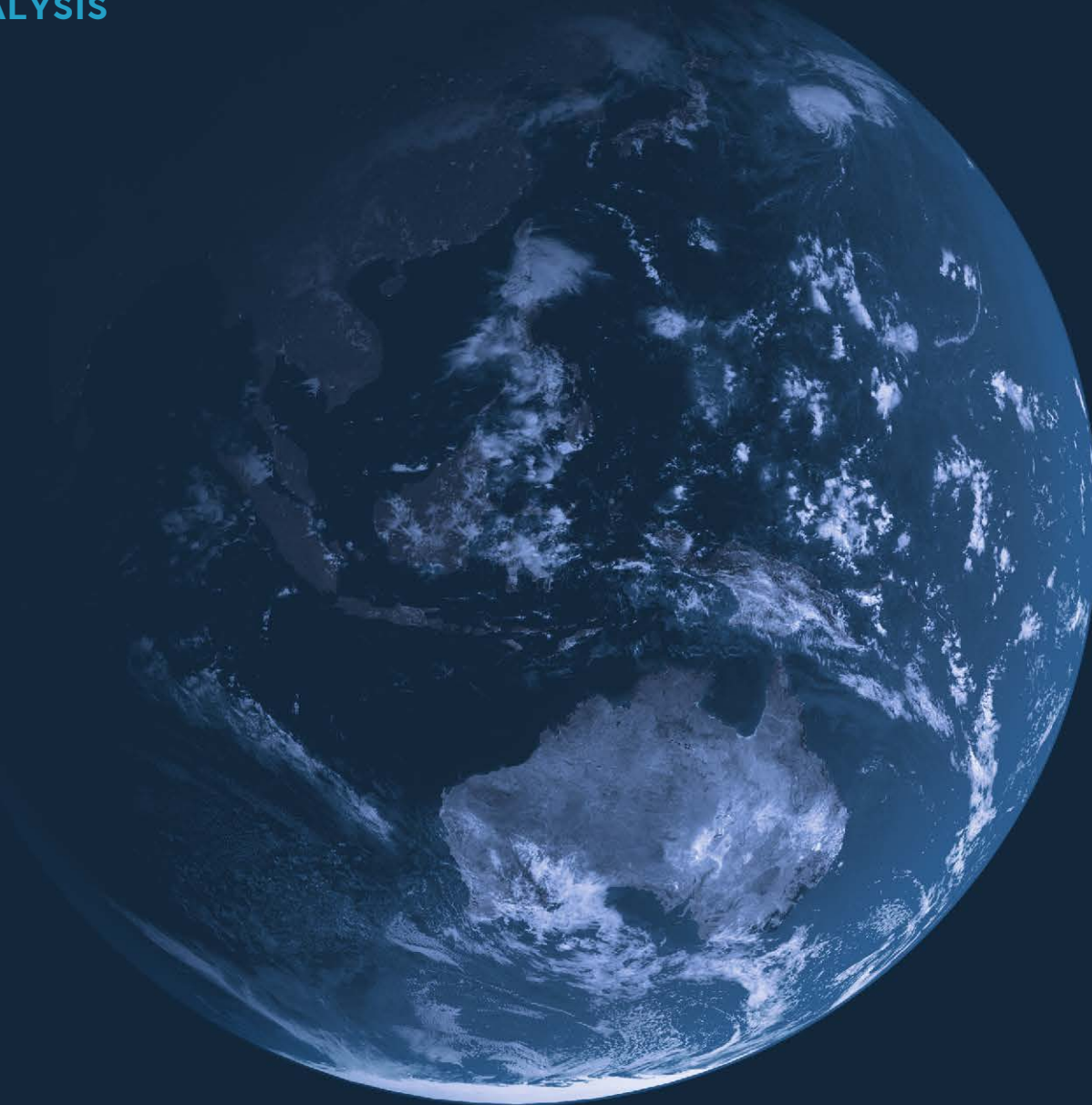


**LOWY
INSTITUTE
ANALYSIS**



The World After COVID

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THE WORLD AFTER COVID

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THE UNITED STATES

The United States, which was already self-isolating, is now seriously unwell

DR MICHAEL FULLILOVE, AM

Even before coronavirus, the United States was self-isolating.

President Donald Trump came into the White House in 2017 oblivious to the advantages of global leadership. He preferred protection rackets to alliances. He junked the Iran deal. He pulled out of the Paris Accord and boosted the Brexiteers. He withdrew from the Trans-Pacific Partnership and levied high tariffs on Chinese imports. His weird affinity for strongmen disappointed democrats and emboldened dictators.

