

WEBINAR PROCEEDINGS: A new global order post COVID-19 pandemic? Issues for South Asia

Context: The COVID-19 pandemic has produced painful disruptions across all facets in our lives. It has generated social and economic vulnerabilities and further worsened the plight of the most vulnerable. From stresses on sectors and issues like tourism, development finance access and climate change to potential unpredictable shifts in global governance, few dimensions of our lives have been left untouched. To understand, rethink and stimulate thinking on how the South Asia region tackles the COVID-19 headwinds, South Asia Watch on Trade, Economics and Environment (SAWTEE), in association with Biruni Institute, Afghanistan; Centre for Policy Dialogue (CPD), Bangladesh; Research and Information System for Developing Countries (RIS), India; Sustainable Development Policy Institute (SDPI), Pakistan; and Institute of Policy Studies of Sri Lanka (IPS), Sri Lanka; is organising a webinar series titled [Webinars on COVID-19 and SOUTH ASIA](#). Between 22 September 2020 and 16 October 2020, this series of eight virtual seminars aims to deliberate upon various socio-economic aspects of the COVID-19 pandemic, how they relate to and impact South Asia and what should be the future course of action for the South Asian countries.

The first of these webinars held on 22 September 2020, [“A new global order post COVID-19 pandemic? Issues for South Asia”](#), focused on the directions global governance and multilateralism might take amid trade wars and unilateral actions by powerful countries as the COVID-19 goes on and what could the emerging permutations and combinations mean for South Asian cooperation. The speakers stimulated thinking around the following themes:

The need for regional value chains: Professor Akmal Hussain (Dean, School of Humanities and Social Sciences, Information Technology University, Lahore, Pakistan), who was the keynote speaker, suggested how responding to the healthcare crisis has required manufacturing capabilities to, for instance, produce medicines and medical goods at the national and regional level. UK, for example, faced shortages of masks and personal protective equipment (PPE) and had to depend on Turkey. In South Asia, countries had to frantically rush into sourcing of medical goods and medicines in the months since COVID-19. While the idea that regional production networks within South Asia need to develop and expand is not new, the pandemic-driven disruptions in the global supply chains have brought the agenda back into the limelight. Globalization and global governance dynamics are increasingly under threat as many powerful countries, including the traditional guardians of global governance and multilateralism, have acted unilaterally in securing supplies of medicines and medical goods.

Multilateralism and global governance: Ambassador Gyan Chandra Acharya (Former Under Secretary General, United Nations; and Head, SAWTEE Centre for Sustainable Development, Kathmandu) remarked that the shifts in global governance—primarily about multilateral institutions, principles and initiatives—are in fact not a novel or recent phenomenon that have risen due to/amid the pandemic. Relatedly, Ambassador Acharya added that the disregard of multilateral initiatives—such as of the World Health Organization (WHO)—and unilateral actions, both of which have generally harmed the world, have in fact, occurred time and again. Unilateral actions continue to harm the world in varied areas whether it is trade or public health. Dr Dushni Weerakoon (Executive Director of the Institute of Policy Studies of Sri Lanka, Colombo) observed the ways in which unilateralism has been manifest in haphazard ban of exports of medicines and medical goods by several countries, both world powers and those aspiring to become one. Professor Rehman Sobhan (the distinguished Bangladeshi economist and Chairman of the Centre for Policy Dialogue (CPD), Dhaka), cited the recent abrupt ban of exports of onions by India (losing out are also India’s farmers who got better prices in exports). It is pertinent to highlight that countries like Sri Lanka, Bangladesh and Nepal are significantly dependent on Indian onions.

Without discounting the argument that the existing multilateral mechanisms require restructuring to work more effectively for the poorest countries and regions, the emphasis should be on making multilateralism work in ways that the most backward regions have a voice. Multilateralism is about instituting mechanisms that can ensure that the strongest and the most resourceful countries do not act unilaterally. Dr. Debapriya Bhattacharya (Distinguished Fellow, CPD, Dhaka), argued that if multilateralism is undermined, this will result in further fragmentation in the already fractured development cooperation regime.

Dr Weerakoon also argued that China has emerged as a key actor in the shifting global governance regime and added that this is partly due to the effective ways in which East Asia and China have handled the pandemic. While Dr Bhattacharya viewed the China's effective handling of the pandemic with some caution, he added that its rise has altered the global governance regime—that it is a few years before multilateralism will stabilize again. The potential emergence of a new balance of power and the ongoing state of flux means globalized solutions are going to be only minimally serviceable and refuge may have to be sought in regions. The new balance of power and with it the possibility of globalized solutions will hinge on “which countries can emerge faster and stronger out of the COVID crisis, which can most rapidly rebuild their supply chains, and which can open their markets in a much more aggressive way, and use their capital resources to move across boundaries to address all the investment needs created by the vacuum due to the pandemic”, argued Prof. Sobhan.

Regional cooperation in South Asia: With the ongoing transition in global governance and globalized solutions, regional cooperation has assumed greater importance. Dr. Bhattacharya observed that the regional cooperation dynamics in South Asia have never been as dysfunctional as they are now; this when regional cooperation in regions like Sub-Saharan Africa and Latin America has been exemplary in dealing with the pandemic. Prof. Sobhan called this a collective failure of the region to even reflect on the shared and connected nature of challenges we are facing whether it is the pandemic-induced crisis or issues otherwise such as that of the environment. “The COVID does not respect boundaries; it is a free trade commodity that is moving across all boundaries”, stated Prof. Sobhan. In the absence of a political momentum towards enhanced regional cooperation, significant out of the box and creative thinking is required. While there are multiple bilateral issues among South Asian countries, there is hardly a functional regional mechanism currently where the issues could be further deliberated upon, said Dr Bhattacharya. On the state of regional cooperation during the ongoing pandemic-induced crisis, Prof. Sobhan questioned India's role. “Even as India is emerging as the epicenter of the pandemic in the region, the Indian side has not initiated interactions with its neighbours to minimize cross-border implications”, remarked Prof Sobhan He added that while there have been attempts, “...Mr Modi forgot to move both the feet...”. Can SAARC become functional and take on such a role when the region is in the midst of a storm is a crucial question for this time.

On regional cooperation, Ambassador Acharya used the term ‘floating coalitions’ and remarked that enhanced regional cooperation in the region may perhaps require coalitions that go beyond the current SAARC format. China is obviously a key actor whether it is about regional cooperation, regional value chains or trade links.

Energy needs in the region and regional cooperation: In emphasizing that the region needs to move away from fossil fuel if the climate change challenge is to be tackled, Professor Hussain suggested that the region's hydroelectricity potential—across several countries in the region—needs to be exploited. A key step—again not a novel suggestion—is implementing the idea of a South Asian grid.

Civil society and think-tanks need to play a more active role: The pandemic has led the society into asking new questions such as how governments can be made to work for all and not merely for the elites.

In this, civil society plays a key role. Several speakers noted that the South Asian spirit, at least at the civil society level, is alive. Think-tanks are obviously key actors in the civil society. Dr Bhattacharya suggested that if the regional cooperation and South Asian solidarity is to expand, think-tanks must not become nationalists. More crucially, the collectives should work in issues like inequality and in the interest of those left behind. Research and analysis should not only examine issue critically but do so at greater granularity.

We encourage you to visit SAWTEE's work on the COVID-19 crisis [here](#) if interested in learning more about how, for instance, the economic sectors are impacted and coping up in Nepal. SAWTEE's work on the COVID-19 has a Nepal as well as South Asia focus.