



How will the world be different after COVID-19?

Six prominent thinkers reflect on how the pandemic has changed the world



Daniel Susskind

In March 2020, Rabbi Jonathan Sacks, an influential figure in British intellectual life, described the COVID-19 catastrophe as “the nearest we have to a revelation for atheists.”

At the time I thought the comparison was apt. It captured the biblical sense of shock that many of us felt in the face of such a sudden, extreme, and swiftly accelerating crisis. We “have been coasting along for more than half a century,” he remarked, and all at once “we are facing the fragility and vulnerability of the human situation.”

Now, a few months on, Rabbi Sacks’ comparison with revelation still seems fitting, but for a different reason, and one that matters for thinking about a world after COVID-19.

This crisis is alarming, in part, because it has several new and unfamiliar features. A global medical emergency caused by a virus we still do not fully understand. A self-inflicted economic catastrophe as a necessary policy response to contain its spread.

And yet as time has passed, it has also become clear that much of what is most distressing about this crisis is not new at all. Striking variations in COVID-19 infections and outcomes appear to reflect existing economic inequalities. Remarkable mismatches between the social value of what “key workers” do and the low wages they receive follow from the familiar failure of the market to value adequately what really matters.

The happy embrace of disinformation and misinformation about the virus was to be expected, given a decade of rising populism and declining faith in experts. And the absence of a properly coordinated international response ought to have come as no surprise, given the celebration of “my country first” global politics in recent years.

The crisis then is a revelation in a far more literal sense—it is focusing our collective attention on the many injustices and weaknesses that already exist in how we live together. If people were blind to these faults before, it is hard not to see them now.

What will the world look like after COVID-19? Many of the problems we will face in the next decade will simply be more extreme versions of those that we already confront today. The world will only look significantly different this time if, as we emerge from this crisis, we decide to take action to resolve these problems and bring about fundamental change.

DANIEL SUSSKIND is a fellow in economics at Balliol College, Oxford University, and author of *A World Without Work* (Allen Lane, 2020).



James Manyika

The world after COVID-19 is unlikely to return to the world that was. Many trends already underway in the global economy are being accelerated by the impact of the pandemic.

This is especially true of the digital economy, with the rise of digital behavior such as remote working and learning, telemedicine, and delivery services. Other structural changes may also accelerate, including regionalization of supply chains and a further explosion of cross-border data flows.

The future of work has arrived faster, along with its challenges—many of them potentially multiplied—such as income polarization, worker

vulnerability, more gig work, and the need for workers to adapt to occupational transitions. This acceleration is the result not only of technological advances but also of new considerations for health and safety, and economies and labor markets will take time to recover and will likely emerge changed.

With the amplification of these trends, the realities of this crisis have triggered reconsideration of several beliefs, with possible effects on long-term choices for the economy and society. These effects range from attitudes about efficiency versus resilience, the future of capitalism, densification of economic activity and living, industrial policy, our approach to problems that affect us all and call for global and collective action—such as pandemics and climate change—to the role of government and institutions.

Over the past two decades, in advanced economies, responsibility has generally shifted from institutions to individuals. Yet health systems are being tested and often found wanting, while benefits from paid sick leave to universal basic income are getting a second look. There is potential for a long-term shift in how institutions support people, through safety nets and a more inclusive social contract.

As history has shown, choices made during crises can shape the world for decades to come. What will remain critical is the need for collective action to build economies that deliver inclusive economic growth, prosperity, and safety for all.

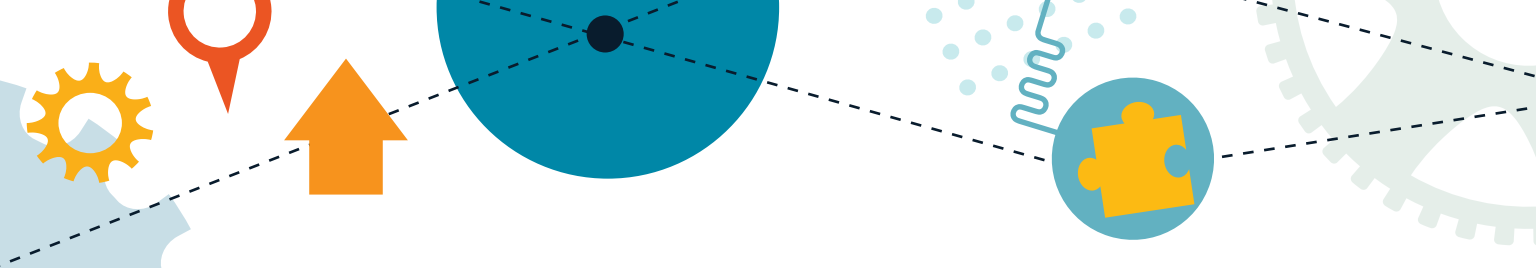
JAMES MANYIKA is chairman and director of the McKinsey Global Institute.



Jean Saldanha

In *The Pandemic Is a Portal*, Indian author Arundhati Roy writes, “Historically, pandemics have forced humans to break with the past and imagine their world anew. This one is no different. It is a portal, a gateway between one world and the next.”

The way multilateralism operates will have to change to reflect this very different world. The COVID-19 pandemic has been testing the limits of global cooperation. Support for developing economies in particular remains inadequate. They were hit early by the global economic downturn,



including through record capital outflows and tightening financial conditions. Facing the worst humanitarian crisis since World War II, these economies are experiencing unprecedented pressure on their already limited fiscal capacity to tackle urgent public health and social needs.