However, two factors — the resistance of career civil servants and the president's own attention deficit disorder — combined to limit the damage he caused. In his first three years as president, Donald Trump hurt America's interests, diminished America's attractiveness and damaged the international system. But he did not do irreversible harm.

Before 2020, the president also had not faced a serious external crisis. All of his crises — and there were a few — were self-generated.

Now the world faces a global health crisis, a global economic crisis and, perhaps at some stage, a global financial crisis. Our last line of defence is The Donald.

Forget global leadership: Washington's response to the virus has been world's worst practice. The president has flailed around: blind, clueless and self-absorbed. Previously he had dismantled much of the US government infrastructure for dealing with pandemics. Now, as the coronavirus spread beyond China, Trump was slow to act, comparing the coronavirus to the common flu and even calling it a "hoax". He spread misinformation about the virus on television. He undermined rather than reinforced the messages of his public health experts. The provision of coronavirus testing — widely regarded as an essential part of any response — has been woeful. Naturally the president refuses to bear any responsibility for this.

At the time of writing, nearly 11,000 Americans have died of COVID-19. The White House now estimates that between 100,000 and 240,000

Americans may die; some expert estimates are much higher than this. Vice President Mike Pence himself has compared the US trajectory to that of Italy.

We are accustomed to the United States being the epicentre of global power, not the epicentre of global disease.

Of course, President Trump is not solely to blame. The broader US response to the coronavirus has been unimpressive. The decentralised nature of the US federation has made policies inconsistent. Perhaps the rugged individualism of American culture has also prevented a stronger collective response. Certainly, the hyper-partisanship of the US political system and the rise of 'fake news' and conspiracy theories, has not helped.

The United States now appears seriously unwell: feverish, weakened and disoriented. The combination of the Trump presidency and coronavirus pandemic is having a significant effect on the way the world thinks about the United States. If it reinforces the tendency towards retrenchment that has been visible for a decade, it may also have a significant effect on the way the United States thinks about the world.

Of course, Americans have a choice in all this. If Donald Trump is replaced by a more orthodox president in November — most likely Joe Biden — then the United States can revert to a more orthodox path. But what if Americans look at the past four years, and the past four months, and say: more, please?

This November, the United States will either course-correct or crash.

CHINA

After initially failing to handle COVID-19, Xi Jinping senses an opportunity

RICHARD MCGREGOR

In early April, Chinese leaders and most citizens stopped for a moment's silence, to commemorate what the official media called the "martyrs" who had died in the coronavirus outbreak in the preceding months. The event, which stopped traffic and public transport, had the feeling both of finality and victory, in stark contrast to many countries, especially the United States, which are now bunkered down and watching death tallies rise.

The possibility that China looks to have beaten COVID-19 will be an immense relief to President Xi Jinping and the ruling Communist Party (CCP), which only a month ago seemed to be on its knees fighting the spread of the virus.

Chinese leaders have navigated their way through many peaks and troughs in recent decades that have crippled other nations, most recently the global financial crisis. If they get through COVID-19, the CCP will feel bullet proof, and emboldened to press forward with Xi's assertive foreign policy, at the expense of the West.

The CCP has become so confident about the outcome that, barely moments after its own infections stabilised, Beijing rapidly turned its attention abroad. The Chinese government, along with some of the country's richest businesspeople, have dispatched masks to first world nations like the United States and European states, and organised teleconferences with poorer Pacific nations to teach them how to take on the challenge of dealing with the virus.

Beijing's global propaganda efforts seem to be bearing fruit. This is remarkable, given the way the crisis started earlier this year, with a cover-up in Wuhan (a city of 11 million people in central China) allowing the virus to spread to the rest of China and then the world.

Xi has earned himself many enemies in his ruthless accumulation of power in the past seven years, but his firm control over the party has allowed him to shunt aside his critics.

COVID-19 threatened Xi's position, as the economy went into a downwards spiral and the CCP's reputation for competency at the outset of the crisis took a hit.

The brutal quarantine imposed by the party-state, however, has for the moment stabilised the situation inside China. The propaganda campaign, contrasting China's situation with that of other countries, is being leveraged to boost Xi and the CCP's standing with its citizens.

But Xi and China aren't out of the woods yet.

China has not experienced a genuine recession since 1989–90, in the aftermath of the military suppression of protesters in Beijing and elsewhere.

By the accounting of one long time China economist, Andy Rothman, of Matthews Asia, Beijing “published the worst macro data since the Tang Dynasty” in mid-March. (The Tang Dynasty lasted from 618 to 907 CE.)

