



**M. Mayilvaganan**

Editor

# **COVID-19 PANDEMIC IN THE INDO-PACIFIC**

**How The Countries Are Dealing Amidst Changing Geopolitics**



International Strategic and Security Studies Programme

**NATIONAL INSTITUTE OF ADVANCED STUDIES**

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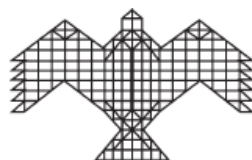


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**M. Mayilvaganan**

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## PREFACE

The COVID-19 or novel coronavirus pandemic is defining global response to the greatest challenge we faced since World War Two. It has significant bearing on social, economic, political and security of the nations as well global. People have lost jobs and income, with no way of knowing when normality will return, migrants within the country and the expatriates are forced to return to the home. The nations, those are heavily dependent on consumer economy, manufacturing, and tourism, etc. have nearly insolvent.

Since its emergence in China late last year, the virus has spread to almost every country except few island nations. Still cases are rising daily from the US to Asia in spite of travel limitation, quarantining citizens, testing, contact tracing, and lockdown extensions. Every country prepares to reopen and hoping to recover as much as possible. But there are multiple challenges. Apart from containing the spread of the virus and treating infected patients, there are related economy, political and security issues, and questions about the future regional and world order.

This special report on *COVID 19 pandemic in Indo-Pacific and how the countries are dealing amidst changing geopolitics* is aimed to provide a brief analysis of specific countries in the Indo-Pacific, from Maldives to New Zealand. This informed analysis by the scholars who works on the region may help to know, even for the intelligent layman, how the countries in the region are coping up with the pandemic. The views expressed are those of the author(s); and not necessarily those of the National Institute of Advanced Studies. The dissemination of contemporary developments in the region is an important part of the entire effort of ISSSP, NIAS.

**M. Mayilvaganan**

Editor

Indo-Pacific Research Group

ISSSP, NIAS





# COVID- 19 AND AUSTRALIA: CONTAINMENT STRATEGY, IMPACT ON ECONOMY AND GEOPOLITICS

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ASHOK SHARMA

Throughout history, pandemics have occurred with a severe impact on human lives, economy and geopolitics. Pandemics continue to severely affect humankind in modern times as evident in the COVID-19 outbreak. COVID-19 has emerged as the biggest catastrophe since the Second World War. [Recent trends show a spike in the COVID-19](#) cases in Africa, Latin America, and South Asia.

Governments across the world have imposed lockdown, social distancing measures, and state of emergency to contain the disease. The governments have also come out with economic stimulus packages to protect the economy. Many parts of the world are still struggling to contain the disease. COVID-19 is also impacting the geopolitics and global order, and the questions are being raised on the over-reliance on the global supply chain and the functioning of the World Health Organization (WHO). But Australia with 7,260 infected cases and just 102 deaths and almost zero cases in the last four weeks in the majority of the states and single-digit new cases nationwide, Australia has emerged as one of the leading nations in successfully containing the disease, and is now back to the business. Against this background, this article examines Australia's COVID-19 containment strategy, and the impact of COVID-19 on economy and geopolitics.

## **Australia's COVID-19 Containment Strategy**

Australia is in an enviable position when compared with many countries across the world, which are still struggling to contain the disease. After its first case reported on 22 January 2020, Australia enforced lockdown measures, restriction on movements of people and social distancing measures. Within six weeks of lockdown, Australia contained the curve. Over the past four weeks, Australia has

witnessed zero cases or almost negligible cases in the majority of the states except returning Australians from overseas with the COVID-19 infection. With no human to human transmission case, Australia has lifted the lockdown and eased the restrictions with the continuation of social distancing measures and monitoring of the inter-state travel to stop the re-emergence of the pandemic. A combination of factors has contributed to Australia's successful containment of the pandemic. Australia's COVID-19 containment strategy largely focused on restrictions on public gatherings, conducting large-scale testing and contact tracing, closing its state and international borders, and Australians returning home were quarantined for two weeks.

