increased strategic autonomy and resilience will be crystal clear. These measures are unlikely to level the playing field, and countries absorbed by the Belt and Road Initiative may find it increasingly hard to enter certain markets. The result is a world increasingly divided into blocks, with supply chains following political fault lines. This direction does not imply a regionalisation of trade: previous trade diversions caused by the US-China trade war saw a shift in US manufacturing imports to Mexico and Vietnam alike; there is no reason to believe this will be different now. Alternatively, we may see that the 'nothing will ever be the same'-notion typical to crises will prove exaggerated. As the pandemic winds down, but its economic effects reverberate, companies and countries alike once again prioritise cost-efficiency. The sudden disruptions that exposed the vulnerabilities of just-in-time value chains can be quickly forgotten. Yet pre-pandemic trends such as rising global labour costs, technological advancements and maturing domestic markets in China, ASEAN countries and elsewhere continue to drive a more gradual restructuring of global supply chains.

In addition, longer-term effects could include a strengthening intra-African trade and supply chains, but also a rise in importance of African manufacturing for European and Middle Eastern states.[119]

Key uncertainties

- To what extent will the reallocation of supply chains alter geopolitics? While this depends on the depth of the changes, and the flanking rhetoric, it could sever some ties and create new ones elsewhere. It could also increase a European self-perception of autonomy and self-reliance, with important geopolitical ripple effects.
- Will supply chains change permanently and comprehensively, or only temporarily and sectorially? Studies show that shocks to a system can be different types of change – this means that the ongoing discussion on supply chains gives us no clear indication on how substantial the changes will be in the long-run.
- Will these changes bring economic impacts with them? There is a risk that reallocation of supply chains comes with financial costs and other negative economic effects, such as delays and lowered productivity. These, in turn could have negative political effects.

3.2 Health multilateralism

Until COVID-19, international health care was a largely national affair. The World Health Organisation (WHO), a body created to promote human health around the globe, was chiefly preoccupied by the eradication of diseases such as polio, and had a particular regional emphasis on Africa and Western Asia. A health problem that reached global proportions, such as COVID-19, had never been handled before by

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expose-dangers-of-unstable-supply-chains?cid=other-eml-alt-mgi-mck&hlkid=02684107eccf48e29ce5a2001db06ce1&hctky=12149150&hdpid=43f33d3f-d57c-4ede-8b25-abfef610c1c5

[118] McKinsey Global Institute, 'Could climate change become the weak link in your supply chain?', Jonathan Woetzel, Dickon Pinner, Hamid Samandari, Hauke Engel, Mekala Krishnan, Claudia Kampel and Jakob Graabak, 6 August 2020, https://www.mckinsey.com/business-functions/sustainability/our-insights/could-climate-become-the-weak-link-in-your-supply-chain

[119] United Nations Conference on Trade and Development, 'Digital Economy Report 2019', https://unctad.org/en/PublicationsLibrary/der2019_en.pdf
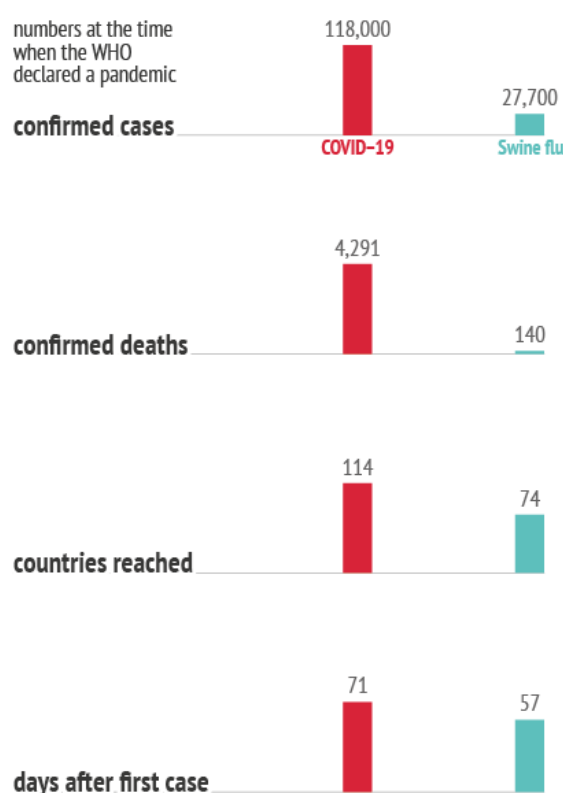
neither the WHO nor national states despite a widely shared expectation that a pandemic would eventually unfold.

That said, the WHO was much slower in declaring COVID-19 a pandemic than swine flu. Dissatisfaction was widely shared, and led the US to announce that it would cut its funding to the UN agency responsible for international public health. But criticism was not limited to the WHO, and geopolitical tensions rose as leaders bickered over the origins of the virus and countries' respective handling of the outbreak. Various authorities hinted at malicious cyber activity targeting COVID-19 research and health care policies, and some leaders resorted to nationalistic rhetoric regarding potential vaccines.[120]

Yet below the tensions, it became quickly clear that the absence of deepened global health cooperation made managing the pandemic much more difficult.

Two pandemics compared

The WHO's response to Covid-19 and swine flu

numbers at the time when the WHO declared a pandemic

confirmed cases

118,000 COVID-19

27,700 Swine flu

confirmed deaths

4,291

140

countries reached

114

74

days after first case

71

57

In response the coronavirus pandemic, various global funds were launched by the major multilateral organisations. The UN launched a USD 10.31 billion inter-agency Global Humanitarian Response Plan – of which USD 2.35 billion had been met by late August – to support vulnerable countries in their responses.[121] Meanwhile the WHO launched a solidarity fund to coordinate the global response. At the state level, too, global leaders underlined the need for global cooperation. Health ministers from the G7 agreed in February

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[120] Jenny J. Lee and John P. Haupt, 'Scientific globalism during a global crisis: research collaboration and open access publications on COVID-19', *Higher Education*, 2020, https://link.springer.com/article/10.1007/s10734-020-00589-0

[121] OCHA Services, 'COVID-19 Global Humanitarian Response Plan (Humanitarian response plan)', https://fts.unocha.org/appeals/952/summary

to coordinate travel regulations and precautions, research into the virus and cooperation with the WHO, the EU and China;[122] while in April G20 leaders pledged to accelerate cooperation on a vaccine and research, treatment and medicine.[123] In April, the WHO, France, European Commission and The Bill & Melinda Gates Foundation launched the COVID-19 Tools Accelerator, aimed at a more timely and effective response at the global level.[124] And in June, USD 8.8 billion was raised at the Global Vaccine Summit from 31 donor governments and 8 foundations and corporations to provide vaccines and support health systems in low-income countries.[125] Countries also joined forces in smaller coalitions, such as the 'First Mover' group consisting of Austria, Australia, Greece, Denmark, Czech Republic, Singapore, Israel, Norway and New Zealand, to compare notes on their pandemic responses.[126] Regional health cooperation initiatives were further undertaken by the African Union, The Economic Community of West African States, the Intergovernmental Authority on Development (IGAD), the Southern Common Market (MERCOSUR), the Association of Southeast Asian Nations (ASEAN), and the Gulf Cooperation Council (GCC).[127]

Meanwhile in Brussels, the European Commission proposed a 9.4 billion EU4Health programme for the period 2021-2027 to improve coordination amongst member states and better prepare for future health crisis. The programme is set to tackle cross-border health threats, make medicines more available and affordable, and strengthen health systems – including support for global cooperation on health challenges. EU ministers of health broadly welcomed the initiative during a meeting in June 2020.

But perhaps even more importantly, the global health crisis incited an unprecedented level of global cooperation at the scientific level. In January, Chinese researchers rapidly published the first genome of the coronavirus, and the genetic map was made available freely around the world. At MIT, engineers, physicians and computer scientists made freely available a design for a low-cost ventilator – which was used by a group of Indian engineers racing to ease the country's ventilator shortage. The Institut Pasteur in Dakar and the British biotechnology firm Mologic joined forces to develop rapid test kits to be made and distributed across Africa.[128] And the University of Pittsburgh works together in a consortium with the Pasteur Institute in Paris and the Austrian drug company Themis Bioscience, funded by the Norway-based Coalition for Epidemic Preparedness Innovation – which is in turn funded by the Bill and Melinda Gates foundation and a group of governments. The consortium is in talks with the Serium Institute of India, one of the world's largest vaccine manufacturers. Meanwhile a group of Harvard doctors tested the effectiveness of inhaled nitric oxide on COVID-19 patients in Massachusetts General Hospital, in conjunction with Xijin Hospital in China and various hospitals in northern Italy. The scale of the current pandemic and today's technology have thus paved the way for a global scientific effort that is truly

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[122] Reuters, 'G7 health ministers agree on coordinated approach to coronavirus: Germany', 3 February 2020, https://www.reuters.com/article/us-china-health-g7-germany/g7-health-ministers-agree-on-coordinated-approach-to-coronavirus-germany-idUSKBN1ZX2IQ

[123] Guardian, 'US stays away as world leaders agree action on Covid-19 vaccine', 24 April 2020, Patrick Wintour, https://www.theguardian.com/world/2020/apr/24/us-stays-away-as-world-leaders-agree-action-on-covid-19-vaccine#maincontent

[124] World Health Organisation, 'ACT-Accelerator update', https://www.who.int/news-room/detail/26-06-2020-act-accelerator-update

