A new way for Asia to lead in global Covid-19 recovery

The strategy calls for Asean and its partners to coordinate financial, trade, public health and food security action to spur international collaboration despite the US-China impasse

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For The Straits Times

Covid-19 continues to devastate the global economy. Now, more than ever, international cooperation is desperately needed to rescue the pandemic-ravaged economies around the world. Global collaboration will be vital both to managing the health crisis and to supporting economic recovery through stabilising markets and restoring confidence, repairing international trade, and enabling global supply chains and world travel to resume. Without international cooperation, the world faces a prolonged health emergency and lasting economic stagnation on a scale not seen since the Great Depression.

But in today's geopolitically fractured world, international cooperation is no easy call. The United States, the world's No. 1 superpower, faces deep domestic unrest, has no appetite for multilateral cooperation, and is reneging on its international treaty obligations. China, the world's other superpower, is grappling with not only Covid-19's economic and health costs, but also a profound reassessment of its economic growth and security-building trajectory. Both are focused on ensuring their economic development remains on track. China in particular is struggling with limiting its capacity to provide leadership on global recovery, but it is striving to assume a compact for multilateral cooperation between Asian nations.

Governments in the region can jointly look at the crisis and its lasting effects and take some action to coordinate and harmonise their efforts towards recovery. There are three areas crucial for Asia to lead in the recovery:

1. Economic recovery
2. Health
3. Trade

The two countries are also in the process of setting up a joint task force to promote infrastructure projects in the region and work on developing standards for digital payments.

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