POST-PANDEMIC RECOVERY, A CHANCE FOR RENEWED MULTILATERALISM?

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Post-pandemic recovery has emerged as an opportunity for global governance, putting people and respect for human rights at the centre of the process.

Earlier this year, global leaders issued a joint international call for the adoption of an international treaty for pandemic preparedness and response.

Access to vaccines still varies deeply from one region to another, with a huge gap in the vaccination rate between low and high-income countries.

COVID-19 has also deepened existing inequalities across the world and has been especially harsh on the young generation.

Since there is still no real global solution to tackle the pandemic, this event report looks into future opportunities and fields for collaboration.
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The EU "should lead by example" for the recovery from COVID-19 but needs to face its own shortcomings to curb existing and new social inequalities, FEPS President Maria João Rodrigues told EURACTIV in an interview.

The president of the independent think tank of the Socialists and Democrats group (S&D) added that there is still no real global solution to tackle the pandemic.

“We have big failures on global governance, first of all, on the competencies of the World Health Organization,” she said, adding that the UN’s health agency "should be the body with the competencies and the means to adopt real global rules and binding rules.”

Rodrigues said the WHO “remains so far a very weak organisation,” and she called for urgent reforms to make sure that it has “the financial means to enlarge the access to the new versions of the vaccine,” required by the new variants.

She also deplored the postponement of the WTO ministerial meeting following travel bans introduced over the Omicron variant. The meeting was supposed to be held on Monday (November 29) to debate a proposal by India and South Africa to waive intellectual property rights for COVID-19 vaccines.

Access to vaccines varies deeply from one region to another, with a huge gap in the vaccination rate between low and high-income countries.
For example, in Europe, 66% of the population is fully vaccinated, while the share of immunised people in Africa is only 7%.

“As long as this big divide remains, there is no real solution to tackle the pandemic,” Rodrigues said, calling for more international cooperation.

However, she added that the EU has proved to be “a good example” in handling the crisis at a regional level and that it could “give some ideas for a global solution.”

Rodrigues said the EU could develop “an exceptional budgetary capacity” to support member states hit by the crisis.

For the first time last year, European leaders agreed to EU joint debt to finance the €750 billion recovery scheme, allowing the European Commission to borrow from the markets on behalf of all 27 member states.

In Rodrigues’ view, this showed strong solidarity to fight the pandemic within the bloc and address the recession.

“If we have other regional organisations such as the African Union, the ASEAN in Asia, or the Union for South America, playing the same role, this could help a lot,” she said.

However, Rodrigues also admitted that the EU is still lagging on the recovery and “needs to change a lot to improve its own solution.”

COVID-19 has deepened existing inequalities across the bloc and has been especially harsh on young Europeans. A Eurostat survey shows that young workers experienced income losses up to -15% in 2020 compared to the previous year.

“We have a shocking situation that we have the most skilled, qualified, creative generation, which is our young generation, being pushed for precarious living and working conditions, which reduce their capacity and their potential to contribute to our societies,” Rodrigues said.

To tackle the impact of the pandemic on the young, the European Commission proposed to make 2022 the Year of European Youth. The goal is to give young people more opportunities in education and employment.

“We cannot afford to have a new lost generation, after the one we lost during the financial crisis 10 years ago,” Rodrigues said.

In her view, the EU should tackle these inequalities while also moving to “a new development model,” based on the green transition and the digital revolution.

Asked whether the EU is at the forefront of these transformations, Rodrigues said Europe remains a leading example on the Green Deal commitments. Still, she is concerned it will not be able to live up to its goals on digitalisation.

An analysis of recovery plans by member states showed that they will fall radically short of the 2030 digital targets.

“On the digital revolution, we are late, and so we need to have a kind of wake up call,” Rodrigues told EURACTIV.

She said Europe must move urgently not to be left behind in the face of the strategic competition between the US and China.

“We need to have a European way to drive the digital revolution, which is in line with our values and the way we want to live.”

Both the digital and green transformations need to be based on strong social cohesion to have a fair EU recovery, Rodrigues said.