[125] GAVI, 'World leaders make historic commitments to provide equal access to vaccines for all', https://www.gavi.org/news/media-room/world-leaders-make-historic-commitments-provide-equal-access-vaccines-all

[126] The Sydney Morning Herald, 'Inside the First Movers group of countries that turned virus around', 22 June 2020, Bevan Shields, https://www.smh.com.au/world/europe/inside-the-first-movers-group-of-countries-that-turned-virus-around-20200619-p554ft.html

[127] Tom Evans and Alex Scott, 'Global cooperation during Covid-19', E3G, 15 July 2020, https://www.e3g.org/wp-content/uploads/15_07_20_Briefing-Global-Cooperation-during-COVID-19-April-July-2020.pdf

[128] World Economic Forum, 'COVID-19: Collaboration is the engine of global science – especially for developing countries' Mukhisa Kituyi, 15 May 2020, https://www.weforum.org/agenda/2020/05/global-science-collaboration-open-source-covid-19/

unprecedented and ground-breaking, especially when considering that academic medical research is usually shrouded in secrecy to secure grants, promotions and tenure.[129]

A study into scientific globalism during the pandemic indeed found that the proportion of international collaboration and open-access publications increased. The extent of international scientific collaboration – measured by the number of publications that included authors from more than one country – in COVID-19 research published between January and early May 2020 was higher compared to the pre-pandemic period (2015-2019) and compared to non-COVID-19 research conducted in 2020. Of the 3401 COVID-19 publications included in the study, one third were based on international collaborations, compared to 23.4 % for studies conducted in the pre-pandemic period and 27.9 % of non-COVID-19 studies conducted in 2020. The same applies to open access: 75.7 % of the publications on COVID-19 were open access, whereas this percentage is 28.9 % for publications in the pre-pandemic period and 32 % of non-COVID-19 publications in 2020. Interestingly, the more affected a country was by the pandemic, the more likely it would participate in international collaboration and open access publications.[130]

That said, another study pointed out that in a time of urgency, the cost of search and coordination needed in internationally collaborative work, increases. In absence of an international organisation overseeing research, international cooperation operates as a network which takes time to traverse. This particularly applies to sciences of immunology and virology, where no central laboratory or common data set works as an organising force. The need to increase efficiency during the pandemic therefore reduced the number of team members (and nationalities) involved in coronavirus research, this study suggested, and favoured pre-existing relationships to reduce the transaction costs of communication. However, findings also suggest that collaboration between China and the United States – the two countries at the centre of the global network of coronavirus research – strengthened: the two countries produced more than 4.9 % of global articles on COVID-19 together in contrast to 3.6 % of research on coronavirus before the pandemic.[131]

Despite rising geopolitical tensions, the pandemic has thus opened a window of opportunity for reinforced scientific cooperation and a global approach to health. Not only has the pandemic spurred a sense of urgency for such a global scientific approach but also do today's technologies today allow for it – which for instance was not the case during the HIV epidemic in the 1980s and 1990s. This need has been acknowledged by leaders across the globe; for instance at a UNESCO meeting with representatives of ministries in charge of sciences in 122 countries as well as the EU, the African Union, and the WHO.[132]

The EU has all the bodies, agencies and financial resources in place to have a more comprehensive strategy on health. In response to the pandemic, it now seeks to be empowered to deploy these in future major health crises. The real-time information sharing of outbreak data and information on health infrastructures by member states, shared stockpiles, better control and autonomy of health supply chains and an EU-wide vaccine programme are currently on the list of ambitions. But an international health approach could – and should – go further than the EU's borders. Especially in absence of US and Chinese leadership in this regard, the EU can have a crucial role to play in advancing a global approach to health. The EU thus has an

[129] New York Times, 'COVID-19 changed how the world does science, together', 14 April 2020, Matt Apuzzo and David D Kirkpatrick, https://www.nytimes.com/2020/04/01/world/europe/coronavirus-science-research-cooperation.html

[130] Jenny J. Lee and John P. Haupt, 'Scientific globalism during a global crisis: research collaboration and open access publications on COVID-19', *Higher Education*, 2020, https://link.springer.com/article/10.1007/s10734-020-00589-0

[131] Caroline V Fry, Xiaojing Cai, Yi Zhang, Caroline S Wagner, 'Consolidation in a crisis: patterns of international collaboration in early COVID-19 research', *PLoS ONE*, 15(7), https://doi.org/10.1371/journal.pone.0236307

[132] UNESCO, 'UNESCO mobilizes 122 countries to promote open science and reinforced cooperation in the face of COVID-19', 30 March 2020, https://en.unesco.org/news/unesco-mobilizes-122-countries-promote-open-science-and-reinforced-cooperation-face-covid-19

important balance to strike between protecting European health interests and pushing a global health agenda. The Commission's announcement on 31 August that the EU will participate in the COVAX Facility for equitable global access to vaccines and a contribution of 400 million euros – in addition the earlier pledge of 16 billion euros for the global response to the COVID-19 – demonstrates that the EU is indeed opting for assuming a global role.[133]

Key uncertainties

- To what extent will member states grant the EU new competencies to roll out health measures? At the moment, health is not a matter managed at either European or international level. In fact, it is a matter mostly managed by individuals themselves, as lifestyle choices have shown to play a more important role in the pandemic's impact than healthcare spending. Thus, healthcare could become either a new area for global cooperation – or not.

- To what extent will the EU assume a global role coordinating health efforts in multilateral forums? As the EU has no competencies in this regard, the extent to which the EU can or will play an influential role in this will depend very much on how well it manages to merge its foreign affairs with its member states healthcare competencies.

- What geopolitical consequences will the first successful vaccine have? As different states have rushed to trials of vaccines, it is clear already that the first successful one will increase the leverage of the state that has sponsored it. This could fuel further tensions, but also serve as another element to improve one's own standing in the world.

3.3   Digital diplomacy

Diplomacy at the beginning of the 21st century was already distinctly different from the years before. A new style in language, along with the use of social media and increase in disinformation had created a diplomatic environment that appeared more conflictual, more antagonistic and less focused on what diplomacy was created for: communication, exchange of views and the development of common solutions amongst states.

On the surface, COVID-19 put an end to diplomacy as it was known: the severe reduction of mobility, as well as the restrictions on social contact meant that meetings, which are the cornerstone of diplomatic practice, were no longer possible, or only at a very restricted level. In early March, the United Nations General Assembly, the ASEAN summit, the United Nations Climate Change Conference, the EU-China summit, the EU-India summit, the Council of Europe Congress, and a host of European Council meetings were postponed or cancelled in the first few months of the crisis. At the United Nations, Security Council meetings were cancelled along with a session of the Human Rights Council and a host of working group meetings.[134]
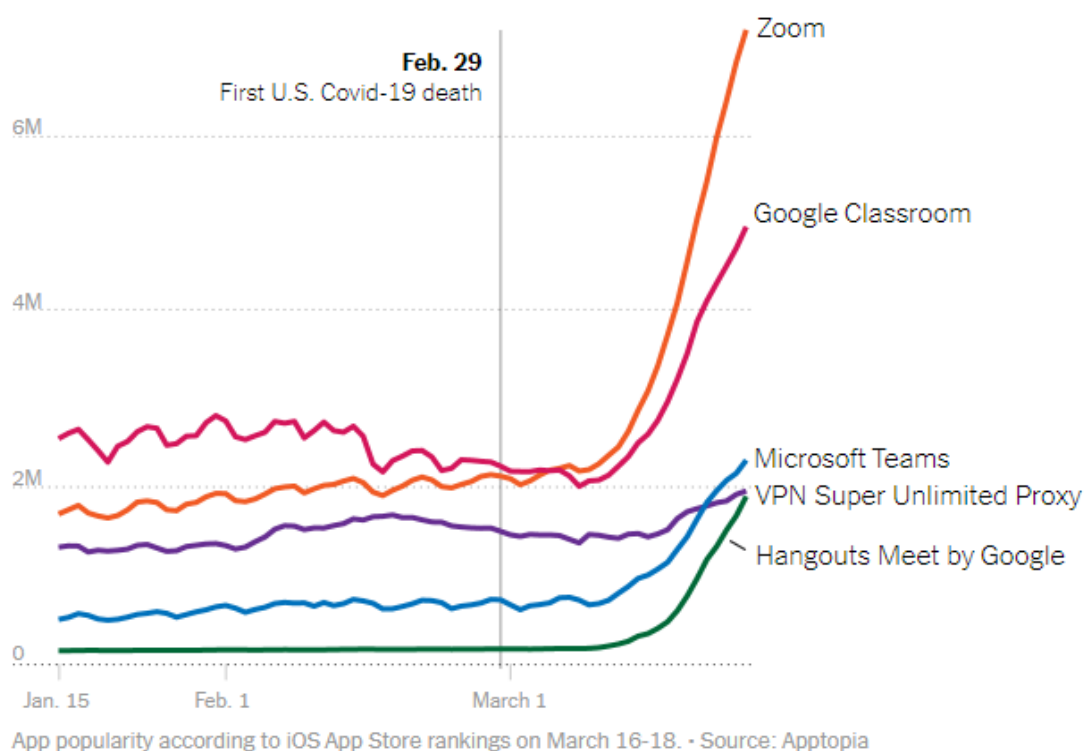
But by the second week of March, European Council meetings already resumed via videoconference. The system, at first not adapted to the new requirements, originally allowed only for one videoconference a

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[133] European Commission, 'Coronavirus global response: Commission joins the COVID-19 Vaccine Global Access Facility (COVAX)', 31 August 2020, https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1540

[134] France24, 'UN Security Council halts meetings due to coronavirus epidemic', 16 March 2020, https://www.france24.com/en/20200316-un-security-council-halts-meetings-due-to-coronavirus-epidemic. United Nations, 'Schedule of meetings of the General Assembly plenary and other related meetings', https://www.un.org/pga/74/wp-content/uploads/sites/99/2020/07/Schedule-of-meetings-of-GA-plenary-and-other-related-meetings-updated-6-July-2020.pdf

day, with a long break in between for technical reasons.[135] Although diplomacy lagged far behind in digital matters – for reasons of information security, confidentiality and tradition –, it quickly adapted to the crisis along with other sectors that moved online.

