



DIALOGUE

EXPERT SPEAK

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“Covid19: Enigma of Re-Set World Order”

ABSTRACT

The Covid19 led crisis has already started impacting the geopolitics of the world and also the South Asian region. Some of the biggest changes that were never expected, have taken place. Trade has been stopped, borders locked down and the people are being forced to either stay home or reach their respective homes. Amid crisis, SAARC Emergency Fund was prompt decision. In this broad context, Mr. Atul answers some relevant questions regarding the geopolitics and the bilateral relations of Nepal-India.

EXPERT



Mr. Atul K Thakur

About the Expert :

Atul K Thakur is Fellow at AIDIA. His research focuses are quite diverse and reach to the areas of Public Policy & Affairs, Macroeconomic Policies and International Affairs, with special focus on South Asia. He is a New Delhi based Public Policy Professional (Deputy Secretary, State Development Council & Nodal Coordinator, India-Nepal Centre, PHDCCI) and Columnist (The Kathmandu Post; The Hindu) with specialization in the interface of economics and politics. His books are included 'India Now and in Transition' (2017) and 'India since 1947: Looking Back at a Modern Nation' (2013). He can be reached at: atulmthakur@gmail.com

TRANSCRIPT OF THE TALK

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- Atul K Thakur

Covid19 Pandemic

Q1. Please share your take on the ongoing pandemic and its long-term socio-economic implications on the South Asian region.

A: While the crisis has global nature, the South Asian countries are impacted majorly as the wave of late-stage globalization has made them unusually connected to the rest of the world. Somewhere down the line, there is need to take into consideration the good, bad and ugly faces of globalization. The outbreak of Coronavirus has made the world flat for now, however in medium to long term, it is the poor segments that would be victimized in unprecedented ways. For the industrialized world which had already availed extraordinary successes and dominance in the world order, it would surely be untenable to maintain in foreseeable future.

As the world is self-assured to see a sort of re-set, it is the time the South Asian countries should reckon the urgency of figuring out their immediate priorities. A change in approach is much needed

at this point of time, before the fundamentals of the world order go in re-set mode, there should be determination to revive the regional and sub-regional economic cooperation in the South Asian region.

In crisis, there is an opportunity to revive near-defunct South Asian Association of Regional Cooperation (SAARC), SAARC Preferential Trading Arrangement (SAPTA), South Asian Free Trade Area (SAFTA) and Bangladesh, Bhutan, India and Nepal (BBIN) initiative. As the trade and exports are on verge of collapse, this is high time that the South Asian region comes forward to make goods and consume them in the region. In a new world full with uncertainty, such approach will help both the government and industry in finding a traction to survive and thrive.

SAARC: Emergency Fund

Q2. India had initiated the idea of SAARC Emergency Fund in order to cope with the crisis. What do you think are the opportunities and challenges while allocating such funds?

A: Indian Prime Minister Narendra Modi had taken a lead in South Asia to convene a video-conference meeting on March 15, 2020. The decision was taken to set up a SAARC Emergency Fund to fight Coronavirus in the South Asian region, India pledged to support it with \$10 million and other countries further came out to add \$8 million. This was a positive initiative, sadly no follow up has been made so far to take it beyond the symbolic confines.

As far as the opportunities are concerned, through operationalizing this fund, a big confidence building exercise will be undertaken. In a worthy common pursuit to hedge the South Asian region from the global health-system and economic breakdown, such initiative should be taken forward with the strong resolve. Certainly, leaving it midway will further erode the confidence of stakeholders' and cast dark shadow on the future possibilities.

Bilateral Engagement: India and Nepal

Q3. What cooperation did India and Nepal conduct in the prevention and control of the epidemic? Will these measures affect the personnel and trade exchanges between India and Nepal?

A: As of now, both India and Nepal are under lockdown. This is unprecedented. The formal and informal sectors of the economy have stopped working in effect, it is unlikely that so soon the normalcy will return back. The Coronavirus is surely an enigma even now, surely the changed world order be not anything simpler than this.

