VOLUME 1 · ISSUE 03

In the Aftermath of COVID-19: Policy Implications for Canada



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April 2, 2020

The COVID-19 global pandemic has reinforced the need for today's policy to address humanity's future critical challenges. Doing this requires thoughtful analysis and making sense of a range of informed and multidisciplinary perspectives. Notwithstanding the urgent attention required to focus on the continuous unfolding, and immediate impact, of the virus, thinking that is geared toward a "post-COVID-19 world" — both in the shorter and longer terms — must begin to inform scenario-building, new strategies, policy and program adjustments and reprioritization moving forward. This short paper offers thinking on five broad thematic areas for which both national and international policy considerations demand attention.

^{*} This paper reflects the contributions and insights of many of my colleagues at the Balsillie School of International Affairs. I am particularly indebted to Jonathan Crush for drafting the "Migration, Mobility and Food Security" section. I am also grateful for the significant input and support provided by Simon Dalby and Alan Whiteside. Lastly, the feedback, opinions and suggestions of Alison Blay-Palmer, Joel Blit, Neil Craik, Alistair Edgar, Alison Mountz, Jatin Nathwani and John Ravenhill are also gratefully acknowledged.

"When we get past this crisis, which we will, we will face a choice.

We can go back to the world as it was before or deal decisively
with those issues that make us all unnecessarily vulnerable to crises."

António Gutteres, United Nations Secretary-General

Introduction

The COVID-19 global pandemic has reinforced the need for today's policy to address humanity's future critical challenges. Doing this requires thoughtful analysis and making sense of a range of informed and multidisciplinary perspectives. Notwithstanding the urgent attention required to focus on the continuous unfolding, and immediate impact, of the virus, thinking that is geared toward a "post-COVID-19 world" — both in the shorter and longer terms — must begin to inform scenario-building, new strategies, policy and program adjustments and reprioritization moving forward.

This short paper offers thinking on five broad thematic areas for which both national and international policy considerations demand attention.

Economy, Energy and Innovation

With the world experiencing a near economic shut-down, we foresee a further winding back of the globalization of production² — a trend that has been evident now for several years — driven by protectionism and by new technologies that reduce the incentives to shift production to countries that offer low-cost labour. The current crisis will no doubt see the emergence of additional pressures to keep supply chains for "essential" products at home.

Few countries seem willing to provide leadership for the type of international economic cooperation that is critical during global economic crises. Global economic cooperation is unlikely to succeed without leadership from the world's largest economy, which does not seem likely as long as President Donald Trump is in power. The global economic downturn is likely to push countries toward further protection and competitive devaluations⁴ — the very issues that exacerbated and prolonged the Great Depression of the 1930s and which, in turn, fed the disastrous politics of fascism and the rise of Nazism. Whereas one would expect to see coordination among the G7 economies on stimulus packages to try to ward off disastrous economic and political consequences, it seems for the moment that only national initiatives are being proposed to ameliorate matters.

¹ UN News, "UN launches COVID-19 plan that could 'defeat the virus and build a better world'," March 31, 2020.

² John Allen et al., "How the World Will Look After the Coronavirus Pandemic," Foreign Policy, March 20, 2020.

³ Nicholas Burns, "How to Lead in a Time of Pandemic," Foreign Affairs, March 25, 2020.

⁴ Priti Gulati Cox (Stan Cox), "Climbing the Deadly Curves of COVID-19 and Capitalism," Counterpunch, March 26, 2020.

In the context of Canada, there is an opportunity to address the intersection of four interdependent trends. The first trend concerns a greatly reduced demand for, and the near collapse of, current energy structures, in particular in the gas and oil sector.⁵ Second, climate changes continue to loom in the background and may well throw the next punch our way. Third, the issuance of an economic relief package in the order of CDN\$107 billion,⁶ amidst declining Canadian oil and gas revenue (which effectively increases debt, for the provinces in particular), requires gearing mechanisms to avoid high levels of national debt or an acceptance of this debt and all that this implies (although Canada appears better placed than many countries in this regard). Fourth, although the time may be right to aspire to new, cleaner, low-carbon solutions to support a new energy structure moving forward, the capital costs of these new large projects should not be underestimated.

Based on the conflation of the trends above, the time is ripe for the development of an effective national strategy that sets out clear and achievable objectives for developing cleaner, sustainable energy structures by the middle of the century. Like the approach initiated by Germany in 2016 to become "coal free by 2035," such a strategy should include measures to subsidize investors and cater to the oil and gasproducing communities impacted by the change. The nexus of newly proposed energy structures, economy and climate change mitigation must incorporate data-driven climate science and not just model projections supported by non-science-based interests.

