



Retreat to Nationalism in the 21st Century Globalization: Lessons for Africa from COVID-19

Executive Summary

This brief is an outcome of the webinar conference held on July 16, 2020 and co-hosted by the HORN Institute and the Institute of Diplomacy and International Studies (IDIS) at the University of Nairobi. The webinar brought together leading scholars and researchers in the field of International Relations drawn from across Africa to discuss actual and potential impact of COVID-19 pandemic on international cooperation and globalization agenda with a view to drawing lessons for Africa. With the rise of nationalism and protectionism across the world, it was established that the pandemic has induced significant changes to the practice of globalization. Multilateral cooperation has shrunk at all levels as countries have become more inward-looking, with weak or completely lacking inter-country coordination and support. With the acceleration of the United States-China power struggle, new dynamics have emerged in the international system with Africa becoming the new centre for geopolitics. As such, strategically re-evaluating Africa's agency in the international system, recalibrating relations with both America and China, expanding regional and continental markets, intensifying inter-country cooperation across the continent and promoting domestic industrial growth are some of the policy actions that African governments and multilateral institutions can adopt to

preserve their space and advance their interests in the ongoing shifts.

Introduction

COVID-19 pandemic continues to wreak havoc on the world, with widespread ramifications on public health, global economy, geopolitics and global multilateralism. In terms of globalization, the pandemic has brought about new dynamics that have pointed towards a retreat to nationalism and protectionism. Although this trend of 'de-globalization' did not begin with COVID-19, the pandemic, has in part, accelerated it. Countries around the world have adopted radical measures including restricting movement of people within and across borders, controlling exports, ordering domestic factories to produce personal protective equipment as well as regulating pharmaceutical supply chains. Consequentially, the pandemic has caused a major decline in international trade with enormous disruptions in global supply chains. Multilateral cooperation has slumped too, with major powers, mainly, the United States and China blaming each other for emergence and spread of COVID-19. The US is showing contempt for multilateral institutions that are meant to provide strategic leadership in the fight against the pandemic.





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In Africa, the pandemic response has been characterized by weak inter-country cooperation as well as lack of capacity by the African Union and other regional institutions to coordinate the responses. This has led to highly fragmented and divergent national policies. In addition, the 'buy local, build local' campaign has gained traction and relevance in the era of COVID-19. In order to cope with the declining international trade, countries have encouraged local production and distribution of commodities, especially the medical supplies but also essential commodities. With these effects and many more, it can be inferred that the pandemic has exposed the imbalances and fragility of globalization and multilateral cooperation leaving many in doubt over the prospect of prosperity in an interconnected globalized community.

To understand the impact of COVID-19 on globalization, and situate the place of Africa in post-COVID world, the HORN Institute in collaboration with the Institute of Diplomacy and International Studies (IDIS) at the University of Nairobi, co-hosted a webinar conference titled *Retreat to Nationalism in 21st Century Globalization: Lessons for Africa from COVID-19* on July 16, 2020. Key findings from the webinar and recommendations for policy action for African governments and institutions are outlined in the following sections.

Key Findings

Resurgence of nationalism and protectionism. With states closing borders and asserting their authority over their jurisdictions, the pandemic has reified state sovereignty as a dominant political practice. This, in

turn, has enabled the resurgence of nationalism and protectionism, as governments, through national public appeals and collective action, attempt to protect healthcare and economies while at the same time ramping up their capacity to provide solutions. This trend is gradually weakening the neoliberalist and the free-market ideology nurtured under globalization.

Shrinking multilateral cooperation. COVID-19 has exposed the weaknesses and lack of capacity in multilateral institutions. At the centre of disease's viral spread has been the inability of the World Health Organization (WHO) to provide strong leadership and guidance based on science and evidence. Other multilateral institutions such as UN Security Council, the African Union and several other regional institutions have also been unable to effectively carry out their mandates. The failure of these institutions is characterized by mistrust and dwindling faith in the neoliberal international order as it has been demonstrated by United State's move to defund the WHO.