Daily app sessions for popular remote work apps

Feb. 29
First U.S. Covid-19 death

Zoom

Google Classroom

Microsoft Teams
VPN Super Unlimited Proxy
Hangouts Meet by Google

App popularity according to iOS App Store rankings on March 16-18. · Source: Apptopia

When comparing 2019 and 2020, the EU did not just resume meetings at the pre-pandemic interval, but instead doubled most meetings amongst European officials.

	2019 March - June	2020 March - June
European Council	2	5
Foreign affairs, trade, defence, development	8	16
other ministers	36	48
High-level meetings with non-EU states	11	8

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[135] Der Spiegel, 'Deutscher EU-Botschafter schreibt Brandbrief ans Kanzleramt', 7 April 2020, https://www.spiegel.de/politik/ausland/corona-krise-deutscher-eu-botschafter-schreibt-brandbrief-ans-kanzleramt-a-90f62ece-5cdf-4a92-b720-16c051660ccb

It also re-scheduled meetings with non-EU states, such as India and China, to be held via videoconference. In August, a month where traditionally no summits are held, Council President Michel called for an emergency summit as violence had erupted in Belarus, a measure possible only because of the new practice of digital diplomacy. Meetings took also place between European and American foreign ministers.[136]

Of course, the EU was not the only one to use digital technologies to work around the pandemic: the G20 met in late March via videoconference, at the United Nations, Security Council meetings resumed via videoconference, albeit with a few crucial weeks of delay.[137] The United Nations General Assembly will be held, in September 2020, for the first time online.[138] NATO meetings – from working groups to North Atlantic Council meetings – were also moved to video format from early April.[139] The African Union, too, held video meetings from April, and the League of Arab States, somewhat lagging behind, from June.

To be sure, conducting diplomacy via videoconference has severe disadvantages: concerns over confidentiality, connection issues, lack of interpersonal relations, and difficulties with concentration apply to diplomacy as much as to any other sector relying on digital tools. Lack of interpretation, background information, and the informality of the coffee break are all serious drawbacks not to underestimate. Some states, such as Russia and China, have weakened the format by declaring discussions held online to be only informal, and therefore no binding decisions are taken. For instance, the Security Council's sanctions committee has been paralysed and cannot take action on alleged violations of sanctions. As not all states are in favour of digitalisation, the United Nations General Assembly has no electronic voting system, and therefore the regular procedure cannot be used. As a result, only consensus resolutions are passed. Of course, unanimity in international relations is rare, and even more so when personal meetings are not possible to resolve issues. Furthermore, multilateral fora also provide an opportunity for states to meet that are not on friendly terms – an opportunity unlikely to arise online.[140] That said, in the time of a crisis, the tool has proven invaluable in streamlining positions, pushing forward common decisions, and maintaining communication across distances. It also contributed to a reduction in travel cost, and curbing CO_2 emissions.

Digitalisation has also occurred in the public part of diplomacy. Due to the fast pace of the crisis, communication moved towards those outlets capable of absorbing this speed, social media, especially Twitter but also Instagram.[141] The EU, for one, has doubled down on its actions to counter disinformation, quickly adding to an already growing body of sources that should bolster media literacy. And the WHO is organising an 'infodemiology' conference to study and highlight the infodemic around the Coronavirus.

Between January and March, English-language fact-checks increased by over 900 %.[142]

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[136] Politico, 'Trans-Atlantic homesick blues as Pompeo holds EU talks', 15 June 2020, https://www.politico.com/news/2020/06/15/pompeo-europe-video-call-320398

[137] Politico, 'The United Nations goes missing', 8 April 2020, https://www.politico.com/news/2020/04/08/united-nations-coronavirus-176187

[138] UN News, 'COVID-19: World leaders to stay at home, in first 'virtual' UN General Assembly', 23 July 2020, https://news.un.org/en/story/2020/07/1068921

[139] NATO, 'Meeting of NATO Ministers of Foreign Affairs', 1 April 2020, https://www.nato.int/cps/en/natohq/events_174657.htm?selectedLocale=en

[140] World Politics Review, 'How COVID-19 Has Transformed Multilateral Diplomacy', 1 June 2020, https://www.worldpoliticsreview.com/articles/28801/how-covid-19-has-transformed-multilateral-diplomacy

[141] EURactiv, 'Digital diplomacy: States go online', 16 June 2020, https://www.euractiv.com/section/digital/news/digital-diplomacy-states-go-online/

[142] Reuters Institute, 'Types, sources, and claims of Covid-19 misinformation', Dr J Scott Brennen, Felix Simon, Dr Philip N Howard, Rasmus Kleis Nielsen, 7 April 2020, https://reutersinstitute.politics.ox.ac.uk/types-sources-and-claims-covid-19-misinformation?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosfutureofwork&stream=future

Key uncertainties

- Will the weaknesses of video conferencing, such as security and connection concerns, be addressed sufficiently to establish digital diplomacy permanently as a complement of regular diplomacy? If yes, this could improve the pace of decision-making and decrease response time to crises.

- Does the increase in communication improve or decrease the efficiency of diplomatic practices, particularly with regards to pressing issues such as conflict onsets and severe violations of international law? In the early months of the pandemic, this appeared not to be the case, as key elements of diplomacy, notably trust and communication, were not easily established. This could change, however.

- Will an extended paralysis of the UN Security Council and General Assembly also paralyse conflict resolution and prevention? Past experiences with paralysis of the Security Council – notably during the Cold War – showed that it correlated with increase in conflict. The first half of the pandemic seems to confirm this, but it could also just remain a temporary lull.

3.4 Europe: the green superpower?

The pandemic drastically altered global patterns of energy demand. Reduced mobility and the temporary closing-down of production sites caused an unprecedented reduction in CO_2 emissions. Current estimations of the total impact on 2020 annual emissions vary between -4 % and -7 %, depending on the continued need for restrictions.[143] Yet these numbers give little reason for optimism: similar patterns were observed during the financial crisis of 2008-09, only to bounce back two years later. And to keep levels below 1.5 degrees, emissions would have to fall by 7.6 % each year.

While the impact of pandemic-related consumption, production and mobility changes on CO_2 emissions will thus likely be limited, the health crisis also influences policies and measures undertaken to mitigate climate change. An early assessment of what the pandemic did to such efforts reflects a double-edged sword: both negative and positive effects have been observed. On the negative side, we have seen anything from cancelled climate negotiations[144] to a 55 % uptick in illegal deforestation in the Amazon, from states such as China, Brazil or the United States waving environmental measures.[145] Airlines in particular seized the moment to minimise their carbon-offsetting scheme scheduled to start in 2021, helped by the fact that virtually no climate conditions were attached to the 32.9 billion euros made available in assistance to European companies.[146] In addition, to avoid public transport, sales of used cars

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[143] Le Quéré et al., 'Temporary reduction in daily global CO_2 emissions during the COVID-19 forced confinement', *Nature Climate Change,* 18 May 2020, https://www.nature.com/articles/s41558-020-0797-x

[144] The United Nations Climate Change Conference, the World Conservation Congress, the Convention on Biological Diversity (set to establish new rules for the protection of wildlife and plans from climate change), the UN Ocean Conference, High Seas Treaty. Earth Institute at Columbia University, 'COVID-19's long-term effects on climate change - for better or worse', 25 June 2020, https://phys.org/news/2020-06-covid-long-term-effects-climate-changefor.html

[145] Reuters, 'Brazil scales back environmental enforcement amid coronavirus', 27 March 2020, https://www.reuters.com/article/us-health-coronavirus-brazil-environment/exclusive-brazil-scales-back-environmental-enforcement-amid-coronavirus-idUSKBN21E15H; Elaine Ruth Fletcher & Svet Lustig Vijay, 'UN Climate Conference postponed until 2021 due to COVID-19; Experts debate pandemic's impact on climate action', *Health Policy Watch,* 2 April 2020, https://healthpolicy-watch.news/un-climate-conference-postponed-until-2021-due-to-covid-19-experts-debate-pandemics-impact-on-climate-action/; Reuters, 'China to modify environmental supervision of firms to boost post-coronavirus recovery', 10 March 2020, https://www.reuters.com/article/us-health-coronavirus-china-environment/china-to-modify-environmental-supervision-of-firms-to-boost-post-coronavirus-recovery-idUSKBN20X0AG

[146] The Economist, 'Airlines blame covid-19 for rowing back climate commitments', 4 July 2020, https://www.economist.com/business/2020/07/04/airlines-blame-covid-19-for-rowing-back-climate-commitments. Transport &

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increased by up to 80 % – but sales of new ones dropped by 30 %, suggesting an expectation that this would be short-lived.[147]

Yet positive measures and changes in behaviour have also been observed. Micro-mobility for instance is one of the sectors projected to benefit the most from the crisis. Bicycle sales more than doubled, helped by the fact that many cities reallocated space from cars to cyclists and pedestrians, particularly in Europe (Berlin added 21km of bike lanes, Rome 150km, Milan 35km, Paris 50 km), but also in the United States (Oakland 120km, New York 64km) and elsewhere (Bogota 75km, Mexico City 130km).[148] And although airlines are unlikely to meet their climate commitments, a shift in vacation patterns could very well be more permanent, ranging from more local travel to nature holidays and micro-holidays. The longer the pandemic lasts, the likelier it is to create lasting changes in behaviour.