The Government's COVID-Safe contact-tracing app was downloaded by [almost 40 percent of the Australians](#), though its effectiveness has been questioned. The government's timely response to contain the disease and measures were followed by the people by adhering to the rules of social distancing and avoiding the non-essential travels. Chief medical officers, health workers, and law enforcement agencies across Australia were crucial in formulating and enforcing the COVID-19 containment strategy. Moreover, Australia's highly advanced healthcare system was accessible to all the citizens and residents of Australia which is in contrast to the case in other developed countries such as the United States. The government's containment strategies at the federal and state-level governments received bipartisan support. The Australian government's capability, willingness, and executive competency were the key to the successful containment of the disease.

### **Impact on the Australian Economy**

The COVID-19 has severely impacted the economies across the world and Australia is no exception. The Australian government's [economic package of \\$259 billion](#) in fiscal and balance sheet support equivalent to 13.3 percent of annual GDP aimed to support households, affected workers and to keep businesses in business. However, despite the stimulus package, Australia has registered a negative growth and contracted by 0.3 percent in the March quarter. The March quarter negative growth

makes it certain that after 29 years Australia is all set to enter in recession, as the full impact of COVID-19 outbreak shutdown on economic activities took place during the current June quarter which will mark the two consecutive quarters of GDP contraction. But [this figure shows the Australian economy's resilience](#) when compared with other nations with negative growth of 1.3 percent in the United States, 2 percent in the United Kingdom, 2.2 percent in Germany, 5.3 percent in France, and 9.8 percent in China.

The economic shutdown during COVID-19 added to the negative impact on the economy already hit by bushfires and drought. Despite the increase in net exports and spending on groceries, the large decline in spending on travel and other services could not be stopped. However, the stimulus package has helped household income and opening of the economic activities. This is expected to wrest the overall decline in GDP and a recession similar to the Great Depression.

### **Australia in the Unfolding COVID-19 Geopolitics**

Over the past decade and a half, China's military assertive posture has [created a security concern in the Indo-Pacific region](#). The region has become a crowded strategic space and the centre of gravity in the connected world, and [its stability is being challenged](#). Amidst the pandemic, China began to pursue its geopolitical goals mostly visible in the Indo-Pacific where Australia's future is aligned. But this has not gone unnoticed. China has been criticized for hiding the severity of COVID-19 pandemic, propagating the disinformation, and using its international clout to leverage from aid diplomacy to emerge as a savour. The United States has slammed China for hiding the severity of the outbreak and [President Trump termed COVID-19 as China Virus](#). Suspecting the Chinese strategic intent and the reports of the World Health Organisations (WHO) working on the behest of China, many nations have called for an impartial inquiry in the origin and spread of the outbreak.

But it's the [Australian Foreign Minister Marise Payne's called for an independent inquiry into the origins of the COVID-19 outbreak](#), which has received

overwhelming support from the international community. Responding to Australia's call for an inquiry, China accused Canberra of acting on behalf of Washington's command. Australia became the new frontier of the Chinese Communist Party's propaganda and China banned the beef import and put 80 percent tariff on barley import from Australia. As a result, Australia has been taking steps to ward off China's intent by working towards the diversification of its export destination to the rising economic juggernauts including India and Indonesia.

On the strategic front, three noticeable developments have taken place. Australia has intensified its engagements with the like-minded democracies in the Indo-Pacific especially with [the Quad nations](#)-the US, Japan, India, and Australia. Australia's continued strengthening of engagements with the US, Canberra's most powerful long-term security ally, has received a significant boost with the US President Trump calling for the inclusion of Australia, India, and South Korea in the next G7 meeting for their growing efforts to balance China in the Indo-Pacific.

Moreover, to counter Chinese influence, [PM Scott Morrison's latest virtual summit-level meeting with PM Narendra Modi is significant](#). The meeting was against the backdrop of the Chinese trade arms twisting on Australia and military standoff on the Indo-Chinese border. At the virtual summit-level meeting, nine bilateral agreements were signed including the India-Australia Mutual Logistics Support Agreement- a military pact that allows mutual access to their respective military bases. This is further going to intensify the current geopolitics in the post-COVID-19 Indo-Pacific.

