

# Has coronavirus killed globalisation: speech by Laura Clarke

E ngā mana, e ngā reo, e ngā iwi, e rau rangatira mā, tēnā koutou katoa.

Thank you Maty and Diplosphere for the invitation to speak tonight, and for convening such an interesting group of people. I don't know about everyone here, but for me COVID-19 was only really in my peripheral vision at the start of the year – and then moved fast to become the central preoccupation. So conversations like this are more important than ever.

The death and disruption caused by the novel coronavirus (COVID-19) pandemic is unprecedented in our lifetimes. It is a truly global crisis: with over 9 million cases worldwide, over 475,000 deaths, and a devastating impact on our economies and way of life.

But has it – as Maty challenges us – killed globalisation? Has it killed the instinct – at the individual, business and state level – to live, work and travel internationally, to trade across borders, to co-operate in tackling global challenges and pursuing common goods?

Or has it instead changed the nature of globalisation, accelerated geopolitical trends that were already underway, and made international co-operation on global goods even harder than it was before?

I'm going to say, straight away, that I think the answer is b). COVID hasn't killed globalisation – but it has made the world a far more dangerous place, and changed how we work, and think, internationally.

So, I'm going to focus on what I see as the risks and opportunities posed by COVID-19 to our globalised world. I'm going to set out a bleak view – sorry – in which the risks far outweigh the opportunities. But then I'm going to try – good internationalist that I am, to outline where we have had successes to date, where there are opportunities, and how we can best seize them.

## **Risks posed by COVID-19**

The glass half empty view is pretty stark. Countries have closed their borders to protect against COVID, international aviation has all but fallen off a cliff; and international meeting after international meeting is being cancelled or postponed: this week was supposed to be the Commonwealth Heads of Government Meeting in Kigali, Rwanda.

We are seeing an increase in protectionism. Switzerland's University of St Gallen found in April that 75 countries had introduced export curbs on medical supplies, equipment or medicines this year. And of course the economic impact of COVID on lives and livelihoods around the world is staggering. The IMF is predicting a 5% global contraction, with no country unscathed.

But the impacts are even more significant – and devastating – in the developing world. After years of progress in lifting people out of poverty –from 44% of people living in global extreme poverty in 1981, to 8% in 2019 – that progress is going to be dramatically reversed. The World Bank assesses that COVID-19 could push upwards of 71 million people into extreme poverty in 2020.

And the full impact of COVID on the most vulnerable has yet to be seen. In May, coronavirus reached Cox's Bazaar, the world's largest refugee camp in Bangladesh. The UN warns that Yemen's healthcare system has "in effect collapsed". Closer to home, Pacific Island countries have succeeded in preventing large scale outbreaks of COVID-19, but are feeling the extreme impacts of the loss of tourism and remittances.

COVID-19 will hit the poorest the hardest.

COVID will also lead to greater instability in some places; in others it will strengthen the strongman. It risks accelerating the decline of the primacy of liberal states within the international order, and strengthening those who cast issues such as human rights, freedom from surveillance, and freedom of the media as 'nice to have's', rather than the essential underpinning of our democracies.

It is exacerbating US-China tensions, accelerating the US withdrawal from its global leadership role, and providing opportunity to hostile states, and those who do not share our values or view of the world.

And there is a serious risk that the urgent climate action that is needed falls into that same bracket of 'nice to have' and 'non-essential'.

So far, so gloomy.

So, let me turn to the glass half full.

## **Opportunities**

A global pandemic requires a global response, and the UK – despite our challenges with COVID-19 at home – has prioritised the international response from the start.

Let me talk about vaccine diplomacy, and our support for the most vulnerable countries.

On vaccine diplomacy, the UK in May co-hosted the Global Coronavirus Response Initiative alongside the European Commission, and eight other countries. The event raised £7 billion for research and development on vaccines, therapeutics and diagnostics, with the UK committing £318 million.

In June the UK hosted the Global Vaccine Summit, with nations pledging \$8.8 billion to GAVI, the Global Vaccine Alliance, to immunise 300 million children in the poorest countries by 2025. New Zealand has contributed \$15 million for international research collaboration and a further \$7 million

GAVI.

Together, we are driving unprecedented global collaboration and resourcing for the development and delivery of new vaccines, treatments and tests at the speed and scale required, to make them available not only in our own communities, but all around the world.

On vulnerable countries, the UK has led international efforts to support the most vulnerable. We have provided £5.5 billion in financial support to the most vulnerable; we have worked with G20 partners to suspend \$12 billion of debt payments for the 77 poorest countries in the world; and we are the largest funder of the International Development Assistance Programme, which is delivering major development programmes in the Pacific.

There are positive glimmers on trade, too. I spoke earlier about the rise in protectionism, but should also highlight the efforts – with New Zealand playing a leading role – to keep trade routes and supply chains open. The UK, like New Zealand, is committed to tackling protectionism, and working with our partners to support free, fair, rules-based international trade.

And we were delighted to launch UK-New Zealand free trade agreement negotiations last week: beginning a new chapter in UK-NZ co-operation.

Our FTA launch was done virtually, which segues into my next theme: the role that technology is playing in the changing nature of globalisation.

COVID-19 has accelerated a behavioural shift in how we work. We can do many of the same international meetings from in front of our bookshelves at home, rather than with long-haul travel. This change is, perhaps, the logical continuation of globalisation. But the pandemic has accelerated its progress, and this could – potentially – become a leveller.

And as we all fly less, our aviation emissions decrease – perhaps by as much as 50% in 2020. Which brings me to my final source of optimism: the opportunity to forge a green recovery from COVID-19.

In recovering from COVID, each country will face a choice, between laying the foundations for sound, sustainable and inclusive growth, or locking-in a high carbon trajectory. As we borrow against our children's future, we must ensure that we have their interests – and that of this planet – at heart.

We must collectively support a green and resilient recovery, building on the principles of the Paris Agreement and the Sustainable Development Goals. The economic prize on offer is clear. Renewable energy sources such as solar and wind are already cheaper than coal in most countries. And the International Renewable Energy Agency assess that boosting investment in renewables would increase jobs in this sector to 42 million globally by 2050.

The UK, as the incoming COP26 President, hosting in partnership with Italy, will continue to press for greater ambition around the world – to reduce emissions, to build resilience, and to cooperate and support each other in a green recovery.

So, to conclude. We are living in times of great uncertainty, and great disruption. No one knows when a vaccine will be found, and when we will return to anything like normal. The challenge facing us – in terms of the global health response, supporting the most vulnerable, and guarding against those who would seek to take advantage of the pandemic, to the detriment of our security and way of life – is enormous. The outlook is bleak.

And humans are, generally, slow to adapt our behaviours. But COVID-19 and its response showed us just how fast we can move – at governmental, business and individual level – to change our policies at pace, to change our behaviours. If we can do it in the face of COVID-19, we should be able to do it for the climate, too.

Tēnā koutou, tēnā koutou, tēnā tatou katoa.