Trains, too, are set to benefit from the pandemic. One study found that European high-speed rail market was to grow 10 % every year this decade, as sweeping changes to infrastructure will open market opportunities worth EUR 11 billion by 2022. Should these predictions materialise, they will put a dent into global air traffic growth.[149]

In addition, the overall share of renewable energy in the energy mix increased during the pandemic from 36 % to 44 % in the EU, from 16 % to 22 % in India, and from 23 % to 27 % in China. The reason for this increase was low operating costs and priority access to the grid through regulations, so the trend could be reversed once regular activity resumes – but it does show that this source is less subject to market fluctuation.[150]

What is more, the pandemic still opens a possibility to direct investment and support towards those sectors that will help reduce the effects of climate change. For instance, the European Commission's 750 billion euros recovery plan includes earmarked grants and loan guarantees for renovations such as solar panels, insulation and renewable heating systems worth 91 billion euros per year – this is substantial because 36 % of European emissions are from poorly isolated housing. Renovated buildings can reduce the EU's total energy consumption by 5-6 % and lower CO2 emissions by about 5 %.[151] One study calculated that stimulus measures invested in climate-smart way will lead not only to job creation, but also a reduction of

Environment, 'Bailout tracker', 26 June 2020, https://www.transportenvironment.org/what-we-do/flying-and-climate-change/bailout-tracker

[147] India Today, 'Covid effect: Delhi sees spike in demand for second hand cars', 9 June 2020, https://www.indiatoday.in/india/story/covid-effect-delhi-demand-for-used-cars-1687197-2020-06-09. Deutsche Welle, 'Coronavirus pandemic fuels comeback of cars', 10 June 2020, https://www.dw.com/en/coronavirus-pandemic-fuels-comeback-of-cars/a-53759607

[148] New York Times, ''Corona Cycleways' become the new post-confinement commute', 12 June 2020, Liz Alderman, https://www.nytimes.com/2020/06/12/business/paris-bicycles-commute-coronavirus.html; The Guardian, ''Cleaner and greener': Covid-19 prompts world's cities to free public space of cars', 18 May 2020, by Kate Connolly, https://www.theguardian.com/world/2020/may/18/cleaner-and-greener-covid-19-prompts-worlds-cities-to-free-public-space-of-cars; World Economic Forum, 'Could the pandemic usher in a golden age of cycling', 13 May 2020, by Peter Beech, https://www.weforum.org/agenda/2020/05/covid-19-usher-golden-age-cycling-coronavirus-pandemic-bike-cycle/

[149] Euractiv, 'Planes vs trains: High-speed rail set for coronavirus dividend', 15 April 2020, https://www.euractiv.com/section/railways/news/planes-vs-trains-high-speed-rail-set-for-coronavirus-dividend/; Forbes, 'China-Europe Rail Is Set To Boom As COVID-19 Chokes Air, Sea And Road Transport', 31 March 2020, https://www.forbes.com/sites/wadeshepard/2020/03/31/china-europe-rail-is-set-to-boom-as-covid-19-chokes-air-sea-and-road-transport/#3083cab637db

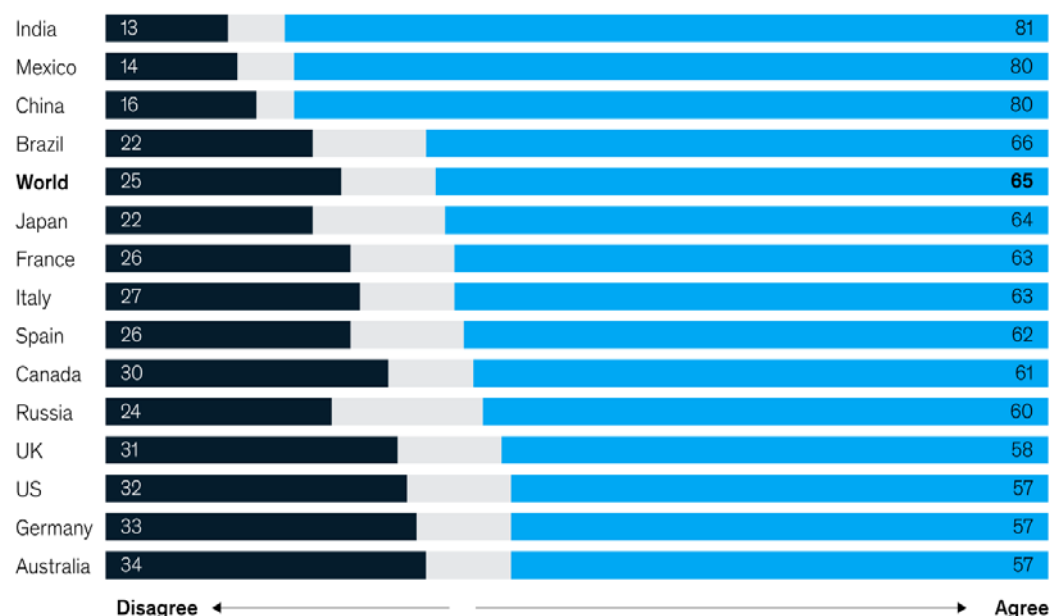[150] IEA, 'Covid-19 impact on electricity', May 2020, https://www.iea.org/reports/covid-19-impact-on-electricity

[151] European Commission, 'Europe's moment: Repair and prepare for the next generation', 27 May 2020, https://ec.europa.eu/commission/presscorner/detail/en/ip_20_940

CO2 emissions of 15 % to 30 % by 2030.[152] The assumption that societies will have to choose between the economy and the planet is therefore wrong – instead they are two sides of the same coin.

Nearly two-thirds of survey respondents say governments' economic-recovery efforts after COVID-19 should prioritize climate change.

Government actions should prioritize climate change in the economic recovery after COVID-19, % of respondents[1]

	Disagree	Agree
India	13	81
Mexico	14	80
China	16	80
Brazil	22	66
World	**25**	**65**
Japan	22	64
France	26	63
Italy	27	63
Spain	26	62
Canada	30	61
Russia	24	60
UK	31	58
US	32	57
Germany	33	57
Australia	34	57

Disagree ◄————————————————► Agree

[1]Question: "To what extent do you agree or disagree with the following: In the economic recovery after COVID-19, it's important that government actions prioritize climate change." Response rates shown for "agree" include "strongly agree" and "somewhat agree"; rates for "disagree" include "strongly disagree" and "somewhat disagree." Survey conducted via online poll, April 17–19, 2020; n = 28,039; data are weighted to the profile of the population.
Source: Ipsos MORI

Taken together, these uncertainties show that two elements will be decisive in how the interplay between the pandemic and climate change will unfold. On the one hand, governments play a role in how they allocate funds; on the other, collective changes in behaviour, too, can be decisive. In either case, however, it will have positive effects for those states that can claim to have successfully reduced emissions, and therefore have geopolitical implications. This is because climate change is no longer a subject to geopolitics, but instead is shaping geopolitics decisively. This has to do with growing awareness at both the level of decision-making and that of the wider public. As always with geopolitical challenges, first-movers and shapers will reap the reward. It is therefore fair to say that climate change is the new frontier of the 21st century: states that get there first will determine the shape of geopolitics – because they will be energy-independent, set the norms for climate-neutral and therefore sustainable growth, and increase

[152] McKinsey & Company, 'How a post-pandemic stimulus can both create jobs and help the climate', 24 May 2020, https://www.mckinsey.com/business-functions/sustainability/our-insights/how-a-post-pandemic-stimulus-can-both-create-jobs-and-help-the-climate#

resilience to extreme weather events.[153] The possibility space for states to accelerate into either one or the other direction has been opened by the pandemic.

Europe is leading when it comes to coupling measures to revive flagging economies with efforts to tackle climate change. A Bloomberg NEF report found that European nations account for three-quarters of green stimulus funding announced as of early June.[154] And this was before the EU's reached its recovery deal – comprising of a 1.074 trillion euros EU budget for 2021-27 and a 750 billion euros recovery fund – which earmarks 30 % of spending for measures aimed at tackling climate change.[155]

There is an opportunity for the EU to leverage the current crisis, not only to meet climate targets but also to strengthen its geopolitical position in the world. If it indeed succeeds in forging a coherent and global approach towards green recovery, it may succeed in becoming a 'Green Superpower' with significant global leverage. To achieve this, ambition cannot be modest: the EU would need to phase out of fossil fuels, impose a carbon tax system for external actors and import, improve the regulatory framework and link conditionality for support to external actors, impose common standards for the digital market, and demonstrate active global leadership.

Key uncertainties

- To what extent will states use the pandemic to advance measures against climate change? The analysis shows a very diverged response in the first six months of the pandemic, but this could very well change – particularly if the EU steps up its Climate Diplomacy.