Despite signs of a reboot, China is not on track to a V-shaped economic recovery, especially while its major overseas export markets are in free fall.

Economic growth, competent government and nationalism are the three pillars of enduring CCP rule. The first two have been damaged. The third is being bolstered by China's progress in the cornering of the virus.

Xi is safe for the moment, but the longer-term verdict is yet to come.

US-CHINA COMPETITION

The zero-sum competition between the world's two most powerful countries will escalate to new levels

BONNIE GLASER

The coronavirus has intensified US-China strategic competition and sent bilateral relations into a tailspin. The rivalry, which even before the virus extended to all aspects of the relationship — economic, military, diplomatic and ideological — will accelerate the decoupling of the two economies and deepen mistrust between the countries and their peoples.

Rather than seek cooperation to mitigate the COVID-19 crisis as they did in response to the global financial crisis and the Ebola outbreak, Beijing and Washington are engaged in a rancorous struggle over where and how the virus began. The mutual scapegoating may continue for months or even years after the virus is brought under control. The blame game will create enduring resentment on both sides that could influence policies toward each other across a range of issues, especially if Donald Trump is re-elected for a second term in November.

Bilateral rivalry is spreading from the diplomatic, economic and military realms to the ideological sphere with Beijing and Washington touting the superiority of their respective governance models. China has launched an aggressive domestic and global propaganda campaign to divert attention away from the Chinese Communist Party's missteps in the early phase of the epidemic and hype its achievements in getting the virus quickly under control within its borders. The United States has initiated its own drive to push back against China's disinformation strategy and portray Beijing as unfit for global leadership. The acrimony has extended to government spokespeople in both capitals, who are hurling insults back and forth, and engaging in tit-for-tat diatribes. Even the race to develop a vaccine is being politicised, as both sides contend to show the world that its scientists are superior.

The COVID-19 pandemic will accelerate the trend of reducing the interdependence of the US and Chinese economies. China's policies for achieving greater self-reliance in advanced technology set this in motion and gained additional momentum with the US decision to exclude Chinese companies from its 5G networks. Trade between the

two nations has already slowed as a result of tariffs and other measures. United States' efforts to reduce reliance on China for pharmaceuticals and medical supplies will expand the 'decoupling' that is already taking place in some technology sectors. The downturn in the Chinese economy and rising unemployment will tempt Chinese leaders to rely heavily on nationalism, which will be directed against foreigners and especially Americans. Rising xenophobia in China and anti-Chinese prejudice in the United States may further curtail economic interaction, including by adding to existing pressures to pull supply chains out of China.

Despite China's good faith efforts to meet the Phase I trade deal deadlines, Beijing will probably not be able to purchase the agreed target of US\$200 billion in American goods and services over the next two years. Economic downturn in both the United States and China will slow progress toward a Phase II agreement. As a result, friction will continue over thorny issues such as China's subsidisation of companies and its policies aimed at dominating key strategic technologies. Bilateral disagreement will persist over tariffs, with the Trump administration keen to keep them in place and China eager to see tariffs lifted.

United States–China relations are at their worst point in modern memory and are poised to get even worse as a result of the COVID-19 epidemic. The rest of the world should plan accordingly and attempt to limit damage to their interests as the zero-sum competition between the two most powerful countries escalates to new levels.

THE INTERNATIONAL ECONOMY

COVID-19 will inflict a permanent shock on the world economy

ROLAND RAJAH

Since the COVID-19 threat first emerged, economists have debated whether the shock to the global economy will be ‘temporary’ or ‘permanent’. In the more optimistic ‘temporary shock’ view, the virus will eventually pass, and economic life can then largely go back to normal. Massive fiscal and monetary expansion programs in Western countries will keep the economy afloat in the interim — with government balance sheets socialising the costs of economic hibernation. Government debt will be much higher in the aftermath. But incredibly low borrowing costs will keep this sustainable. Some longer-lasting damage is unavoidable (e.g. bankruptcies and job dislocation). But these would be relatively small or quickly recoverable.

Three factors, however, make it more likely that the world economy will suffer a permanent shock.

First, the ‘virus economy’ may last much longer than people think, increasing the permanent costs. The crisis is, at its core, a global health crisis. Even countries that defeat the virus at home will not be able to fully return to normal until the rest of the world does so as well. Unless borders stay closed, reinfection from abroad will remain a threat. And if other countries are still in turmoil then world demand will stay depressed. Therefore, regardless of individual success, it is a concern for all countries that the global outlook for combatting the virus and mitigating its economic costs is highly uneven.