With the huge shortage of required health facilities and equipment's, India has restricted the exports of critically important goods. However, the exceptions are being made. With Nepal, in principle, the trade terms of healthcare and other essential products are quite liberal. In real, the supply chain is hit hard and with the cases of black-marketing, the prices of goods are seeing spike. It should be noted that from both sides, the policymakers failed to establish an interim arrangement for hassle-free supplies of essential goods.

Q4. Prime Minister Modi took a lead and was the first one to impose the lock down in the region. After which, even Nepal went ahead and imposed lock down. Although the effort was very well needed. However, it has left a lot of migrants stranded on the roads walking back to their hometowns. For Nepali migrants it is even more difficult. Would you comment on that?

A: At people front, there is close cooperation even in the trying time like this. The stranded Nepalese workers from across India were given timely support by the community activists, Embassy of Nepal and friends of Nepal – and they could safely return back to home. This crisis has exposed the vulnerability of public health system and migration across India and Nepal, there has to be strong will to look on such matters and bring positive changes.

The Nepalese mass workers in India are not covered with social and economic security, they would be subject to exploitation if the lockdown goes long. Their employers are often from the households and petty businesses, not all keep bearing with the ethics and act accordingly. So, the conditions of pay cut or unemployment will create existential challenges. Hence, jointly the ruling regimes in India and Nepal should make a list of the Nepalese workers in India to give them the required social and economic support.

Similarly, Nepal should ensure the well-being of poor Indian workers working on its land. The panic is all around including in Nepal, second menace is rumour. These caused for painful displacements of migrants both the sides.

Q5. A lot of countries have declared migrants as their residents for the time period. Can we expect similar trends in India?

A: Yes, absolutely. In the testing time like this, the humane consideration has to be given it due. Every human being who is residing in India as on date, should get the protection and support of the government. In the time of crisis, the preaching and practices should be sane and welfaristic.

Needless to say, the Nepalese should be given the best of support possible. They have contributed in the growth of India, their contributions should not be forgotten now or ever.

Q6. What levels of engagements would be needed among nations, especially India and Nepal in order to cope with the crisis?

A: Apparently, the multilateral agencies have not contributed as they were supposed to do for this global pandemic. Certainly, World Health Organization (WHO) didn't let the world know about the imminent risks of coronavirus outbreak. Its advisories were not on time and lacked solution side. Also, it couldn't alert the rest of the world when China was deftly dealing with this virus originated in its own territory, Wuhan. So many surprising revelations.

A new institutional culture would possibly be in offing, more than the multilateral institutions, the coming times will witness strengthening of bilateral and regional engagement models. India and Nepal should sustain their conventional channels of engagements, it would be prudent if they enter

into deeper economic and strategic cooperation with further improving connectivity and infrastructure.

In good or adverse times, India-Nepal relations should be focusing on deepening shared peace and prosperity. With the collective efforts and reciprocations, the ongoing crisis too shall pass.

About the Interviewer:



Ms. Anjali Gupta is a Research Intern in Asian Institute of Diplomacy and International Affairs, located at Kathmandu, Nepal. She has done her Masters in International Relations from Jawaharlal Nehru University, New Delhi. Currently living in Kathmandu, Nepal. Her core areas of interests are Nepal, India and China's Foreign Policy and Diplomatic Affairs.

About Expert Speak:



Expert Speak is an initiative by Asian Institute of Diplomacy and International Affairs (AIDIA), Kathmandu. It is one of the ways we are conducting Dialogue between the curious and the expert. These experts are from different fields with different experiences. Similar is the case with the interviewers. Under the project, Expert Speak, we are undertaking a series of interviews, not just in Nepal but from experts worldwide. The project intends to dwell on the key challenges to Nepal's Foreign and Economic Policies. Also, the project intends to understand Nepal's geopolitical challenges opportunities.