- What are persistent changes in behaviour the pandemic produces that could impact climate change? Some early studies show that the pandemic seems to trigger profound changes in the way citizens work, commute, and go on holiday. If these changes are permanent, this could have ripple effects from decreased tourism in the Southern neighbourhood, increase in local production and a boost to the knowledge economy in states lagging behind so far.

- Will the EU's Green Recovery plan succeed and forge a cohesive, EU-wide approach or will only a core group of member states move forward with this? Without European cohesion, it is unlikely that the EU will be a credible player in terms of Climate Diplomacy. Thus, its own collective approach will be a determinant in its efforts to persuade other states, too, to take measures against climate change.

- Will the EU's green ambitions extend beyond its borders and turn the EU into a green superpower with substantial global leverage? If yes, this could have interesting effects not just for climate change, but also for the EU as a normative superpower.

3.5   Democratic activism ahead

Global activism was not left unscathed by the pandemic: while in 2019 - labelled 'the year of the street protest' - the lowest number of protest events per week in all regions safe North America, Europe and Australia was over one thousand, between mid-March and mid-April this number fell to approximately half of that.[156] Yet after this one-month slump, the number of demonstration events per week started to climb

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[153] E3G, 'The Geopolitics of Climate Change', 20 September 2019, https://www.e3g.org/publications/the-geopolitics-of-climate-change-unsg-climate-action-summit/. Financial Times, 'How climate change will transform the global balance of power', 5 November 2019, https://www.ft.com/content/27e6c7c8-ce5c-11e9-b018-ca4456540ea6

[154] BloombergNEF, 'Green stimulus: life, but not as we know it', 10 June 2020, https://data.bloomberglp.com/professional/sites/24/BloombergNEF-Green-Stimulus-Life-But-Not-As-We-Know-It.pdf

[155] Reuters, 'EU makes world's biggest 'green recovery; pledge – but will it hit the mark?', Kate Abnett, Matthew Green, 22 July 2020, https://www.reuters.com/article/us-eu-summit-climate-change/eu-makes-worlds-biggest-green-recovery-pledge-but-will-it-hit-the-mark-idUSKCN24N231

[156] https://acleddata.com/2020/04/23/cdt-spotlight-demonstrations-interrupted/

again: 675 events in the week of 12 April; 857 in the week of 19 April; 1,140 in the week of 26 April; 1,027 in the week of 3 May; 1,221 in the week of 10 May; 1,226 in the week of 17 May; 1,303 in the week of 24 May; 1,525 in the week of 31 May; 1,714 in the week of 7 June; 1,793 in the week of 14 June; and 1,491 in the week of 21 June (probably best to put into graph).

Indeed, worldwide lockdowns and other forms of restrictions to curb the spread of Coronavirus did not put an end to activism. Instead, people showed creativity and adaptability in making their voices heard while minimising the risk of infection: in Lebanon, protesters continued their demonstrations against the country's worsening economic and social conditions from within the safety of their cars; in the US, fans Korean pop music blocked a Dallas police call to report on illegal actions during the Black Lives Matter protests, flooding the app with music videos instead; and by using a white supremacist hashtag these same K-pop fans disrupted supremacists' communications on Twitter. In Tel Aviv, thousands of Israelis protested against corruption while keeping their distance from one another, therewith optically enlarging the scale of the protest.[157]

Interestingly, a Pew Research Center study into political engagements in 14 countries conducted in 2018 demonstrated that (poor) health care is the number one motivator that pushes people into the streets or to engage in other forms of political action. Poverty and education come second and third, while freedom of speech, government corruption, police misconduct and discrimination come after. Exactly health care, poverty and education are highly affected by the pandemic, thus potentially opening space for increased political activism.[158]

So what can be the potential effects of the pandemic on democratic activism? One option is an uptick in demand for democratic reform. Tunisia, a country with one of Africa's highest demonstration rates in recent years, saw a significant uptick in protests in the second quarter of 2020. Over the past five years, only the first quarter of 2019 saw higher protest rates when the Tunisian government raised fuel prices.[159] The current spike is partly spurred by the worsening economic conditions that are the result of the government-imposed lockdown and slump in the informal, tourism and industrial sectors, and in multiple cities across the country people took to the streets to ask the government for jobs.[160] A study conducted in the first week of May showed that 60 % of those on a Coronavirus-related work leave did not receive any remuneration; this percentage amongst the two lowest income quantiles was as high as 80 %.[161] But not all protests revolved about the pandemic's economic impact: Health workers, cleaners, and police too have gathered to voice their discontent over unsafe working conditions. In response, the Tunisian government has announced various plans to assist the unemployed and those working in the informal sector, ranging from granting legal status to decade-old houses to distributing state-owned land to the unemployed. On 17 June, the Parliament passed a law on social and economic solidarity, potentially creating 200,000 additional jobs.
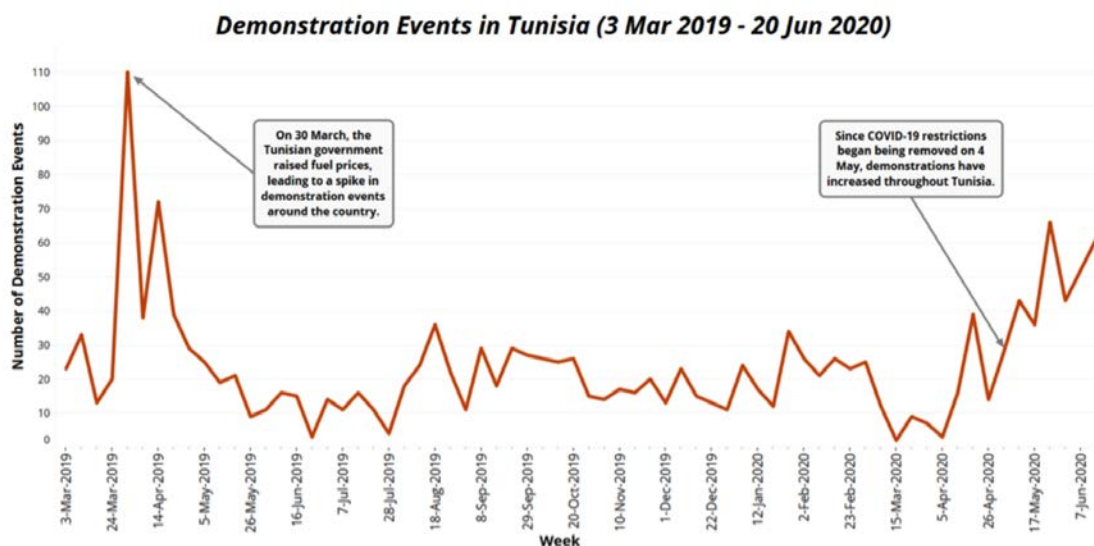
[157] New Scientist, 'How Korean pop fans took on white supremacists - and won', 1 July 2020, by Annalee Newitz, https://www.newscientist.com/article/mg24632890-700-how-korean-pop-fans-took-on-white-supremacists-and-won/

[158] Pew Research Center, 'Many around the world are disengaged from politics', 17 October 2018, https://www.pewresearch.org/global/wp-content/uploads/sites/2/2018/10/Pew-Research-Center_-International-Political-Engagement-Report_2018-10-17.pdf

[159] ACLED, 'Demonstrations spike in Tunisia despite Covid-19 pandemic', Elham Kazemi, 29 June 2020, https://acleddata.com/2020/06/29/demonstrations-spike-in-tunisia-despite-covid-19-pandemic/

[160] Reuters, 'Tunisians protest over jobs amid economic downturn', 28 May 2020, https://www.reuters.com/article/us-tunisia-protests/tunisians-protest-over-jobs-amid-economic-downturn-idUSKBN2342XC

[161] Banque Mondiale 'Suivi de l'impact socio-économique du COVID-19 sur les ménages tunisiens', 28 mai 2020, http://www.ins.tn/sites/default/files/publication/pdf/note_synth %C3 %A8se_covid19_final_0.pdf

Demonstration Events in Tunisia (3 Mar 2019 - 20 Jun 2020)

Increased dissent resulting from the pandemic and its economic consequences could thus potentially incentivise governments to adopt new measures aimed at reducing inequality and spurring economic resilience. But protest movements do not necessarily lead to democratic reform, people in Syria, Libya and Venezuela know painfully well - nor is it necessarily always demonstrators' aim.

Decision-makers have not been passive when it comes to the increase in political activism, and the pandemic has made this even more apparent. Most world leaders now use social media to communicate directly with their audiences, be it through Facebook (the most popular platform for this engagement), Twitter, Instagram or YouTube. [162]

Key uncertainties

- If political activism rises, what are its impacts on political systems and instability? Activism can have severely destabilising effects for societies and economies, but they can also be important elements of change and indeed reform. Where activism is constructive and non-violent, its effects are most likely to lead to profound changes.

- Can the pandemic spur a new way of practicing democracy? While it has become commonplace to describe democracies as systems in crisis, it is not the system itself that is being questioned but the way it is practised. The unrest the pandemic has spurred could very well lead to important reforms in this regard.

- Are restrictions to democratic principles irreversible? The democratic backsliding noticed before and during the pandemic could be the sign of a longer-term trend, or indeed reverse to the levels of the early 2000s. On the other hand, the trend could be reversed in the coming years thanks to improved levels of participation, reduced inequality and more responsive governance.