Second, the emerging world looks set to be hit mercilessly hard. These economies are now globally significant. But the great fear is that the realities of widespread poverty could make it incredibly difficult to contain the virus and too easy for it to overwhelm already weak healthcare systems. Worse, these countries cannot respond with massive fiscal and monetary expansion to mitigate the economic damage, owing to various combinations of high debt, collapsing export demand, vulnerable currencies, and reliance on external financing. Instead, the flood of capital already fleeing emerging markets threatens to make things much worse. The International Monetary Fund and World Bank have a critical role to play. But whether they will have the

full resources, tools, and mandate needed is far from assured. A financial crisis in the emerging world is a distinct possibility. Yet, even if this is avoided, it could still take years for emerging economies to fully recover.

Finally, globalisation will likely suffer greatly, even if it is not about to completely unravel. Many aspects are too deep-rooted and the commercial logic too powerful for this to spell the end of globalisation itself. But globalisation was already heading in reverse before the crisis and this will only be reinforced by the virus experience. Businesses will rethink long and complex supply chains, governments will feel compelled to ensure domestic capacity in more areas deemed critical to the national interest, protectionists will feel empowered, and domestic politics will demand more barriers to people's ability to cross borders, whether temporarily or permanently. Some of this will be warranted, much will be lamentable. All of it will impose costs.

Of course, better outcomes are possible, especially with greater international cooperation. But on the present trajectory, the post-virus world economy will be one of subdued growth, more fragility, and greater division.

GLOBALISATION

The drawbridge has been raised, but not permanently

DR STEPHEN GRENVILLE AO

Globalisation has imploded. No overseas tourism, no foreign students. Australians abroad have retreated home and borders are closing. Regulations prioritise nationals over foreigners. Thomas Friedman's "flat world" has been upended. Is this temporary or the new normal?

To answer that, consider how important globalisation has been since the Second World War. A billion people have been lifted out of poverty, riding the wave of international trade, which grew twice as fast as GDP for half a century. Technology interacted with globalisation to facilitate production-at-scale and efficient supply chains. Comparative advantage — countries should do the things that they do best — was taken to the nth degree. This boosted productivity and living standards surged.

We will not readily abandon these stunning gains and revert to autarchy, because the sacrifices would be too great.

Nowhere is this clearer than in Australia. With a population of only 25 million, we don't have the scale to allow self-sufficiency. Our resource endowment (think of coal and iron ore) cannot be used at home: it has to be exported. Our agricultural production is many times greater than our domestic consumption. How would Australians tourists feel if they were confined to their own shores?

On the other hand, America and China, with their huge scale and diverse resources, could adopt self-sufficiency with smaller loss. Donald Trump's America has lost any sense of mutually beneficial globalisation and is turning inwards, with the virus inflaming existing tensions.

But globalisation should be able to survive self-isolation by a single country, even the largest. The rest of the world — and notably China — shows no sign of this inwardness. The main loss to us would be strategic — the economic weakening of our closest ally. There would be a reformatting of the international agencies which underpin globalisation, lessening the largely benign hegemonic role America has played. But the rules of globalisation are based on mutual benefit, so

there is no intrinsic reason why China, say, would want to re-write the rules for economic reasons. After all China did famously well out of World Trade Organisation membership.

In this new world, trade — the key constituent of globalisation — could continue, with China still taking our exports. Global advances in technology would still be available to us. Foreign capital would still flow.

Of course, the crisis will leave us poorer and we will be interacting with a poorer world. Growth will be hobbled by higher debt. Some partner countries are likely to experience serious trauma. Income inequality will worsen, especially between nations. But the overall dimension of this loss should be kept in perspective — it is a tiny fraction of the disruption experienced in two world wars during the 20th century. If the COVID-19 crisis marks the end of globalisation, it will be the fault of policy responses rather than the result of the epidemic itself.

This may be the end of hyper-globalisation, characterised by casual overseas holidays and over-reliance on sourcing foreign supplies instantly. However, a vaccine will be developed in time and the benefits of globalisation are so great that self-interest will see it restored, even if the scenery changes and players switch roles.

MULTILATERALISM AND THE NATION STATE

COVID-19 shatters the promise of a benign Asian Century: It's every state for itself

HERVÉ LEMAHIEU

The year 2020 will mark the birth of the 'Asian Century', just not in the way many expected it. Asian economies were on track this year to become larger than the rest of the world combined. But this economic miracle has been eclipsed by an altogether more inauspicious start to the defining role Asia will play in the 21st century. History will remember 2020 instead for a once-in-a-century pandemic which emerged out of China, Asia's newly minted superpower, and reduced the international community to its constituent parts as countries turn inwards to fight an invisible enemy.