Choices made now will have far-reaching consequences. Reliance on more of the same is untenable and ignores the scale of human suffering unleashed by the pandemic.

A fitting UN-led reform agenda must include the IMF in addressing the structural problems that have driven debt vulnerability across developing economies. Such an agenda must shift development finance away from market-friendly reforms and incentives for private investment. It must abandon the dogma of austerity. Furthermore, rich countries must finally meet their official development assistance commitments.

Power imbalances in global institutions must also be corrected to give fair recognition to the needs and rights of the two-thirds of the world's population who reside in the Global South.

If the international community fails to respond decisively now, the 2030 Agenda and the Paris Agreement will be fatally derailed. A new multilateralism—in which reform of the Bretton Woods institutions will play a key role—is needed now and must be based on a vision of development that puts human rights, gender equality, and climate at its center.

JEAN SALDANHA is director of the European Network on Debt and Development.



Sharan Burrow

The world after the first wave of COVID-19 must be more inclusive, resilient, and sustainable. Today, we live in a world in which inequality between and within countries has

grown as a result of businesses' race to the bottom and working poverty among a vast portion of the global workforce. Too many countries suffered the external shocks of COVID-19 without universal social protection, robust public health systems, a plan to reach net-zero carbon emissions by 2050, or a sustainable real economy with quality jobs.

The Bretton Woods conference occurred while a war was still raging and helped form the basis of a postwar social contract. Similarly, we need to

craft an ambitious reconstruction plan while working to end the pandemic. International support is a matter of collective survival and an investment in the future of health, the global economy, and multilateralism. The choice is ours, and the actions of the IMF and the multilateral system will be a deciding factor.

Our goal for recovery should be full employment and a new social contract. Public investment in the care economy, education, and low-carbon infrastructure can form the backbone of stimulus that reduces inequality. Wage policy, collective bargaining, and labor market regulation can revive demand and income while putting an end to a business model that allows companies to take no responsibility for their workers.

Debt should be addressed through a relief process focused on the United Nations Sustainable Development Goals and enduring economic growth for every country. Shortsighted fiscal consolidation hindered debt management and reduction after the global financial crisis and would again leave us even less able to deal with future health and economic crises.

Shared prosperity can be the fruit of a COVID-19 world marked by shared ambition and global solidarity.

SHARAN BURROW is general secretary of the International Trade Union Confederation.



Sergio Rebelo

COVID-19 will leave a lasting imprint on the world economy, causing permanent changes and teaching important lessons.

Virus screening is likely to become part of our life, just like security measures became ubiquitous after 9/11. It is important to invest in the infrastructure necessary to detect future viral outbreaks. This investment protects economies in case immunity to COVID-19 turns out to be temporary.

Many economies adopted versions of Germany's *Kurzarbeit* (short work) subsidy during the pandemic. This policy keeps workers employed at reduced hours and pay, with the government compensating some of the shortfall in wages. By keeping matches between firms and workers intact, the economy is better prepared for a quick recovery. It is important to improve

the implementation of these policies and make them a permanent part of our economic recovery tool kit.

Remote work is likely to become more common. We had some evidence that working from home is at least as productive as working at the office. However, many companies were reluctant to embrace remote work. Now that many have tried it with good results, remote work might be here to stay.

The pandemic crisis has accelerated the pace of digital transformation, with further expansion in e-commerce and increases in the pace of adoption of telemedicine, videoconferencing, online teaching, and fintech.

Companies with international supply chains are dealing with shortages and bottlenecks. We are likely to see many of these companies reshore some of their production. Unfortunately, this trend will not create many jobs because most of the production is likely to be automated.

Governments will be bigger after playing the role of insurer and investor of last resort during the crisis. Public debt will balloon, creating financial challenges around the world.

The most important lesson from the COVID-19 pandemic is the importance of working together on problems that affect the entire human race. We are much stronger united than divided.

SERGIO REBELO is a professor of international finance at the Kellogg School of Management at Northwestern University.



Ian Bremmer

The global order was in flux well before the COVID-19 crisis. Coronavirus has accelerated three of the key geopolitical trends that will shape our next world order... which will await us on the other side of this pandemic.

The first trend is **deglobalization**; the logistic difficulties brought to light by the current crisis are already pointing to a shift away from global just-in-time supply chains. Yet as economic difficulties mount, **the inevitable growth of nationalism and “my nation first”** politics will push companies to localize business operations that favor national and regional supply chains.

The third trend, **China’s geopolitical rise**, has been more than three decades in the making. But

while China has successfully transformed itself into an economic and technological superpower, no one expected it to become a “soft power” superpower. This crisis can change that, if China’s crisis diplomacy continues and the perception endures that Beijing has been far more effective than the rest of the world in its response to the outbreak.

Of course, just because China appears to be faring better doesn’t mean it actually is. There’s a reason people take Chinese numbers with a grain of salt. This general distrust was further fueled by the initial Chinese cover-up of the outbreak, which enabled its global spread. Donald Trump and his administration are leaning into this narrative as an election strategy and to deflect attention from their own handling of the pandemic. China won’t take this lying down, making it increasingly likely that once the world emerges from the current pandemic, we will be plunged into a new cold war, this time between the United States and China.

New world order or not, some things just don’t change. **FD**

IAN BREMMER is president and founder of Eurasia Group.