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[162] Twiplomacy, 'World Leaders on Facebook 2020', 23 April 2020, https://twiplomacy.com/blog/world-leaders-on-facebook-2020/

4   The future: three scenarios for 2025

In foresight, scenarios can have different purposes. Normative scenarios for instance imagine a future that we would prefer, and outlines ways to get there.[163] But in a situation of crisis and great uncertainty, exploratory scenarios are our best helpers. They are a tool allowing for an examination of a range of futures, each based on potential trajectories of drivers and their interaction with each other. Exploratory scenarios are not designed to predict the future or point out the most probable one. Instead, they are useful to identify high-level problems, highlight knock-on effects, causalities, and consequences of certain actions. Because they explore rather than set out with a clear idea of what they will find, these scenarios are neither best nor worst: they just are an outline of different possible interactions. With these, the medium- and longer-term results of actions become clearer, and policy-options more obvious.

All three scenarios below are set in 2025. They are part of the wider trend context identified in section 2. Each lays out different trajectories the uncertainties identified in section 3 can take. The main drivers behind each set of uncertainties are the lessons decision-makers have learned from the pandemic so far: in the scenario Strategic Distancing a number of decisions and developments lead to greater distance between all global players including the EU (with the exception of Russia and China, which grow closer to each other in all three scenarios). In the scenario Europe in Self-isolation, the pandemic shock leads to Europe withdrawing from a global role and turning inwards. Lastly, the scenario Lockdown World projects a situation where the world falls evenly divided between two camps that have very little contact with each other. If none of the scenarios is the obvious 'best' one, then this is because there is no 'best' possible outcome. Decision-makers will have to weigh the pros and cons, re-arrange the priorities and commit funds accordingly.

4.1   Strategic distancing

Perhaps more than anything else, the pandemic had served as a wake-up call that Europe relied too heavily on others in sectors considered existential such as health care. Never again, the continent's leaders vowed at the kick-off conference of Europe's renewed trade policy in February 2021,[164] would Europeans' basic needs and safety be put at the mercy of other - not always so friendly - powers with their own populations and interests to look out for. A reshoring of supply chains was thus set in motion, heavily incentivised by Brussels through subsidies and direct loans, but only in strategic sectors: health care, for one, but also future technologies such as AI and batteries as HR/VP Borrell had pushed for right from the start.[165] In the defence sector, too, strategic diversification took shape, as Europe began to shift raw materials imports away from Russia and China, and towards Greenland and Africa.[166] But the reshuffling of supply chains was not as profound as some thought: the vast majority of non-existential supplies remained in place, and as a result, geostrategic relations did not shift profoundly, either.

The re-election of Donald Trump played perhaps a role in preventing a rapprochement of the United States and the European Union. What once had been close allies were now distant acquaintances - at times nice to chat with at a party but certainly not to call when in trouble. And as relations between the United States

[163] Florence Gaub (ed.), *What if…? 14 Futures for 2024,* EUISS Chaillot Paper 157, January 2020,
https://www.iss.europa.eu/content/what-if-14-futures-2024

[164] European Commission, 'A renewed trade policy for a stronger Europe, Consultation Note', 16 June 2020,
https://trade.ec.europa.eu/doclib/docs/2020/june/tradoc_158779.pdf

[165] Josep Borrell, 'The post-coronavirus world is already here', *European Council of Foreign Relations*, April 2020,
https://www.ecfr.eu/publications/summary/the_post_coronavirus_world_is_already_here

[166] Vasileios Theodosopoulos, 'The geopolitics of supply: towards a new EU approach to the security of supply of critical raw materials?', *Institute for European Studies*, July 2020, https://www.ies.be/files/IES-PB-The-Geopolitics-of-Supply.pdf

and China turned increasingly acrimonious, Europe decided not to take sides, but carve out a third way for itself.

Russia and China had observed this evolution with a mix of surprise, indifference, and wariness. In Beijing, Europe's reshuffling of supply chains in a number of sectors, coupled with measures targeting Chinese subsidies, also on products coming from Belt and Road (BRI) countries,[167] was met with annoyance yet it did not go much further. Its priorities lay elsewhere and the Chinese domestic market coupled with BRI countries provided ample consumers and business opportunities. In Moscow, the definite cooling of the transatlantic ties was as much welcomed as it left the Kremlin somewhat aimless. In a sense, what Russia had so longed for finally materialised in the early 2020s: that Europe let Russia be Russia.[168]

As Europe kept somewhat of an equidistance between Washington and Beijing, the most intense geopolitical competition had been averted. These geopolitical shifts were reflected in the information warfare that had quickly gathered momentum in the late 2010s and early 2020s: while disinformation had become a common foreign policy tool that was here to stay,[169] it did not develop into the ever more ferocious beast that some had feared. Besides, Europe learned to live with this new reality, deploying ever more efficient tools building resilience amongst its population and keeping the most blatant lies at bay.[170] In January 2021, just after negotiations with WhatsApp were finally concluded, the EU made the signing of its Code on Disinformation obligatory for any platform operating in Europe.[171] Standardised games teaching media literacy[172] became a compulsory component of educational programmes across Europe, and older generations were offered free online courses. To encourage people, Brussels offered EU citizens EUR 50 vouchers per completed 4-hour course at a maximum of one per year. Actually, not just EU citizens were eligible: after a successful trial amongst its member states, from 2024 onwards Brussels extended the offer to people in its neighbourhood. Despite scorn from Moscow and a mockery Russian 'countertest' in response, the programme was deemed an overwhelming success. Further, in centres all across Europe teams of fact-checkers were deployed, adding to a total of approximately 50,000 full-time staffers. Helped by quickly evolving technology, by 2025 an estimated 95 % of fake news reaching European audiences was removed within 5-7 minutes after appearing online.

But Europe was not just on the defensive; it also doubled down on efforts to promote its own narrative. It did so by quickly expanding its communication tactics, and by actually improving the quality of democracy across the Union. In the minds of European decision-makers, this two-tiered strategy was most effective because what better way to boost democracy's status than by improving its efficiency and legitimacy? While these efforts boosted the continent's cohesiveness, abroad their use remained limited. On the continent that once had taken great pride in its status as defender of democracy, fatigue had set in. Abroad,

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[167] Reuters, 'EU imposes tariffs on Chinese makers of glass fibre fabric in China and Egypt', 15 June 2020, https://www.reuters.com/article/us-eu-china-egypt-trade/eu-imposes-tariffs-on-chinese-makers-of-glass-fibre-fabric-in-china-and-egypt-idUSKBN23M27J

[168] Julkia Curganus and Eugene Rumer, 'Russia's global ambitions in perspective', *Carnegie, Endowment for International Peace*, 20 February 2019, https://carnegieendowment.org/2019/02/20/russia-s-global-ambitions-in-perspective-pub-78067

[169] 'Agnieszka Legucka, 'Russia's long-term campaign of disinformation in Europe', *Carnegie, Endowment for International Peace*, 19 March 2020, https://carnegieeurope.eu/strategiceurope/81322

[170] European Commission, 'Action plan against disinformation', 5 December 2018, https://ec.europa.eu/digital-single-market/en/news/action-plan-against-disinformation; European Commission, 'Tackling COVID-19 disinformation - Getting the facts right', 10 June 2020, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020JC0008&from=EN

[171] Tech crunch, 'TikTok joins the EU's code of practice on disinformation', 22 June 2020, https://techcrunch.com/2020/06/22/tiktok-joins-the-eus-code-of-practice-on-disinformation/

[172] EU Disinfo Lab, 'Fight disinformation through gaming and education: the drog media literacy initiative', https://www.disinfo.eu/outreach/our-webinars/fight-disinformation-through-gaming-and-education-the-drog-media-literacy-initiative

Europe's democratic resolve was now applied equally sparingly as strategically: following the routes of its most critical supply chains. Indeed, one could say that China's 'diplomacy by the numbers'-strategy was increasingly adopted also in Europe.

Meanwhile, efforts to make the EU both climate-neutral and sustainable were ramped up. The adoption of the EUR 750 billion economic stimulus package was in a way the EU's first big step on a path of sustainable growth. By 2025, it was well on its way to reaching its goal of 50 % reduction in greenhouse gas emissions by 2030 compared with 1990 levels, and 5 years earlier than expected did all packaging in the EU market become reusable and recyclable.[173] One could say that in this domain, Europe was leading by example, but the current geopolitical environment did not leave much room for leading. The US withdrawal from the Paris and other climate agreements meant a breakdown of multilateral climate cooperation. While the US was missing out on crucial years, China was very much doing its own thing: here, like in Europe, scientists and decision-makers were working around the clock to catch up on the time the world had lost in the first two decades of the twenty-first century. By 2023, it had reached its CO_2 emissions peak - seven years earlier than aimed for in the Paris deal.[174] Despite these successes by two of the world's largest economies, one could not help but wonder how much progress was missed out on by a lack of multilateral cooperation.