The rapid global spread of COVID-19 will hasten a rethink, already underway, about the global promise of Asia's sunlit uplands. Hyper-globalisation, in which the region prospered, has likely peaked. A counter current will reinforce the importance of nation states and self-sufficiency. And an uncomfortably Darwinian zeitgeist seems likely to sharpen the contrasts between weak and strong in Asia.

Above all, this crisis is a test of internal sovereignty and resilience. The coronavirus exposes the competence, and lack thereof, of governments and institutions. It reminds us that a country's ability to project power and leadership abroad rests first and foremost on the capacity to govern competently at home. Dictators and democrats, nativists and liberals will no doubt all see evidence in this crisis for the urgency of their views. However, in the words of Francis Fukuyama, "the crucial determinant in performance will not be the type of regime, but the state's capacity and, above all, trust in government."

The fear that the West is in inexorable decline as a result of this crisis is likely overdone. Western Europe and the United States were clearly unprepared for what has hit them, but they remain some of the oldest, richest and most capable states in the international system. The crisis even has the potential to spur substantial new investments in public goods. Historically, projects like the European Union have benefited from destabilising shocks as a call to action and reform. Countries with

the resources to fight the pandemic on two fronts — containing the health emergency and the economic fallout — will recover fastest. Australia should be among them.

However, it is far from clear how this will play out in developing Asia. State weakness has obvious implications for the balance of power in the region — between China and the rest. An uncontrolled health crisis followed by another deep global economic recession may be a far more existential threat to the stability of emerging middle powers in Southeast Asia and even India, the only democracy with the demographic heft to match China. Moreover, without a truly global public health infrastructure, the economic rise of many smaller countries may simply prove unsustainable.

It follows that — even as successful powers move towards greater self-sufficiency — they will have little choice but to come out of their shells and reinvest in global institutions and hard-headed internationalism. True, the record of the United Nations and its specialised agencies does not always inspire complete confidence. But if the United Nations didn't exist, we would have to invent one for this multipolar world.

SOUTHEAST ASIA

Authoritarianism will intensify in Southeast Asia but effective governance won't necessarily follow

BEN BLAND

Cambodian leader Hun Sen is implementing new laws to boost his powers. Myanmar is forcing internet service providers to block independent media. And Philippines President Rodrigo Duterte is threatening to shoot those who defy him. As political scientists debate whether the COVID-19 pandemic will be a boon for authoritarianism, Southeast Asia's criticism-shy leaders and their draconian security officials are seizing the day.

Southeast Asia is not a good lab to test how democratic and authoritarian governments manage crises. For while the region incorporates many flavours of authoritarianism (from Communism to military rule and from a sultanate to a technocracy), there is not a single consolidated liberal democracy. Only Indonesia and the Philippines hold regular free, fair and genuinely contestable elections, while struggling to sustain democratic principles of governance. So the better question to ask is: how will Southeast Asia's authoritarians fare in the face of this health, political and economic crisis?

It is already clear that many Southeast Asian leaders are trying to ratchet up their powers. At a time when many people are afraid for their lives and even Western democracies are putting severe limits on personal movement, people in Southeast Asia are likely to accept this in the short term.

But this does not necessarily presage a dark and dictatorial future for Southeast Asia. In the longer term, people will judge their governments on their effectiveness in mitigating the health and economic impacts of COVID-19. Performance legitimacy, when authoritarian governments sustain power by delivering for their citizens, is just as important when it comes to managing a pandemic as it is when managing the economy.

Apart from the Communist dictatorships in Laos and Vietnam, and recently Hun Sen's Cambodia, citizens in the rest of Southeast Asia have the chance to register their discontent in some form of election, even if many cannot change their governments. There are also think-tanks, media outlets and civil society organisations, albeit of varying

degrees of quality and independence. While these feedback mechanisms are imperfect, they can at least shine a light on governments that are over-reaching but under-performing.

So far Singapore, the only rich nation in Southeast Asia, has predictably led the pack in responding to this crisis. Singapore's paternalistic and interventionist People's Action Party will hope to capitalise on its successful management of the pandemic in a general election due by April 2021. Vietnam's Communist Party has been the surprise early performer, slowing the spread of the outbreak early on with draconian quarantine procedures and strong national leadership. But their authoritarian neighbours in military-dominated Myanmar and Thailand have been flailing. In Indonesia and the Philippines, weak governance and poor public messaging have undermined the mitigation efforts. Indonesian President Joko Widodo, like his counterpart in the Philippines, looks ill-suited to crisis management.