“We do need to have social cohesion; otherwise, I have no illusions, the green transition and digital revolution will create extremely worrying and high new social inequalities.”
Imagine playing a football match with half of the team seated on the bench. Or rowing a boat with only one oar. Or playing a game of chess without the full complement of rooks and knights. The results of all three of these scenarios would be sub-optimal. Now imagine trying to recover from one of the greatest global disruptions seen in more than a century and going at it alone.

*This article is drawn from her recent intervention at the event UNited for a People-Powered Recovery, organised by the Foundation for European Progressive Studies (FEPS)

**Arancha González Laya is the former Minister of Foreign Affairs, European Union and Cooperation of Spain.**

If we are to reset the world economy, we need to do it together. We need to rebuild, recommit and reaffirm that multilateral approaches to global crises as the only route to a sustainable and inclusive recovery for all. The pandemic has lay bare our interdependence and has provided in stark terms examples of how a national action can have a global reaction.

Whether it be coordinating global health and sanitary regulations, travel requirements or vaccine distribution, in these past two years we have seen where going at it alone has led to inequity, unfairness and ineffectiveness. There is no substitute for a shared multilateral approach to a shared global problem.

And it is not just through the lens of the pandemic that acting multilaterally matters. With the impending climate disaster on the horizon what is required is something greater than simply the sum of national solutions.

As we move into a new year where
the pandemic is still decimating health systems, entrepreneurship and lives, it’s time to place multilateralism back on the top of the agenda.

First, recommit to multilateralism as a route to shared prosperity. We know the concerns: it’s too slow, it’s too complex; it only results in the least common denominator. However, no national intervention can replicate the legitimacy, shared responsibility and impact of an agreement reached by big and small, least developed countries and G7 states, small islands and nuclear powers.

An approach that views our multilateral institutions such as the United Nations and its agencies, and the World Trade Organisation as global common goods that need protecting and preserving for future generations, is necessary. But it is also important that these multilateral institutions adapt to a changing world, that they reform to remain fit for purpose. States, who are the main stakeholders in these institutions, must drive the change rather than defend the status quo. Not advancing is in reality moving backwards.

Second, we need to invest in resilience for all. Not just ensuring that only half of the football team is able to access food, shelter and safety but that we rebuild the fundamentals of modern and mature societies which should be about providing opportunities for prosperity across the board. This will require greater investment in institutions and ecosystems and a relook at how trade can play a particular role in this reconfiguration for resilience.

Trade is a route to greater diversification of production and hence to more opportunities for citizens. But this is not immediate and automatic. It is also not without pain. Trade rules help to provide transparency and regulatory consistency, while the WTO helps to stymy the threat of protectionism through its monitoring and soft pressure. And this is important because by now we know that trade protectionism doesn’t protect jobs.

In short, trade rules make trade possible, but we need to ensure that trade happens, and more importantly, that trade works for all. This is why multilateral efforts need to be combined with strong policies at home to manage the transition. Initiatives such as Aid for Trade and the enhanced integrated framework- two platforms for trade-related assistance under the WTO roof- place a spotlight on the needs of poorer countries for this kind of support, while helping to showcase why investing in trade can lead to scalable and impactful results.

Resilience must also mean climate crisis adaptation, advocacy and action. A truly inclusive multilateral approach is the only way forward. The impact of climate change will not hit all countries and populations at the same time and in the same way, but the uncomfortable truth is that it will eventually hit us all.

That is no longer open to debate. Already we are seeing a growing trend across the world of climate change refugees. States, cities, citizens, businesses, investors, financiers, must all be part of this new inclusive multilateralism if we are to address our common threats.

And third, attention needs to be paid to the social fabric of our societies. The pandemic unearthed the dark underbelly of the gig economy, of underemployment, and of the general vulnerability of a vast majority of our populations. It made us rediscover the greatest danger to our common progress: inequalities. We can no longer ignore the number of families that live on the precipice of poverty.