Overstretching states' capacity for governance and provision of basic services. The pandemic has put to test the capacity of states to provide basic services and sustain their governments. With enormous contractions in domestic and global economy, various governments have been forced to introduce economic stimulus packages including tax reliefs, direct cash transfers, and provision of consumables to the most vulnerable citizens to cushion them against harsh economic situations. This has been against the backdrop of a shrinking international aid support and donor funding as countries around the world became more inward-looking.

Weak inter-country cooperation and coordination in the fight against COVID-19. The fight against the pandemic has been characterised by intense fragmentation and divergent national approaches. In large part, responses have defied the conventional wisdom of 'collective action against a common enemy'. In Africa, countries adopted radically different approaches which resulted in different outcomes. The lack of inter-country cooperation and

coordination of approaches have also crippled cross-border trade in some places and intensified squabbles between neighboring countries.

Renewed trade wrangles between the United States and China. The pandemic has intensified trade disagreements between the United States and China that began in 2018. Washington has blamed Beijing for the spread of the virus and has already instituted stringent policies against Chinese investments and migration into the United States. It has further stoked anti-China rhetoric at the global level. As trade war between these two leading world economies escalate, both countries will seek new alignments with the rest of the world, especially Africa, in saving their economies and tightening their grip on global market systems.

Increased opportunities for Africa to re-evaluate its place in the global system. The COVID-19 pandemic has shaken the balance of power in the international system. As the rift between the west and east becomes more pronounced, Africa has a renewed opportunity to renegotiate its place and agency in the international system. Particularly, with the increased trade war between the United States and China, African countries must carefully consider their strategic interests in deciding the trajectory of relations that will take root in post-COVID-19 period.

Increased need to scale up domestic industrial production. The economic shocks and disruptions



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caused by the pandemic have presented a stress test to the increasingly interconnected and globalized world. The effects have created the need for states to develop and expand their domestic capacities to produce and distribute essential commodities at the local level. In various respects, the 'buy local, build local' campaign has been rejuvenated across Africa as countries strive to bolster their capacities for industrial production so as to cope with the declining global supplies.

End of globalization? Not just yet. While it is true that the pandemic has introduced critical shocks to globalization, the impact is far from reversing it. As the world recovers from COVID-19, new forms of globalization will emerge as businesses and companies regain normalcy. Given the current trends, the future of globalization is likely to be shaped by a number of factors, including, the recovery trajectory of global economy, changes in supply chain policies, the hegemonic rivalry between the United States and China, the ongoing technological shifts fast-tracked by the pandemic, and public opinion concerning inequality.

Conclusion

The ongoing COVID-19 pandemic has presented critical shifts in the practice of globalization as we know it. Indications of a possible rise of nationalism and protectionism have been witnessed across the world. These have threatened multilateralism and the globalization agenda. It is therefore, imperative for Africa to monitor the ongoing changes and align itself strategically in the post-COVID world.

Recommendations

For African governments:

1. Promote the growth of the private sector through incentivizing local investments and investors to fill the gaps in supply chains created by the pandemic. Investments in medical care and industrial production should be prioritized across the continent.
2. Review foreign policies against the changing dynamics in the international system to ensure they benefit from the potential shifts in global supply chains and foreign direct investment (FDI) flows including the transfer of the much-needed technologies.
3. Adopt a shared understanding of the continent's engagement with world powers in the face of an increasingly hostile international system. The continent should use its strategic advantage to provide a balance of power between the United States and China.
4. Refrain from imposing stringent protectionist policies. Instead, African countries should embrace the idea of integration at regional and continental level bolster the post-pandemic recovery mechanisms and economic growth.
5. Work to de-escalate bilateral tensions and rivalry in the implementation of pandemic-related policies.

For the African Union and other regional economic organizations:

1. Promote unity and harmony among Africa countries and intensify cooperation and mutual support among African governments to reduce the impact of the pandemic and activate recovery approaches.
2. Re-evaluate their agency and engagement within the international system.
3. Convene and urge member states to adopt common approaches for combating the pandemic that allows regional cooperation in trade and development while respecting the sovereignty of member states.
4. Fasttrack the implementation of AfCTA to enable wider access to markets, labour, raw materials and financing for African businesses. This will go a long way in eliminating exploitative business practices and shove off external manipulation.