In Europe's neighbourhood, things had remained mostly same. The continued paralysation of the UN-system had paved the way for regional peace efforts, with Europe deploying 5,000 police officers in Libya from 2022 onwards. In Iran, power imploded yet full-fledged civil war was avoided. Continuous skirmishes, protests and other forms of unrest knocked out what was left of both Tehran's nuclear and foreign ambitions, leaving Mohammad Bin Salman king of the Gulf and Moscow the last close friend of Damascus. When Russia's military intervention in Syria marked its 10th anniversary on 30 September 2025, Assad was still in power, the economy still crippled, and internal displacement still high. Much to the liking of Erdogan, who had carefully solidified Turkey's status as regional power, the Kurds had been officially sidelined. For one, Hezbollah was truly affected by Iran's descent: dwindling revenues quickly dissolved its international clout, and the group became a more or less regular actor in Lebanese politics, yet still distinct by a military branch. For Europe, Iran's semi-implosion meant a slight uptick in Iranian refugees at its borders - a small price to pay for the ceasing of Teheran's destabilising foreign activities.

Outlook

In Africa, China steadily continued its BIR expansion. In the second half of the 2020s Europe finally realised the continent's full potential, but somewhat too late. Russia, unable to catch up digitally - its economic challenges steadily rising as oil prices dipped - saw its international standing dwindle. Putin had become Xi's little brother: easily deployed for tactical jobs but never taken truly seriously. Analysts pointed to Russia's unwillingness - or inability - to let go of its great power aspirations and longing for grandeur to explain its sustained scavenger diplomacy in Syria and ceaseless meddling in Ukraine. Libya had turned into some sort of second Iraq: somewhat peaceful, somewhat stable, but otherwise there was much left to be desired. Throughout the 2020s unrest and discontent in Egypt surprisingly muddled on without bringing about real change or causing a breakdown. Albeit far from ideal, things could be worse, Europe's leaders reasoned.

Coming of age in a fragmenting world, Europe became highly adept at playing a careful balancing act, sparing it of true enemies but also friends. Europeans did not mind, not too much at least, as they realised it was a small sacrifice to make: the alternative was a much grimmer world.

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[173] European Commission, 'The European Green Deal', 11 December 2019, https://eur-lex.europa.eu/resource.html?uri=cellar:b828d165-1c22-11ea-8c1f-01aa75ed71a1.0002.02/DOC_1&format=PDF

[174] New Scientist, 'China is on track to meet its climate change goals nine years early', Adam Vaughan, 26 July 2019, https://www.newscientist.com/article/2211366-china-is-on-track-to-meet-its-climate-change-goals-nine-years-early/

4.2   Europe in self-isolation

Hope for transatlantic reconciliation died when Donald Trump was re-elected to the White House in late 2020. Between talks of European strategic sovereignty, autonomy, self-reliance and resilience, words no longer mattered: Europe, so its leaders felt, was alone in the world. Trump, emboldened by his re-election, accelerated his antagonism with China from trade war to cold military war. In the Formosa Strait off Taiwan, American and Chinese navies were locked in a dangerously delicate face off from late 2021 onwards, feared to lead to war anytime soon.

In this environment, Europe could no longer hope for equidistance. Not only did the United States not leave it that choice, neither did Europe's publics. The pandemic had taken a toll on public perception of China, now seen in Europe as the main culprit of not just the disease, but a host of other issues, too, such as repression, military sable-rattling and economic hostage taking. The hollowing out of NATO following the suspension of American and Turkish financial contributions in 2022 only contributed to this broader trend. In an environment where the pandemic had exposed far-ranging vulnerabilities, Europe began to turn inwards to meet its main needs of trade, security and friendly cooperation.

This was not such a difficult choice to make: intra-European trade had steadily increased over the previous decade and now stood at more or less 60 %. With the exception of energy, Europe could provide for itself - and now set out to free itself from that last dependence, too, thanks to advances made in terms of energy efficiency and renewable energy - advances not in small part the result of the recovery deal of 2020.[175] To reduce vulnerabilities, Europe relocated supply chains, but not along ideological or sectorial lines. Instead, diversification occurred mainly on the basis for geographic proximity - perhaps reflecting the broader mindset of geography and proximity that now permeated Europe's outlook on the world. European holidays went up from pre-pandemic 73 % to 85 % by 2025. In surveys, European citizens agreed that Europe should not help other states but itself first, curtailing support for foreign policy. 'Leading by example' became the cornerstone of policy thinking as Europe should not try to become a third pole in a multipolar world, but withdraw from it.

This European absence from the world stage came at a price. For instance, while Europe turned inward and honed its climate change measures, climate diplomacy efforts petered out, and with it, an important impetus to reduce emissions everywhere, too. Standards and norms for Artificial Intelligence and the use of big data, rigorously applied within the EU, were not exported, contributing in no small part to a world where China, Russia and the United States accelerated towards predatory data-capitalism and the perfection of repressive technology.

In the extended neighbourhood, Russia and China increased cooperation on military and economic matters. In Syria and Libya, Russian troops provided stability at the expense of development and good governance. When unrest shook Iran in 2021 and sanctions were maintained under the leadership of the United States, Moscow and Beijing joined forces to help Teheran to not just quell the protests, but make them more difficult to conduct in the future thanks to new technologies - and conditional economic assistance. Egypt, which felt it, too, was a candidate for more unrest, watched with great interest and subsequently signed up for the same time of cooperation. Had protesters online and in the real world called out for Europe in the beginning, by 2025, this had disappeared entirely. Democracies and democratic movements everywhere were beginning to feel the squeeze of repressive best-practice sharing. Nowhere was this clearer than in Africa, where the hopeful democratic openings in the late 2010s were crushed.

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[175] International Energy Agency, 'Sustainable Recovery: World Energy Outlook Special Report', June 2020, https://www.iea.org/reports/sustainable-recovery

Outlook

Climate change measures became the first victim of a world without Europe. Although China pursued its own policies to curb emissions, the United States did not re-join the Paris agreement under President Trump, or his successor. As a result, the world will be nowhere near where it ought to be in 2030 to become climate-neutral in 2050. In other areas - particularly the use of Artificial Intelligence and big data - authoritarian governments had made such progress that democracy would, for the first time since 1999, return to being a minority system in world governance. In Europe, it remained resilient thanks to a number of reforms undertaken in the aftermath of the pandemic, including more elements of direct democracy and a sustained effort to modernise European economies. Only in health care matters did multilateralism survive truly: here, a reform of the World Health Organisation led to a pledge, in 2025, of 120 UN member states to establish a minimum global health care system by 2050.

4.3   Lockdown world

The re-election of Joe Biden to the presidency of the United States in late 2024 did not come as a surprise. By then, the economy had recovered from the recession induced by the pandemic, Americans were tired of domestic instability, and foreign policy had returned to a familiar state - familiar to those who remembered the 1980s, that is.

The launch of the Partnership to Defend Democracy in 2022 had more than just a Cold War whiff to it: in addition to the United States, it brought together all consolidated democracies in Europe and elsewhere, including like-minded nations such as Japan, South Korea, Australia, New Zealand, India and Mexico, but also sub-state actors and the private sector.[176] The gathering's focus was to defend democracy everywhere. This was a clear message to China, Russia and their supporters: from now on, the world was going to be divided into two camps, with as little contact between the two as possible. Although the flow of people and information was technically still possible, effectively tourism and communication, too, began to segregate - but since they had been highly regional even before the pandemic, the term of the 'World of Two Worlds' that Thomas Friedman coined was another of his hyperbolic statements.

For Europe, the choice came at a price. True, Biden had repaired transatlantic relations as far as possible: the de-escalation on trade and cooperation on climate change, the friendly rhetoric on NATO and shared values helped heal the wounds of the previous five years. But on security and defence, Europe would have to fend for itself. In part this was because of Biden's decision to pull out troops of Afghanistan and Iraq, but more importantly, it meant Russian deterrence - to its East, but also South - was now entirely a European responsibility.[177] American focus remained on China, and if Europe wanted to be a decent ally, this meant following the path towards strategic segregation.[178]

While this used to be an unthinkable thought for Europe, the pandemic and its aftermath had changed matters fundamentally - perhaps not so much on how Europe felt about China, but about how vulnerable it felt when it came to all kinds of dependence, ranging from all kinds of supplies to energy. By 2025, both

[176] Simona Soare, 'What if… the EU and the US launched a partnership to defend democracy?', in *What if? 14 futures for 2024*, Florence Gaub (ed.), EUISS Chaillot Paper 157, January 2020, https://www.iss.europa.eu/sites/default/files/EUISSFiles/CP_157.pdf

[177] Kori Schake, 'Biden's Bad Foreign-Policy Ideas: The former vice president lacks a consistent philosophy of when and how to use military force', *The Atlantic*, 7 June 2020, https://www.theatlantic.com/ideas/archive/2020/06/bidens-chance-disavow-his-bad-foreign-policy-ideas/612787/

[178] Defense One, 'How Biden Would Wage Great Power Competition', 1 July 2020, https://www.defenseone.com/technology/2020/07/how-biden-will-wage-great-power-competition/166570/

Europe and the United States had undertaken far-reaching measures, diversifying supply towards states that were part of the democratic camp.[179]

But not all of these measures had been taken with decoupling in mind. Large-scale investments in climate change measures allocated in the pandemic recovery package, for instance, accelerated energy efficiency and boosted renewable energy - reduction of energy dependence occurred as a welcome side effect.[180] Progress in the Ionian Adriatic Pipeline and the Klaipeda LNG terminal in Lithuania gave diversification a further boost. Similarly, a jump in technology and digitalisation propelled 3d printing and robotics, relocating some manufacturing to Europe. While all three digital leaders - the EU, US & China - accelerated their progress in digital technology following the pandemic, the effective segregation of technological competition meant that the digital divide now took on an ideological tone. States now had to purchase technology as they used to buy defence equipment: to express solidarity.