The state, the business community and civil society must explore a true tripartite partnership to ensure social safety nets, retraining and skills upgrade and protection of the most vulnerable. But this must not be delinked from international cooperation where elements such as fair taxation, decent work, access to finance, and gender equity are governed. Only by ensuring synergies with domestic actions and global initiatives will transformational impact be achieved.

One cannot delink the global recovery from multilateral cooperation. History has shown how in our most fragile times we have risen through a shared determination and willingness to do better and to be better. The reaction to the pandemic has confirmed we need to recommit to this principle and to multilateralism as the fairest and most effective way to do this.
EU sees strengthened partnership with US vital for global recovery

By Silvia Ellena | EURACTIV.com

The COVID-19 pandemic has shown the weakness of international organisations and the need for a stronger transatlantic partnership for a fair global recovery, the EU’s chief diplomat Josep Borrell said during a Foundation for European Progressive Studies event.

According to Borrell, the COVID-19 summit held by US president Joe Biden last September was a good example of transatlantic cooperation and reiterated its need to continue.

“It’s clear that the EU-US relationship will be a defining factor in building the international rules-based order,” he told the event organised by FEPS in November.

“If we disagree, and we stay apart from each other like it has happened in the last four years, then multilateralism has no chances, has no hope,” he added.

Nations taking part in the summit committed to vaccinating 70% of the global population by September 2022.

However, huge disparities persist between richer and poorer countries regarding vaccination rates and jab access.

While 59.9% of the world population has received at least one dose, only 9.5% of these people are in low-income countries, according to data from the University of Oxford.

On vaccine manufacturing and distribution, Borrell reiterated the importance of “joining forces to expand therapeutic capacity and address bottlenecks in supply chains.”

Universal access to vaccination should be one of the priorities of international cooperation, according to FEPS President Maria João Rodrigues, who pointed to the limitations of the World Health Organization in managing the pandemic response.
STRONGER INTERNATIONAL ORGANISATIONS

Borrell called for stronger international cooperation to make the UN health agency more effective.

“We have to reform the World Health Organization (WHO). It is not well suited to the kind of health problems that we have today,” he said.

However, there may be diverging views on the future role of the WHO in Brussels and Washington.

The US is resisting proposals to make the organisation more independent, four officials involved in the talks said, raising doubts about the Biden administration’s long-term support for the UN agency, Reuters reported on Friday (21 January).

The crisis also showed the importance of international trade rules, according to Arancha González Laya, former foreign affairs minister in Spain.

“Whether it was for people’s mobility, whether it was for purchasing and distribution of vaccines, whether it was to feed people during the pandemic, we had to rely largely on international trade,” she said.

González called for measures to strengthen the World Trade Organization and reinforce international rules to manage better the “high levels of interdependence” between countries.

EU SECURITY AND DEFENCE

On security and defence, Borrell said several times during 2020 that it is necessary for the EU to “reduce dependencies” on others.

“We cannot rely on others to face the problems that we have to face, and NATO will not solve it.”

As many observers point out, the escalating situation between Russia and NATO over Moscow’s amassing of troops on Ukraine’s border has strengthened the transatlantic alliance.

In November, Borrell said that while NATO remains the “common framework for the territorial defence of Europe,” the strategic compass for military defence of the EU is a way to increase the bloc’s “strategic responsibility.”

Borrell also added that partnerships within and outside NATO, like the US-EU security and defence dialogue in 2022, will still be critical.

According to Madeleine Albright, former US Secretary of State, the EU and the US can complement each other, especially when it comes to “trying to figure out how to deal with China” on issues such as information, digitalisation and cybersecurity.

STANDARD-SETTING

However, on digitalisation, Rodrigues said that Europe is late and needs to make up lost ground.

Borrell also expressed concerns about the EU’s capacity to face the digital revolution but said the digital service act and the digital market act are good steps in the right direction towards “a shared vision that puts together fairness in the market, safety and freedom online.”

He said the US and the EU need to continue to be standard-setters on digitalisation.

“If we are no longer the standard-setting, we will not rule the 21st century,” he said.