We are still in the opening stages of a long and drawn-out crisis. But Southeast Asian leaders and officials with deep-seated authoritarian instincts will undoubtedly continue to grab more power in the months ahead. Only some leaders will use their enhanced powers effectively to protect the lives and livelihoods of their people. The rest will have to hope for the forbearance of their citizens. Otherwise, they will face a backlash at the ballot box — or on the streets.

THE PACIFIC

After COVID-19, the same challenges for the Pacific — only worse

JONATHAN PRYKE

Life for the average islander is a sharp juxtaposition of the idyllic and the oppressive. Diseases that are a distant memory in Australia — malaria, tuberculosis, dengue — are commonplace in the Pacific. Formal sector employment opportunities are limited, and people are used to going without. While public social welfare systems are thin, community welfare systems are robust. The Pacific's greatest strength is the resilience of its people. The economic and political systems of the Pacific are far more fragile. Both will be tested to their limits by COVID-19.

Most Pacific countries walled themselves off early from the outside world, showing great foresight. This will contain the spread of the virus, and help the Pacific to dodge the worst of the immediate impact of COVID-19 — that of the virus itself. Considering the acute vulnerabilities of stretched — and in some cases broken — health systems, this will be looked back on as a remarkable achievement. Some countries, particularly Papua New Guinea with its porous land border with Indonesia, may not be so lucky, and will be dealing with outbreaks until a vaccine can be found.

No amount of foresight could help the Pacific dodge the economic fallout trailing COVID-19, however. All of the main threads of economic reliance that connect the Pacific to the outside world — tourism, migration, remittances, aid — will be affected. On average, the economies of the region may experience a contraction of as much as 10 per cent. Many industries, particularly tourism, will take many years to recover to their pre-COVID-19 levels.

Fortunately, Pacific governments and their friends are acting to avert complete economic and political collapse. Pacific governments will draw on every domestic resource available to them to stimulate their economies, largely rolling out small and medium business subsidies and mass employment programs. Donors, including China, will respond through a major regional financing program of at least A\$5 billion — double what the Pacific normally receives in aid — coordinated by the International Monetary Fund and World Bank. Most of this will come in

the form of extremely concessional long-term loans. A debt crisis is looming but the crisis of today is more immediate. Australia and New Zealand will recognise this, and will lead the support efforts despite the gargantuan challenges at home.

At the end of this much of the Pacific will look as it did before, with the same challenges and opportunities. But some parts will have significantly changed. The regional lending mechanism will likely evolve into a development bank for the Pacific, which will improve coordination of efforts across all Pacific donors, including China. Health will become a flagship of donor engagement in the region and will become the new arena for big-power geopolitical competition. Pacific regional integration will take a hit, as the collapse of some national airlines will make it harder than it already is to get around the region. But the bonds between Pacific countries, and with Australia and New Zealand, will be stronger on the other side.

DEVELOPING NATIONS

COVID-19 has the world's poor in its sights

ANNMAREE O'KEEFFE AM

Every viral pandemic has its prime targets. For HIV/AIDS, it has been the marginalised and stigmatised, killing 35 million in the past 35 years. For COVID-19, it is initially the aged and physically vulnerable. But when the frontline shifts it will be the world's poor in developing countries who will suffer the most.

Thanks to their existing ill health, the poor in developing nations already live 18 fewer years than people in high-income countries. They have sub-standard health systems unable to provide even basic services, weak and mismanaged national economies, limited access to financial and skilled human resources, and under-educated populations.

COVID-19 will therefore disproportionately hit the world's poorer countries both as a health cataclysm and as a destabilising social and economic crisis. This will take some into the realm of fragile states and already fragile states will be driven deeper into dysfunctionality.

The UN Development Program estimates that "income losses are expected to exceed US\$220 billion across developing countries", hitting those least able to cope. That forecast takes on a razor edge when considering that up to 75 per cent of people in least developed countries lack access to the primary means of infection prevention — soap and water. Many of those least developed countries are in our neighbourhood, including Cambodia, Nepal, and four Pacific countries — Solomon Islands, Vanuatu, Tuvalu, and Kiribati.

Even in the more prosperous parts of the developing world, the World Bank has estimated that if regional growth slows to 2.1 per cent, 24 million fewer people will escape poverty compared with pre-COVID projections. In a lower growth scenario, millions more will descend into poverty.