In military terms, this world locked into two camps was a hostile one. Europe faced Russia in its neighbourhood, Syria, Libya and Ukraine, at first struggling to muster the means and will to match its military might. By 2025, low-scale clashes in the Sea of Azov between European and Russian vessels had become a regular occurrence. In Africa, China, supported by Russia, made headway despite pushback from the Partnership to Defend Democracies. Only in Iran was some détente noticeable: following the large-scale protests in 2021, the return of the United States to the JCPOA and a lifting of sanctions meant that Teheran managed to at least see some economic improvements, and calm public discontent down.[181] It also effectively led to a reduction of Iranian involvement in Yemen, Syria and Lebanon - a vacuum Russia happily filled.

But the world in ideological lockdown had one side effect: as ideological divisions were now clearer identified, disinformation campaigns began to die down. The middle ground that had been up for grabs disappeared. Targeted states developed more forceful mechanisms against foreign interference, banning social media platforms and news outlets. And publics, too, became more resilient in the face of incendiary and divisive information. Perhaps this was a 'natural' maturation in an age of information overflow; or the more direct communication between elected leaders and their publics helped too. Instagram live and Facebook Live became popular tools to engage with highly active audiences across the states part of the democratic camp.

As for climate change, it became the moon of the 21st century: the race to carbon-neutrality became a symbol for progress and systemic fitness. Although the bipolar world had been feared to lead to a reduction in climate change measures, the by now globally shared concern about increasing temperatures and environmental degradation made it a litmus test of systemic superiority.
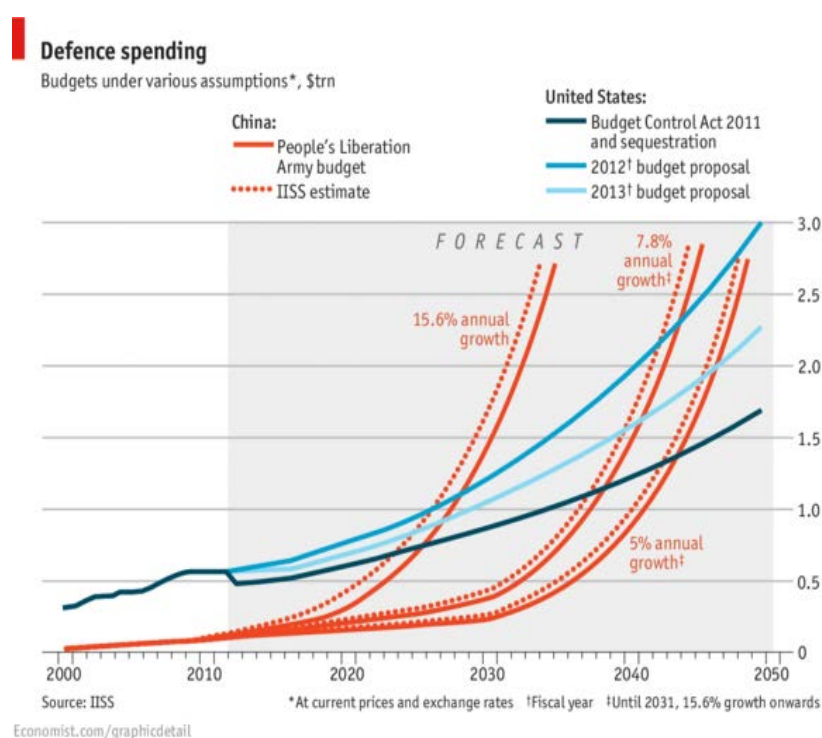
[179] Foreign Policy, 'The Great Decoupling', 14 May 2020, https://foreignpolicy.com/2020/05/14/china-us-pandemic-economy-tensions-trump-coronavirus-covid-new-cold-war-economics-the-great-decoupling/. Defense One, 'Biden's China Policy Starts With Building a Stronger America', 30 June 2020, https://www.defenseone.com/politics/2020/06/bidens-china-policy-starts-building-stronger-america/166555/

[180] Richard L. Morningstar et al., 'European energy diversification: How alternative sources, routes, and clean technologies can bolster energy security and decarbonization', *The Atlantic Council*, 9 January 2020, https://www.atlanticcouncil.org/in-depth-research-reports/issue-brief/european-energy-diversification-how-alternative-sources-and-routes-can-bolster-energy-security-and-decarbonization/

[181] Joseph R. Biden, Jr., 'Why America Must Lead Again: Rescuing U.S. Foreign Policy After Trump', *Foreign Affairs*, March/April 2020, https://www.foreignaffairs.com/articles/united-states/2020-01-23/why-america-must-lead-again

Outlook

The second half of the 2020s solidified the 'new Cold War' beyond trade. The re-election of Joe Biden in late 2024 confirmed that the American people supported his foreign policy trajectory, leading to increased defence spending, particularly in naval affairs. Before 2030, analysts were sure, it would come to a military clash between the United States and China, but where was anyone's guess - Taiwan, or the Senkaku Islands appeared to be primary hotspots.[182] For Europe, this American focus on Asia meant it was pushed further into a military role in its Eastern and Southern neighbourhood it was not comfortable with in the beginning. But another Russian attack, this time on an Italian vessel off the coast of Libya, turned the tide: European publics increasingly supported a more forceful defence posture, especially in a joined European context.

Defence spending
Budgets under various assumptions*, $trn

China:
— People's Liberation Army budget
······ IISS estimate

United States:
— Budget Control Act 2011 and sequestration
— 2012† budget proposal
— 2013† budget proposal

FORECAST

15.6% annual growth

7.8% annual growth†

5% annual growth†

Source: IISS   *At current prices and exchange rates †Fiscal year †Until 2031, 15.6% growth onwards

Economist.com/graphicdetail

5   Conclusion: policy considerations

We have both certainty and uncertainty when it comes to the world in the coming year(s). We know that the pandemic will stay with us until 2021, and quite possibly beyond that. We also know that the pandemic does not fundamentally alter several trends that preceded it, including a tense international environment, the weaponisation of trade, a fear for globalisation and democracy, and an increase in disinformation. But we have some uncertainty when it comes to the choices decision-makers will make in this context, both within Europe and elsewhere. The novelty element of the future will rise from these uncertainties. To proactively shape this future, European decision-makers, too, have choices to make - strategic choices.

The role Europe wants to play in a world shaped by the Sino-American antagonism is the most important choice its leaders will have to make in this setting. As the three scenarios show, the choices vary between a carving out of a new role for itself, a turn inwards or a rekindling of transatlantic relations. While this

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[182] *The Atlantic*, 'How the U.S. could lose a war with China', 25 July 2019,
https://www.theatlantic.com/politics/archive/2019/07/china-us-war/594793/

choice will depend in part on developments and rhetoric in Washington and Beijing, it is ultimately a European one to make and should, as such, be based on a discussion on what role Europeans want to play in this world, at what cost, and with what tools. This is not an elite conversation: it requires broad public engagement and outreach at all levels, and above all, a sense of urgency. The Strategic Compass is an important starting point, but it is not the only component as this question is more than strategic – it is a question of European strategic identity with decade-long implications.

Things to consider in particular are:

- **European foreign policy is entering an era of re-definition.** The European Parliament can, and should play a role in shaping this re-definition by facilitating discussions on Europe's role in the world, the elements of strategic autonomy, and how to reconcile European member states' divergences. It is crucial that all its committees take part in this conversation, as this goes beyond 'just' foreign affairs.
- **Bilateral relations with the United States, China, Russia**, or neighbouring states have to be defined in the light of this conversation. Only when European publics and decision-makers alike know which role Europe is to play in a world that will be irreversibly antagonistic can objectives, procedures, tools and mechanisms be evaluated and allocated. The European Parliament's role here is crucial as it serves as a go-between between the different levels of policy-making.
- **Democracy and human rights are suffering from the pandemic, too.** The European Parliament can raise awareness when it comes to this and help maintain and increase standards in the neighbourhood. But more generally, all parliaments have to make room for the extra-parliamentarian activism that is emerging everywhere in the world. This could occur in structured exchanges with activists as is already happening in some member states.
- **Disinformation is entering a new era, too.** Although the European Union has made significant progress in this regard, so have its adversaries. The pandemic has shown that Russia and China in particular have seized the crisis to advance their objectives. The European Parliament could consider contributing in its own way to a more proactive information outreach, particularly in the neighbourhood.
- **The definition of goods as strategic**, too, is a process that requires the European Parliament's involvement beyond those actors traditionally involved in trade matters. The potential financial and economic drawbacks of reallocating supply chains must be understood and supported, or will be questioned later. While important, the earmarking of certain goods as strategic should not lead to an extensive increase in trade distorting measures – the progress of global connectedness is in the interest of Europe. Such a process will ultimately contribute to a broader strategic understanding of trade, and thereby help European foreign policy which has suffered, so far, from a disconnect between its commercial and political objectives.
- **Global health** is perhaps the one area where a near consensus exists, below the tensions, that there is a need for more international cooperation. But because health is not (yet) a foreign policy domain, it remains outside the realm of tradition actors in the field. If the European Parliament wants to play an active role in this, it will have to broaden its horizon.
- **Climate change and the regulation of digitalisation** are also not foreign affairs prerogatives, but should be. Neither can be tackled without international cooperation – but neither is managed by foreign policy actors such as the European Parliament's foreign affairs committee. Nowhere is multilateralism more in demand.