Summing up, proper mobilization of resources, executive competency at the federal and state-level governments was the key to Australia's success in containing the outbreak. Australia has emerged as a significant player in the COVID-19 crisis not only in containing the disease successfully but contributing to the rules-based order by leading the impartial inquiry in the COVID-19 outbreak. For the first time, Australia's vulnerability to over-reliance on China as a trading partner was exposed

in the wake of the COVID-19 outbreak. China is the major export destination of Australian services, minerals, and agricultural produce. Despite all threats, China, too, has limitations as it is dependent on Australia and Beijing's adversarial relations with other countries make it difficult to diversify from Canberra. Amidst the flattening curve of the international order, Australia is poised to play significant role in the post-COVID-19 world.

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# COVID-19 AND BANGLADESH: DEALING A GLOBAL PANDEMIC AMIDST CHANGING GEOPOLITICS

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M ASHIQUE RAHMAN

Due to COVID-19, humankind is experiencing the deadliest pandemics of our living memory and since, the Spanish Flu of 1918. The COVID-19 has posed an unprecedented challenge to the civilizational growth across the planet. No matter whether a country stands at the apex of economic prosperity or suffers destitution, achieved technological and intellectual superiority or still relies on traditional tools and more importantly, societies having gigantic military capabilities - all become inconsequential and arguably, we are facing an existential threat.

## **COVID-19 Detection in Bangladesh**

Bangladesh, a densely populated country with staggering more than 160 million people and a rising economy in South Asia is no exception. The first COVID-19 patient was detected in the country on 08 March, 2020 and ten days later, the first death was reported on 18 March. The first patient was a migrant labourer, who returned from Italy in early March, one of the most severely affected country in Europe. Bangladesh, being a globalized economy with more than [10 million expatriate workers concentrated mostly in the Middle East](#) but also in Europe, Southeast Asia and North America, it was expected that the country would be affected, sooner or later.

Since, late February 2020, government was undertaking various initiatives viz., screening at the airports, seaports and land ports as well as mandatory quarantine of 14 days for persons travelling from abroad. However, due to the lack of awareness among the people and lacklustre enforcement of quarantine, the virus started to spread rapidly. The government also responded with shutdown and declared



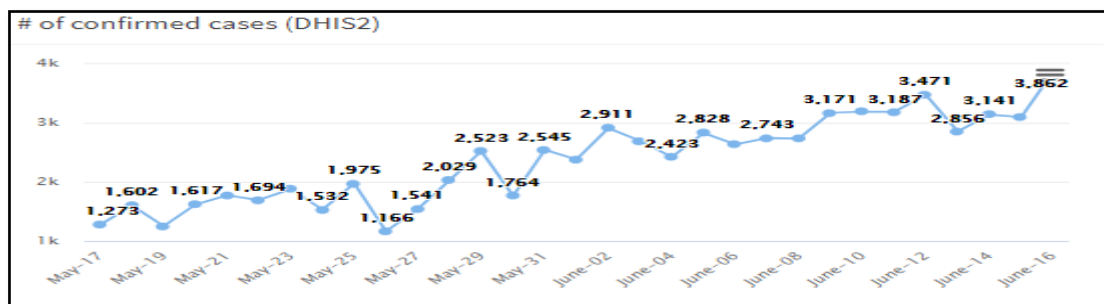
nationwide ‘general holidays’ since 26 March – 04 April for the first time and later extended a couple of times up to 30 May, 2020. Nevertheless, the present COVID-19 situation in Bangladesh is alarming and threatening to turn out into a disaster.

*Rapid Increase in Infections*

In the month of April, the numbers of daily infections were around 200-300 with deaths of 5-7 persons daily whereas the statistics went up drastically in the month of May and early June with the latest trend of daily infections of more than 3,000 and the deaths are hovering around 35-45 daily. As of 15 June 2020, the [total numbers of deaths are 1209 and the cases of total infections are 90,619](#). In terms of percentage, the death rate is little more than 1% (1.34% to be exact) of total infected, a ratio which is far more less than many other countries of the World, although, there remains some very crucial caveats that can inflate the situation out of proportion and cause unprecedented disaster.