The World Bank acknowledges the perils of making predictions in this fast-moving crisis. Just as the world's richer countries face varying degrees of success and failure according to their response to this viral blitzkrieg, so too will developing countries. What is clear is that there

must be a multi-pronged program of support, including direct assistance for health systems as well as support for failing economies. No single response fits all. Instead, this is the time to apply the fragile states principles, which were developed in the early 2000s to help failed states emerge from conflict — RAMSI (Regional Assistance Mission to Solomon Islands) was an example. These include focusing on the context, prioritising prevention, agreeing on practical co-ordination mechanisms between international actors, and staying engaged long enough to give success a chance.

The wealthier countries and international organisations have already started galvanising resources for the poorer nations. At the G20 meeting last month, commitments were made to strengthen capacity building and technical assistance and mobilise development and humanitarian assistance. Separately, the World Bank has put together a US\$160 million package of immediate and longer-term support; the International Monetary Fund will engage with the private sector to help companies continue operating and sustain jobs; and the Asian Development Bank has put together a US\$6.5 billion package for developing country members. So far, Australia's international focus is largely on the Pacific with existing aid programs being redirected to focus support on health services and mitigate the economic shock.

The forecast for the Pacific is grim. The big challenge for its development partners will be funding the scale of resources needed to deal with it. Despite the commitments to date, as the developed world goes into deeper debt to save itself, governments will be forced by their electorates to make some very tough decisions about their foreign aid budgets.

MISINFORMATION, TRUTH, AND TRUST

COVID-19 is killing truth — and public trust

NATASHA KASSAM

After a decade of democratic backsliding and populism, 2020 is the macabre finale. Propaganda and misinformation are deepening the disconnect between publics and political elites during COVID-19. Both truth and trust are falling victim.

Trust in government was already at a low point prior to COVID-19. And governments in the early stages of the virus did not inspire confidence. China covered up the outbreak. The United States underestimated it. The United Kingdom surrendered to it. And most of Europe failed to control its spread.

Most governments are attempting to rectify early missteps. But doubts about the competence of these systems — democratic or authoritarian — continue to mount. Citizens are told to turn to authoritative sources, but once-trusted institutions have not stepped up: the World Health Organization has been damaged by allegations that it is beholden to China.

Misinformation in a pandemic is not new but in COVID-19 it is unprecedented. In this contested information environment, there is no single source of truth. Even the data on COVID-19 cases, coded in the simplicity of 1s and 0s, tells a different story depending on which university publishes it.

The authority of legacy media has been undermined by perceptions of entrenched ideological bias and the loss of advertising alike. For many newspapers, COVID-19 will be an extinction event.

Social media and fringe news have filled the vacuum. In the crisis, social media has had its benefits — citizen journalists and outspoken doctors have been empowered. But malign actors thrive in environments of distrust and confusion, and dangerous misinformation, disinformation and flawed amateur analysis abound. Make way for the armchair epidemiologists. One Medium.com post that claimed the public health response to COVID-19 was based on hysteria, rather than evidence,

was viewed and shared by more than two million people before it was removed as dangerous. Truth, and one of its emissaries, science, has been politicised. If this pandemic does signal the return of science, then to gain traction, the scientists will need to be propagandists too.

Worse still, political leaders have been complicit: suppressing information and at times outright lying during the outbreak. Suspicion has been rightly levelled at China, where the instinct to suppress and censor bad news had tragic costs. But the White House under President Trump has also had a tenuous relationship with the truth. For many, neither system looks particularly appealing. Government incompetence has driven people towards mistruths and emotion rather than fact and science.

Conspiracy theories have also flourished, aided in part by governments. Some Chinese officials claimed the virus was brought to China by the US military. United States elected officials argue COVID-19 was a misfired Chinese bioweapon. The truth has been obscured in this unedifying war of words. Pew polling has found a third of Americans say COVID-19 originated in a lab.

Stepping into the void, technology companies have become gatekeepers. Twitter deletes posts by Venezuela's President Maduro or Brazil's President Bolsonaro that promote untested COVID-19 treatments, but turns a blind eye when the same message is shared by President Trump. Even for the free-speech extremists of Silicon Valley, information is political.

The information age was meant to make truth more accessible and governments more accountable. Instead, propaganda and misinformation spew from an endlessly expanding array of new sources, while governments and once-trusted institutions disassemble truth to serve their own political prerogatives.

Some governments are rebuilding public trust through competent and honest responses. But distrust and deception in public life is accelerating. And the truth, already undervalued in recent history, has become another casualty of the war against COVID-19.

EXTREMISM

COVID-19 is accelerating the rise of right-wing extremism

LYDIA KHALIL

Times of crisis tend to bring out conspiracies, crazies and extremists. During the COVID-19 pandemic, this has been even more pronounced — particularly in Western democracies where trust in government has ebbed to an all-time low, mental health services are already strained and right-wing extremism is on the rise. Back-to-back emergencies in Australia, from bushfires in January to the COVID-19 pandemic in March, have spurred an increase in extremist narratives here.

