Foreign policy consequences of coronavirus

The Covid-19 crisis has had economic, social, political and geopolitical consequences that will inevitably affect key aspects of EU foreign policy. These include relations with major powers, as well as several aspects of humanitarian aid, development and peacekeeping, and the fight against disinformation and cyber-attacks. It has also accentuated the debate about the future of multilateralism, a primary concern of EU foreign policy. Parliament is due to hear a statement on the issue from the High Representative during the June plenary session.

Multilateralism and the global order: Unravelling or rebuilding?
The form of the post-coronavirus world is the subject of heated debate within the academic and policy community. Most seem to agree that the form of global order itself is likely to be affected by the consequences of the pandemic, if only because it has exacerbated trends in the global geopolitical environment that were already growing. The sense of a vacuum in global leadership, the growing rivalry between the United States (US) and China, an expanded and multidimensional threat environment, a relative decline in multilateralism and the weaponisation of global interdependence are becoming characteristics of the 'new normal'. At the same time, some experts consider the coronavirus pandemic a wake-up call for multilateralism, and a push for much-needed reform and reinvigoration of multilateral cooperation, a stated goal of EU foreign policy according to European Commission President Ursula von der Leyen's 2019 political guidelines. In an op-ed from April 2020, the EU's High Representative for Foreign Affairs and Security Policy/Vice-President of the Commission (HR/VP) Josep Borrell set out his views on the challenges the post-coronavirus world would hold for EU foreign policy. Conceding that Covid-19 will likely magnify existing geopolitical dynamics and test the strength of Europe’s democratic systems, he argued that the EU needs to work for a new form of globalisation capable of striking a balance between the advantages of open markets and interdependence, and between the sovereignty and security of countries. This spirit has been echoed by the multiple references to strategic autonomy in the revised Multiannual Financial Framework proposals, the open strategic autonomy in trade reference by Commissioner Phil Hogan in remarks to his G20 counterparts; and in the speech of Internal Market Commissioner, Thierry Breton, in the industrial context, among others. The effort to preserve and reform the multilateral order has been a longstanding commitment of EU foreign policy. However, the escalation of US-China rivalry in the wake of Covid-19, and the policy turn marked by the new US strategic approach creates a more challenging environment. The intensification of US-China competition in trade, technology, financial influence and control of data, described by some as a new 'Cold War', suggests that the EU, in cooperation with like-minded partners, will mostly shoulder the responsibility of preserving the rules-based order. In this context, building partnerships of trust for multilateralism may need to be pursued with renewed vigour. This was demonstrated, for example, in the virtual EU-Japan Summit in May 2020. This is particularly true in the context of the US President’s declaration of his intention to continue withdrawing the US from several multilateral organisations and regimes, most recently the Open Skies Treaty and the World Health Organization (WHO). A rethinking of relations with China, including a more robust China strategy according to the HR/VP, will also be an important EU consideration to be explored by the upcoming German Presidency of the Council.

A more vulnerable and fragile world
In his op-ed, the HR/VP emphasised that the EU has to work to prevent the new geopolitical environment from having negative repercussions in certain regions of the world – particularly Africa. Indeed, some of the most important foreign policy consequences of Covid-19 concern its implications for the most vulnerable parts of the world, including conflict regions and least developed countries. Covid-19 is likely to impact conflict areas disproportionately, increasing vulnerability of conflict-affected populations and prolonging conflict in areas like the Middle East, acting as a 'conflict multiplier' as contestation over resources expands to include securing access to vital medical supplies, among other factors. In spite of the call for a global ceasefire by the United Nations (UN) Secretary General, the displacement of people due to conflict remains
high, with 650 000 people displaced by conflict between March and May 2020. As the pandemic impacts societies disproportionately, poverty and insecurity (and not least, lack of access to health and food) will grow for the most vulnerable forcibly displaced populations. At the same time, defence cuts are expected across the world as global growth declines and national expenditure in other domains rise, reversing the trend of global military expenditure in 2019 which marked the largest annual growth in spending since 2010. Military experts argue that military forces and alliances are needed most in times of global crisis. Indeed, peacekeeping forces in fragile regions will need to adapt to the consequences of the pandemic for conflict, suggesting that resources will be needed.

The economic implications of the pandemic for the more vulnerable economies, are likely to add additional strains on governance and governments. Already over 90 countries have requested emergency assistance from the International Monetary Fund (IMF). Many of the most financially exposed countries also display some of the greatest vulnerabilities in their health systems and dependence on trade, compounding the threats to their stability (see Figure 1). In April 2020, the World Trade Organization (WTO) announced that, in 2020, global trade will face unprecedented decline due to the pandemic, within the range of 13% to 32%, accentuating the risk for those countries. Some estimates suggest that up to 60 million people could be pushed into extreme poverty, with implications that could seriously threaten gender equality and women’s rights. Food insecurity in fragile low-income countries, prone to malnutrition, could rise, thus reinforcing yet another source of conflict and instability and increasing the necessity for humanitarian support.

An (even) more challenging online environment

The pandemic has strained social relations and state-society relations, leading authoritarian governments to increasingly undemocratic measures. In many countries, media freedom has suffered in the pandemic. An increasingly digital world offers greater room for the dissemination of misleading and fake news. Indeed, from the start of the pandemic, both Russia and China engaged in high intensity Covid-19-related public communication, each with its own methods and campaigns of misinformation. The health crisis has raised concern that a combination of disinformation and heavily promoted health diplomacy, using local proxies in Europe, could be used for wider geopolitical influence. Experts also agree that the cyber-environment will become riskier: Europol reports that online crime will grow, while the possibility of major cyber-attacks, including on critical infrastructure, will increase as geopolitical competition rises.

Examples of EU action and outlook for EU foreign policy

On 8 April 2020, the EU launched the ‘Team Europe’ package mainly directed to vulnerable countries, with the bulk of the funds aimed at addressing the economic and social consequences of the outbreak. So far, €36 billion has been mobilised. In the meantime, the Commission continues work on an Action Plan on Gender Equality and an Action Plan on Democracy and Human Rights in external relations. Common Security and Defence Policy (CSDP) missions and operations have been adapted, within their means and mandates, to provide support to host countries in tackling the health crisis and to remain operational. The EU has been working in providing multilateral responses to the implications of the health crisis in coordination with the G7, G20, UN, WHO and the World Food Programme, among others. The HR/VP has also pledged to support countries hit by sanctions, although no sanctions have been lifted. On 30 May, the HR/VP and the Commission President urged the US not to break ties with the WHO. While acknowledging the emerging risks, the HR/VP views this crisis as an opportunity for the EU to become a more responsible actor in foreign affairs.

In its resolution adopted on 17 April 2020, the European Parliament has called for an update of the EU Global Strategy in the light of the global impact of the crisis, and for more strategic EU action, including strategic communication in the context of the infodemic. It has called for multilateral cooperation on humanitarian responses and recovery through the UN, and highlighted the importance of cooperation and support for the Western Balkan countries, the neighbourhood and for developing regions, especially Africa and Latin America.