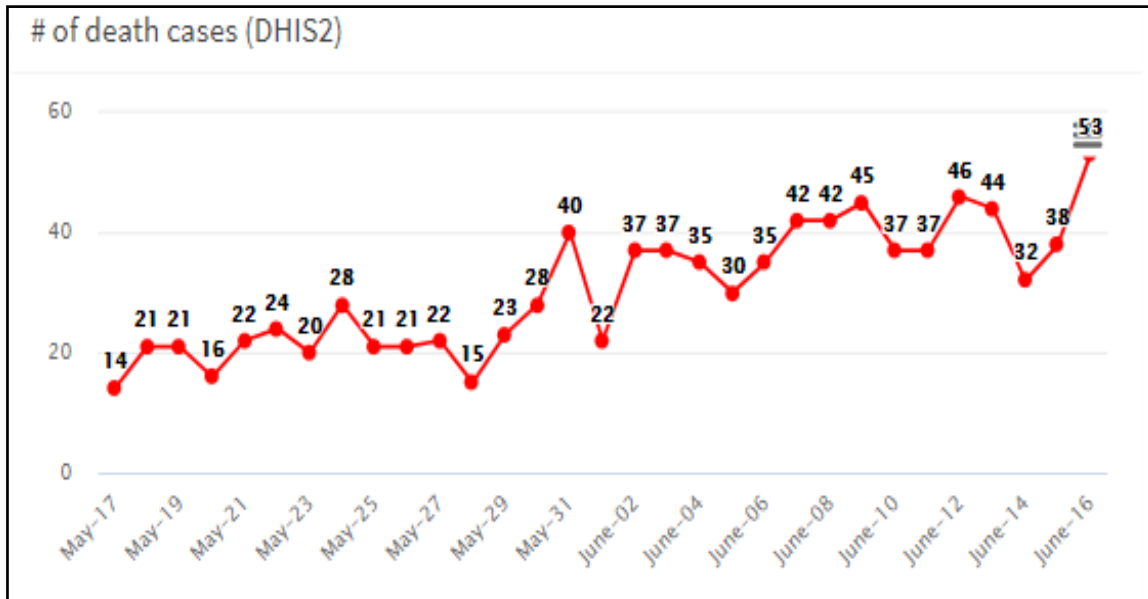
Bangladesh, although exhibiting impressive track record of economic performance for more than a decade now with an average GDP growth rate of 6% per annum, the per capita GDP of the country is still below US\$ 2000 and millions of people still live on less than one dollar a day. In spite of the country’s significant stride in infrastructure and human resource development in the last couple of years, the health sector is still in disarray with very limited infrastructure, facilities and also in terms of capabilities.

**Cases of COVID-19 in Bangladesh (17 May - 16 June, 2020)**



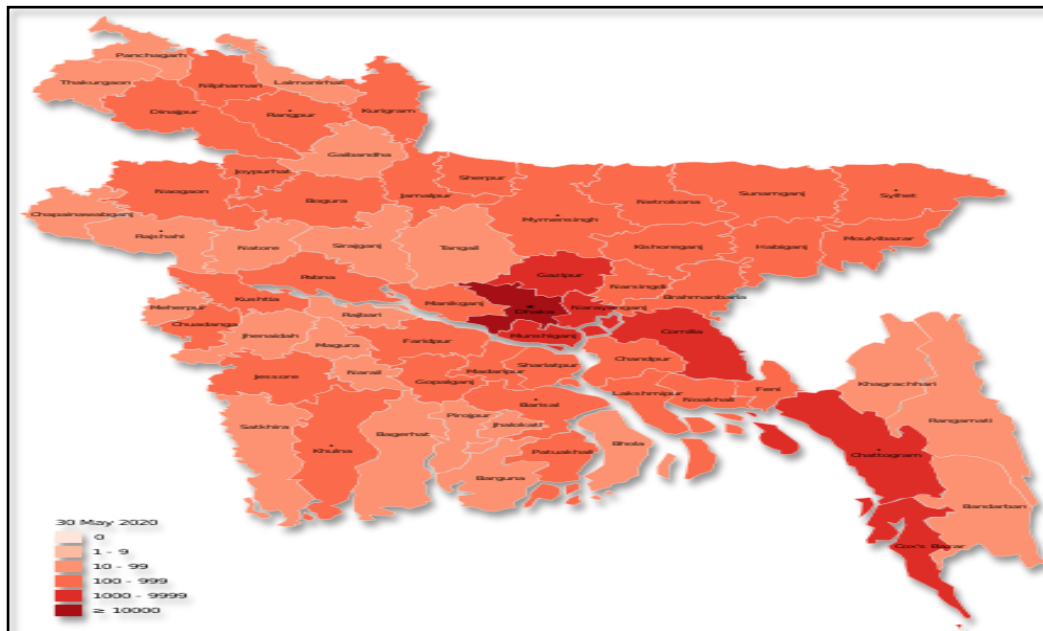
Source: [Directorate General of Health Services \(DGHS\), Ministry of Health and Family Welfare, Bangladesh.](#)