New Ways of Working and Social Change

Whereas the debate on globalization left many questioning the true interconnected nature of the world and the benefits that globalization could provide, the way in which the COVID-19 crisis has, almost simultaneously, impacted on every global citizen is unprecedented. In response to the crisis, we are witnessing global behavioural changes taking place at the same time and at a relatively similar pace. This is different from the way in which various societal changes (for example, same sex/gender-based marriages, attitudes toward smoking, cannabis, drinking and driving, and so on) have slowly taken root around the world. Today's actions are driven by public health and a fear of the consequences if preventive measures are not adopted. The COVID-19 experience serves as evidence that the interconnectedness of the world has never been more pronounced, despite the failure of key politicians to coordinate economic matters in response to the pandemic.

A diminished demand for international travel, exacerbated by inevitable border restrictions and limitations on individuals' mobility, certainly for the short to medium term, will see the rise of video conferencing and the need for greater automation across society, certainly not excluding the health care

⁵ Jatin Nathwani, "Bailout for the oil and gas sector? Time for Alberta to pivot to the future," The Hill Times, March 30, 2020.

⁶ The federal Liberal government will pay up to \$2,000 per month for four months to Canadians whose working lives are disrupted by COVID-19, part of the \$52-billion package in direct financial aid (\$107 billion in total). See Alistair Sharp, "How does COVID-19 relief differ across Canada?" National Observer, March 30, 2020.

⁷ Final Report of the Commission on Growth, Structural Change and Employment, Federal Ministry for Economic Affairs and Energy (Germany), January 26, 2019.

sector. The removal of paywalls from many internet and online journals as a response to the emergency has also demonstrated value in terms of facilitating the rapid process of research around the COVID-19 virus. These arguments call for systematic and structured arm's-length public investment in these types of technological innovations in order to derive more value from the way we work, both domestically and internationally, as well as reduce carbon emissions.

Canada has produced leaders and highly skilled graduates in the information technology sector, and has the potential to lead in supporting the development of innovations in information technology solutions, artificial intelligence, and autonomous and electric forms of mobility. However, supporting these initiatives requires Canada to generate, control and commercialize the intellectual property derived from these new developments — an area where the country has not demonstrated strength in the past⁹ — and where, as a result, any potential global leadership in this sector has been undermined. Based on the public research facilities that have funded the original research, where the resulting intellectual property left Canada for the benefit of foreign companies, ¹⁰ it could be argued that Canadian public dollars have subsidized the innovation outcomes and economic benefits of other countries. The leakage of patents from our publicly funded research to foreign entities means that Canadian innovators or consumers will need to pay for the right to use these technologies. Although the 2019 publication of Canada's National Intellectual Property Strategy is a welcome development, this effort should be further built on to generate and retain IP ownership¹¹ and, arguably, support the research capacity of universities as they face significant losses in revenue.

The short-term and medium-term changes required to support new economic foundations and new ways of working will be challenging. The higher incidence of isolation and separation, as well as the pressures that come with inevitable realities such as confinement and job loss, will require urgent and immediate support for socio-mental health moving forward. The Canadian government's recent funding¹² to support mental health should prioritize challenges felt by society in the aftermath of COVID-19. Innovations in information technology can, and already do, support the development of new and widely accessible electronic applications to support socio-mental health.¹³

⁸ Journal databases such as Taylor & Francis and JSTOR have, at the time of writing and until further notice, offered access to unlicensed collections at no cost.

⁹ Jim Hinton, "Canada needs to own critical IP and data assets to inspire generational economic prosperity," The Hill Times, March 25, 2020.

¹⁰ BNN Bloomberg, "Over half of Canada's tech IP ends up in foreign hands," interview with Jim Hinton, January 3, 2020.

¹¹ *Ibid*.

¹² In addition to the Government of Canada's 2019 multibillion dollar commitment to mental health initiatives (see Morgan Lowrie, "Trudeau promises more money to kickstart health-care talks with provinces," *CTV News*, September 23, 2019), see Shawn Jeffords, "Ontario government pledges \$2.1 billion to rebuild mental health system," *CTV News*, March 21, 2018.

¹³ See Camilla Cavendish's book entitled Extra Time: 10 Lessons for Living Longer Better, which discusses how Japan is using not only automation to support care for the elderly, but also companionship.

Stability, Security and Multilateral Actors

The first and foremost responsibility of a state is to protect the security of its people, the security of its borders and its sovereignty. For most countries, this relies on building and maintaining strong multilateral partnerships and establishing international mandates that govern how this cooperation and collaboration come together for greater collective interests and benefits. Given the current attitudes in Washington, as well as inevitable post-COVID-19 prioritization of crisis-based national self-sufficiency, action taken to rally around collective security interests will be weakened. This necessitates planning for limited multilateralism, which can be both functional and productive. The importance of health may be one avenue, since this epidemic (or another like it) will be repeated.