Even before COVID-19, right-wing extremism was expanding at an alarming rate, with a 320 per cent global increase in just the past four years. A scroll through the internet shows how right-wing extremists are using the coronavirus to stoke extremist narratives and encourage mobilisation against outsider groups and government. The COVID-19 pandemic has struck a chord with right-wing extremist groups because it fits with an increasingly popular fringe theory among the far right — that of accelerationism. This is a strategy of hastening the collapse of society to promote its restructuring on completely different ideological grounds.

A leaked memo from within the US Department of Homeland Security revealed that white supremacists and neo-Nazis are encouraging infected members to spread the virus to law enforcement and minority communities. Memes on right-wing forums such as “What to Do if You Get Corona 19” urge followers to “visit your local mosque, visit your local synagogue, spend the day on public transport, spend time in your local diverse neighbourhood”.

The risk extends beyond rhetoric to physical attacks. On March 24, FBI agents killed a known right-wing extremist during a sting operation after learning of his plans to bomb a hospital treating a number of COVID-19 patients. Dr Anthony Fauci, the leader of the US COVID-19 task force, has been forced by credible threats to take extra personal security measures.

Terrorism laws in the United States are already being invoked in an effort to deal with COVID-19-related extremist acts, expanding the interpretation of the law to bring terrorism charges against at least two people claiming to be infected for coughing in grocery stores. But these individuals have no known links to terrorist groups nor are acting on political or ideological motivations, which is how terrorism and terrorism offences have previously been defined.

This is a troubling expansion in the definition of the terrorist threat. Emergency government powers invoked to deal with the urgent public health crisis risk provoking right-wing extremism and accelerationism. Heavy-handed government responses also play into the narratives of right-wing extremist groups who welcome the prospect of martial law to promote their goals of accelerationism.

The public health threat posed by COVID-19 is severe. The already rapid rise of extremism is real, and is being stoked by COVID-19 conspiracy theorists to hasten the spread of accelerationist ideology. But over-done government responses to both threats may only proliferate right-wing extremism further.

DIPLOMACY

Post-COVID-19 diplomacy will be refinanced

ALEX OLIVER

Diplomacy, if it is noticed at all by the average citizen, is generally regarded as the preserve of an elite foreign policy community. Only in times of crisis do people become aware that the nation's diplomatic network performs a crucial service — that of providing consular assistance to citizens abroad. Yet that service is frequently found wanting, even as entire foreign ministries mobilise to protect their stranded nationals. Previous crises have catalysed changes in the ways diplomatic networks function; a crisis on the global scale of COVID-19 will permanently reshape them.

Many of the world's diplomatic networks have been in retreat since the global financial crisis of 2008. Embassies and consulates were closed, diplomats returned to headquarters, staff numbers reduced, sometimes dramatically. The former diplomatic superpowers — France, the United Kingdom, Spain, Russia — all cut back the size of their networks, some by almost one fifth. In Australia's case, the number of our diplomats posted to overseas missions is smaller than it was 30 years ago, yet our GDP is six times larger. Expenditure on diplomacy has stagnated while investment in defence has burgeoned.

In April 2020, the scale of the consular crisis has become crystal clear. Of Australia's one million-strong diaspora and several hundred thousand short-term trip-makers, 200,000 have returned home in the past three weeks. The United Kingdom is reportedly spending £75 million to repatriate 300,000 of its citizens currently abroad. The United States has repatriated 43,000 Americans from 78 countries since late January. The list goes on.

Emergency consular assistance on this scale is unprecedented. It dwarfs the repatriations following the Arab Spring revolts, or even the Lebanon crisis in 2006. In the aftermath, as with those other crises, ministries of foreign affairs across the globe will trawl through the 'lessons learned' and make permanent changes to their crisis management plans. Where their networks are thin (such as Australia's in parts of South America), regional rapid response hubs will be created or boosted. New consulates may be opened in destinations becoming

more popular with tourists. Consular ranks will be augmented with regional specialists. Crisis contingency funds will need boosting.

All of this means governments will need to rethink their approach to diplomacy. The paring-back and efficiency drives in foreign ministries have stripped them of capacity, and with it the ability to respond with agility to crises. Those crises expose governments to hyper-criticism by citizens striking out when they feel most vulnerable. That sort of pressure is hard for governments to ignore. If it leads to more sensible investment in diplomatic resourcing, that's no bad thing.

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