**Cases of Deaths due to COVID-19 in Bangladesh (17 May - 16 June, 2020)**



Source: [Directorate General of Health Services \(DGHS\), Ministry of Health and Family Welfare, Bangladesh.](#)

**Map: District wise distribution of COVID-19 Cases**



Source: [DGHS, Ministry of Health & Family Welfare](#)

Many local experts and epidemiologists are highlighting the fact that the official statistics are not reflective of the reality and the identification of infections remains very low in proportion to the size of the population especially, due to a very limited

number of tests. With a population of more than 160 million, the total numbers of PCR tests done so far are 519,503 only, whereas the national level telephone help lines receive hundreds of thousands of phone calls per day related to symptoms of COVID-19. This has created a serious possibility for a pandemic outbreak in the country. And amidst all these, the government has terminated the nationwide 'general holidays' and opened everything - offices, businesses, transportation etc., albeit in a limited scale since 31 May 2020. There are some criticisms and reservations especially from the health experts and even indications of uneasiness among the institutions of government; the political leadership has to make a stringent choice of life vs. livelihood.

### **Socio-economic Implications and Government Responses**

The socio-economic, political and security implications of COVID-19 for Bangladesh are severe and threatening to diminish all the achievements that the country has accomplished so far. Economically, it has already been hit hard as the exports - the engine of export-led growth - have declined sharply, [83% less in the month of April 2020 compared to April 2019](#). Similarly, [exports declined 55% in May 2020 compared to May 2019](#). The RMG sector - the main driver of exports, accounting for more than 90% of exports - experienced a severe blow due to cancellation of orders and delayed shipments. Government has announced a comprehensive stimulus package worth approximately US\$ 8.6 billion, which is nearly 2.52 % of Bangladesh's GDP, for the economic and financial stability.

Various economic measures to support businesses and industries include reducing interest rate, suspending penalties and classification of loans for default payments till September 2020; very low interest loan facilities to the RMG sector for salary payments to the workers; tax reduction and low interest loan facilities to Small and Medium Enterprises (SME) to help them survive during the strained Corona pandemic situation. The government has also undertaken the largest relief programme in the history of Bangladesh to provide support to the poor and disadvantaged sections of the society. And during the *Eid ul Fitre* Holidays in late

May, the Prime Minister provided [cash gifts of Taka 2500 \(US\\$ 30\) to 5 million poor families](#) through mobile phone cash transfer. However, all these measures are not completely free from doubts and scrutiny. To highlight a few: other sectors of the economy are not provided with equal support and benefit like RMG sector; there are massive cases of irregularities and misappropriation in relief distribution – by April 2020, [a total of 39 local government public representatives have been suspended over relief scam](#); and there are allegations of politicization and partisanship in providing reliefs and benefits.

Nevertheless, overall, the country and economy are staying operational amidst the threat of severe outbreak of the pandemic. And the latest initiative undertaken by the government is to implement the zoning strategy, i.e., to divide the country into red, yellow and green zones, where red will remain in lockdown, and yellow and green will be strictly restricted. However, at country level, while the pandemic is wreaking havocs, its impacts at global and regional levels are also causing repercussions and reverberations.