With the potential spread of the pandemic very likely to lead to humanitarian hardships in some of the world's most vulnerable communities (crowded, impoverished and refugee communities),¹⁴ the international community's current efforts to support humanitarian requirements is likely to see a trend away from the current Sustainable Development Goals agenda and toward developing capacity that supports crisis response and humanitarianism. This should reflect some of the regional lessons learned from the post-Ebola virus epidemic between 2013 and 2016 in West Africa.¹⁵ Focusing on national capacity for crisis prevention and management may also reposition the climate change agenda in international affairs from one focused on an international policy platform to one that focuses on mitigating the impacts of climate change. One of the first casualties of the reprioritization may be AIDS. In a number of African countries, more than 60 percent of the cost of life-saving drugs is borne by the United States President's Emergency Plan for AIDS Relief.¹⁶ This priority is likely to change.

Geopolitically, and despite some of its local functionaries' initial — and ongoing — withholding of intelligence concerning the origins and extent of the COVID-19 virus in that country, ¹⁷ China is likely to regain some ascendancy in the world. Its later efforts to contain the spread, assist other countries (such as parts of Europe and Africa) ¹⁸ and work with international actors such as the World Health Organization, show that, despite its desire for recognition as a global leader, China is still open to the idea of moving forward together with international partners. In this context, avenues may open for China-European Union cooperation, such as working with the EU General Data Protection Regulation to facilitate a new "digitalized Silk Road" to support new ways of working worldwide.

Other political shifts may become evident moving forward and unfold according to how national governments respond to the COVID-19 crisis. In diverse societies with a history of ethnic conflict, a

¹⁴ International Crisis Group, <u>COVID-19 and Conflict: Seven Trends to Watch</u>, Special Briefing No 4, March 24, 2020

¹⁵ Chris Withington, "We learned four valuable lessons from Ebola. They can help us fight the coronavirus," The Guardian, March 6, 2020.

¹⁶ United States President's Plan for AIDS Relief, <u>2019 Annual Report to Congress</u>.

¹⁷ David Wallace-Wells, "Why Was It So Hard to Raise the Alarm on the Coronavirus?," Intelligencer, March 26, 2020.

¹⁸ Lily Kuo, "China sends doctors and masks overseas as domestic coronavirus infections drop", *The Guardian*, March 19, 2020.

potential spread of the virus impacting on some groups more than others may exacerbate recently observed xenophobic behaviour¹⁹ and increase the risk of ethnic-based violence. Some of the world's leading insurgent groups could also see the crisis either reassert or undermine their cause, depending on the resources they command and the success of their strategies for securing the "hearts and minds" of the people. The economic crisis accompanying the COVID-19 outbreak may weaken populist governments. Protests may lead to enhanced suppression of domestic resistance.

With looming climate issues, and the significant interest shown by both Arctic and non-Arctic countries (including China) in Canada's northern region for both shipping and resource corridors, Canada's leadership in multilateral fora such as the Arctic Council has never been more important. Canada's leading role in the "human security" agenda of the United Nations, and the way in which this agenda has drawn together like-minded and trusted partners, also presents opportunities, in particular as the United Nations rallies around global humanitarian threats. With the inevitable loosening of multilateral cooperation, departments of national defence should continue to prioritize thinking on non-traditional security threats and common dangers that transcend borders, the latter of which rarely, if ever, serve as the basis of intervention mandates. Canada's Department of National Defence may be expected to concentrate on a wider range of comprehensive security matters than previously, supporting new types of peacekeeping and peacebuilding rather than mainly traditional kinetic and combat capability.

Migration, Mobility and Food Security

COVID-19 has the potential to fundamentally reshape the international migration regime. Medical experts emphasize that the coronavirus is highly discriminatory, wreaking havoc among an older demographic and those with pre-existing medical conditions. But there are other populations at risk of COVID-19, many migrants among them. Refugee camps are particularly vulnerable to rapid transmission, as are so many other spaces where large numbers of migrants congregate in urban slums and residential compounds (such as mine hostels in South Africa²⁰ and construction worker compounds in the Gulf²¹).