## **Changing Geopolitics**

Engendering one of the most challenging existential security threats, at global and regional levels, the pandemic is imposing new stresses and strains upon already fragmented and hesitant global and regional orders. Traditional alliances are breaking down and new alliances are taking shape with ensuing paradigmatic shift in leadership roles. Age-old parameters of nation-states' powers and superiority are being challenged by this human security threat. Accordingly, changes are visible in great powers' behaviours and policies as well. In the region of indo-pacific, we are witnessing new major power competitions, renewed alliances as well as vestiges of aggressive behaviours by regional and global powers.

COVID-19 has exposed new global power competitions between the United States and China, and that also resonates in the region of indo-pacific. As one scholar remarks, "[the pandemic acts as a revelation of ... a shift in the centre of gravity of the](#)

[balance of power towards China and Asia in general](#)". A number of factors are causing this. The surviving superpower i.e., the United States has exposed tremendous inability - for whatever reason it is a leadership crisis or structural problem - both in tackling the pandemic domestically as well as providing global leadership that was expected by some quarters.

On the other hand, rather than utilizing international institutions and norms, the ongoing tussle by the US with the World Health Organization (WHO) becomes damaging especially for the weak countries who desperately need global assistance and assurances in this crisis. China, on the country, has not only been successfully dealt with the Corona pandemic but also provided significant support to its allies and weaker countries even though recently, a second wave of Corona Pandemic is evident in China especially in the Capital Beijing. And whatever success is attributed to China that should not be discounted the fact that COVID-19 originated in China.

Moreover, the country cannot escape the responsibility for its global spread due to its late notification to the WHO and its initial attempts of cover-up. All these have led to the erosion of confidence on the US as provider of global goods whereas increased acceptability of China's role and leadership at the global level. Now as also noted by Lynn Kuok, this would accelerate, rather than dissipate, existing geopolitical trends that may include: increased rivalry between the US and China; increasing reliance of the weaker countries on China; and [increasing role for middle powers like Japan and South Korea](#). What went sort of unnoticed is the increasing assertiveness in the South China Sea both by the US and China. This has severe geopolitical implications for the regional countries of indo-pacific in terms of securing their own national interests.

### **Bangladesh's Role**

Bangladesh, at the early stage of its economic take-off needs to and must follow its established foreign policy dictum of "friendship to all, malice to none". In fact, the

country is always playing important role in ensuring international peace and cooperation by reiterating its commitment to the principles of peaceful settlement of international disputes, respect for international law and norms, value-based foreign policy, democracy, human rights, secularism and social justice.

In the shadow of transforming geopolitics in the indo-pacific, the national interests of Bangladesh remain the same viz., ensuring international peace and stability, global transactions based on equality, justice, and cooperation whereas seeking and guarantying market access, free, safe and fair international migration, technology transfer and job opportunities for its thriving economy. Moreover, as an arbiter of development oriented foreign policy, Bangladesh can also urge upon the regional and global powers to act responsibly in this pandemic crisis and ensure peace and livelihood of the people. Only in a peaceful and cooperative environment, Bangladesh, in spite of its limited capability will be able to cope with this global pandemic in coordination with the regional and global powers and institutions.

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# BRUNEI AMID COVID-19 PANDEMIC

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## V. SRILATHA

Negara Brunei Darussalam (Brunei), with its capital in Bandar Seri Begawan, lies in the Southeastern part of Asia bordering Malaysia in the South China Sea. It has a total area of 5,765 square kilometres with just 430,000 populations. Brunei is the third-largest oil producer in Southeast Asia and the ninth-largest liquefied natural gas (LNG) producer in the world. According to the U.S. Energy Information Administration, Brunei sits on [1.5 billion barrels of crude oil reserves plus 15 trillion cubic feet of natural gas](#) beneath the seabed. Energy makes up some 60 percent of the Bruneian GDP while only 5% of the labour force works in the oil and gas sector.