In 2019, there were an estimated 280 million international migrants, 160 million migrant workers and 70 million refugees living in other countries.²² All these forms of migration are already being profoundly disrupted by the pandemic. The most immediate impact is the way in which containment and mitigation strategies have restricted mobility, hardened borders, cut transport links between origins and destinations, shuttered migration corridors at both ends, and locked migrant workers in place, far from home. In Qatar, for example, lockdowns have confined two million migrant workers in their barracks, where no one

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¹⁹ Geoffrey York, "Coronavirus Triggers Xenophobia in Some African Countries", Globe and Mail, March 19, 2020.

²⁰ Jodi Pelders and Gill Nelson, "Living Conditions of Mine Workers from Eight Mines in South Africa," *Development Southern Africa*, 36(1) (2018): 1–18.

²¹ Human Rights Watch, "Building Towers, Cheating Workers: Exploitation of Migrant Construction Workers in the United Arab Emirates," November 11, 2006.

²² International Office of Migration, World Migration Report 2020.

is able to leave and no new workers are able to arrive.²³ Prior to COVID-19, the general global policy drift was away from seeing migration as an agent of development toward higher borders, tighter controls and harsher enforcement. The pandemic's legacy is likely to be enhanced controls rather than greater freedom of movement.

Second, the pandemic has put a sudden and dramatic hold on future migration movements that is likely to last well into 2021 at the very least. Immigration to Canada, at around 250,000 to 300,000 per annum in recent years, will plummet, as will the in-flow of international students and temporary workers. This scenario will be repeated across the globe. In the Gulf states, for example, the flow of contract workers from countries such as Bangladesh, India, Nepal and the Philippines has come to a shuddering halt. The global temporary work regime may recover and may lead to even greater mobility for health professionals, but not before the coronavirus is vanquished and not before there is a massive global economic recovery.

Third, many migrants work in low-paid, precarious and exploitative jobs in countries of destination and in sectors that are bearing the brunt of closures and layoffs, including manufacturing, farming, mining, hotel services and construction. Those who work in global food supply chains may retain their jobs as governments designate these "essential services." Canada, for example, quickly reversed its position on the Seasonal Agricultural Workers Program when it realized that suspending it would decimate fruit and vegetable farming in Ontario and British Columbia.

Fourth, layoffs and unemployment, to which migrant workers are especially vulnerable, will have an immediate impact on global remittance flows as migrants husband their limited resources and remit less. During the global financial crisis of 2007–2009, there was a marked but temporary decline in remittance flows. An even greater dip can be expected over the course of the next year or so. Collectively, these migrants remitted US\$600 billion in 2019,²⁴ flows of cash that are critically important to the households and communities that receive and depend on them for their own livelihoods and food security. Fewer remittances mean greater food insecurity, reduced access to education and medical care, and reduced ability to cope with the consequences of COVID-19 itself.

Finally, while the global spread of COVID-19 is officially attributed to the hypermobility of tourists, there are disturbing anecdotal reports that migrants are also being blamed and stigmatized. Although President Trump has walked back his earlier insistence on labelling the illness the "Chinese virus," there are reports that Chinese workers in the high-end fashion industry are being blamed for the COVID-19 catastrophe in northern Italy. ²⁵ Xenophobia has been on the rise in both the Global North and Global South, and there is a pervasive strain in xenophobic discourse that attributes the spread of disease to migrants. It would be unfortunate if COVID-19 gave added fuel to this incendiary narrative.

²³ Pete Pattison and Roshan Sedhai, "COVID-19 Lockdown turns Oatar's largest migrant camp into a virtual prison," *The Guardian*, March 20, 2020.

²⁴ World Bank, "Record High Remittances Sent Globally in 2018," Press Release, April 8, 2019.

²⁵ Adam Serwer, "Trump Is Inciting a Coronavirus Culture War to Save Himself," The Atlantic, March 24, 2020.

Although governments spoke quickly of protecting and returning national citizens, many questions remain unanswered about what will happen to non-citizens. In the short term, and although many sectors depend on their support, the lives of asylum seekers, people in detention, temporary foreign workers and skilled workers will be disrupted. It is difficult to foresee, even in the longer term, a reopening of borders to business as usual. The Government of Canada will need to articulate what new, possibly phased, restrictions will be imposed on the mobility of both people and goods. Clarification will also be required on how health checks may be incorporated more fully into migration moving forward.

The Food and Agriculture Organization's latest *State of Food Security and Nutrition in the World* (2019) report suggests that there are more than two billion food-insecure people in the world, of whom 704 million are severely food-insecure (mostly in the Global South).²⁶ The report notes this is the first time that the two-billion threshold has been reached since the global financial crisis of 2007–2009.²⁷ COVID-19 is bound to push those numbers higher, as people perched on the brink of food insecurity get pushed over the edge. Inhibited migrant movement, mass layoffs and unemployment, and a precipitous decline in remittances will push these numbers higher still. COVID-19 is having overwhelming impact on food supply chains, both for producers and consumers. Evidence includes the closed borders, national lockdowns and the absence of aircraft. In addition to having a significant adverse effect on food and nutrition security in the Global South, risks of further movement of goods across Canada's border with the United States²⁸ will put Canada's food supply — fruits and vegetables, in particular — in peril. This raises issues for having more resilient and self-reliant food systems that can weather pandemics and climate shocks in the future.

COVID-19 death rates tend to be highest among the most elderly, with mortality risk rising significantly over 60 years of age. Populations in South Asia and sub-Saharan Africa are younger than those in Europe and North America. However, in Southern Africa the issue of HIV comes into play, where pre-existing conditions may make people more susceptible. An additional major issue for a respiratory disease is air quality. Urban populations are more likely to be sedentary, and to be exposed to air pollution; both circumstances adversely affect the health of lungs and the ability to deal with severe respiratory disease. In addition, for those living in crowded conditions, other respiratory tract infections are a risk, especially tuberculosis. While the best prevention for COVID-19 is social distancing, this may be impossible in urban areas of the Global South. The combination of higher risk communities and risks of more serious health consequences will result in many urban and congested communities being less able to respond effectively to COVID-19's downstream impacts.

²⁶ Food and Agriculture Organization of the United Nations, *The State of Food Security and Nutrition in the World* (2019).

²⁷ In 2007–2009, at the time of the global financial crisis, the situation saw approximately 250,000,000 people plunged into food insecurity.

²⁸ Christopher Nardi, <u>"COVID-19: Canada-US Border Closed to Non-Essential Travel for an Indefinite Period,"</u> National Post, March 18, 2020.

The Importance of Evidence-based Policy

The current pandemic has made it clear that flexibility, both in terms of how research is done and how policy is formulated, is crucial in our interconnected world. Well-functioning links between government and civil society are critical in order to avoid the tendency to make policy "settled." Settled policy runs contrary to the nature of science and scientific inquiry, and can lead to "politicized science." The rapidly changing world we now live in needs ongoing adaptation to many things, not rigidity. Failure of the international community's early warning systems has led to a less controllable exponential trajectory in the case of COVID-19, the lessons of which should be applied to other changes that scientists may draw to our attention.

Evidence-based policy also requires the right institutional architecture to support different levels of knowledge transfer. In addition to defining the most relevant type of civil society, governments need to ensure that the intelligence structures mandated to analyze a multitude of incoming research threads will be better resourced and command greater authority moving forward. Despite playing a critical role in coordinating intelligence and producing ongoing analysis, many offices of national security around the world have lacked the sort of authority and resource base required to make compelling cases for action in the face of short-term political imperatives. The most obvious example is the recent US administration's dismantling of pandemic planning by the National Security Council, one that has cost us all dearly.²⁹

One positive outcome of COVID-19 is that international scientific collaboration, and the sharing of information, is at an all-time high. The first cases were noted on December 26, 2019; they were reported to the local Center for Disease Control the following day, and to the World Health Organization and China's national Center for Disease Control by December 31. The virus was identified by January 7, 2020, and genetic sequences shared by January 12. The closure of the US Global Health Security and Biodefense unit under the National Security Council, in May 2018,³⁰ essentially left the country without critical international health science intelligence. These offices play vital roles in a complex global system. The National Security Advisor in the Privy Council Office in Ottawa should be assured of an appropriate strategic intelligence capability, using international security data and information to assess impacts on all aspects of Canada's security: political, socioeconomic, military and technological.

Conclusion

As policy-relevant analysis is multidisciplinary in nature, and with merit-based processes within higher education still fixated on domain-specific output and impact, governments and civil society actors will need to develop innovative ways to foster and institutionalize multidisciplinarity when faced with issues that do not respect national borders, such as climate change and infectious diseases. Public investment to

²⁹ Dan Diamond and Nahal Toosi, "Trump Team Failed to Follow NSC's Pandemic Playbook," Politico, March 25, 2020

³⁰ Ed Yong, "How the Pandemic Will End," The Atlantic, March 25, 2020.

support science and innovation should be informed by the work of the relevant experts. The COVID-19 outbreak has not only demonstrated the value of strong and competent government institutions and public confidence in those institutions, but also the importance of policy informed by evidence-based analysis from those who are well-placed to provide this analysis. This requires countries to identify what sort of civil society organizations they require and would therefore support. This will need to be done in a context where the bigger question of "what sort of society we want" needs to be addressed. The post-COVID-19 world may look very different from the pre-COVID-19 one.



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ISSN 2563-674X doi:10.51644/bap13