The coronavirus spread to Brunei began on 9 March 2020, when its first case was confirmed in Tutong. Almost all the early cases were linked to Jamek Mosque Sri Petaling in Kuala Lumpur, where a large Tablighi Jamaat-i event was held at the end of February 2020. Of [Brunei's the first 50 cases, 45 were related to Jamek Mosque](#). Then the pandemic had spread to all districts of Brunei, except in the exclave of Temburong. The [total number of COVID-19 cases has on 17<sup>th</sup> June 2020 in Brunei Darussalam remains at 141 cases, 3 death and total recovered 138 individuals](#).

According to the Ministry of Health, has on 12 June 2020, there was no new case of COVID-19 infection in the country. Meanwhile, 88 individuals are currently undergoing quarantine in accordance to the Infectious Diseases Act (Chapter 204) and a total of 2,735 individuals have completed their quarantine and are in good condition. On 12<sup>th</sup> June 2020 the total number of laboratory tests conducted tested for the SARS-CoV-2 virus [since January 2020 stands at to 24,131 tests](#). Since January 2020, [Brunei has spent BD\\$2,850,000 \(US\\$1,970,000\) on just testing](#).



## **Implications**

As Brunei economy is heavily dependent on oil and gas and categorized as a rentier economy, COVID-19 impacts on it. The global spread of the COVID-19 and lockdowns caused a huge drop in the demand of oil and OPEC in its April 2020 report stated that the world's demand for oil would drop by 20 million barrels a day, which is a fifth of the world oil demand in April 2020. On the other hand, continued supply of oil would result in drop in oil prices and therefore will [negatively affect Brunei's government revenue](#). Incidentally, Brunei's GDP per capita is one of the highest in the world, ranked 4th on the International Monetary Fund rankings. Also, Brunei's government sector made up 40% of the country's total labour force, thus, having a significant effect on the economy.

According to the Department of Economic Planning and Statistics, Ministry of Finance and Economy of Brunei Darussalam (2019), panic could easily be created over a country's crisis such as this epidemic. However, Brunei did not opt for any lockdown as other Southeast Asian Countries.

## **National Response**

As early as on January 30, 2020, the [Brunei government announced that all travellers who had visited China's Hubei province up to 14 days before arrival in Brunei would be denied entry](#). In spite of only a few cases being detected so far, Brunei has enacted tough measures early on, including banning foreign visitors, and prohibiting mass gatherings, etc. Bruneian authorities implemented restrictions to control the spread of coronavirus by prohibiting all mass gatherings, including weddings, sporting events, and Ramadan bazaars. Mosques, suraus, and other religious halls remain closed.

But as the epidemic in Brunei has come under control, the country eased some restrictions in public and commercial areas starting from 16 May 2020, with certain conditions. The six types of premises were authorised to reopen include eateries, driving schools, gyms and sports facilities, but entries to most of these places will be

limited and monitored by a mobile application, the *BruHealth* App. Malls and shop owners were advised to limit the number of customers entering their premises; restaurants for only providing takeaway orders.

Foreign nationals, including long-term pass holders, remain banned from entering or transiting Brunei. Only foreigners who transport essential goods, were allowed to enter the country. Existing travel, student, and dependent visas remain suspended. All arriving travellers had to undergo 14-day quarantine at designated facilities. Officials have barred local nationals, permanent residents, and foreigners holding Bruneian identification cards from leaving the country. Only people departing to seek medical treatment or to resume studies overseas can leave the country, after obtaining approval from the Prime Minister's Office.

Following the announcement on the *Bruhealth* App, a total of 371,347 individuals have registered to the application. In addition to that, a total of 7,257 companies and premises have registered for the BruHealth application. Meanwhile, a [total of 2,145 business premises have downloaded the \*PremiseScan\* application.](#)

The government has also announced economic measures to assist companies and individuals affected by COVID-19 and have begun offering testing kits to neighbouring countries. Businesses wishing to re-open to the public need to register and apply for permission and then will be given a *BruHealth* QR code for their premises to ensure that business owners comply with the quota imposed by the health ministry, which is 30 percent of their normal capacity at one time. Brunei is moving to the second stage of the government's four-phased de-escalation plan on 15 June 2020 to further ease social distancing measures.

Also, the government of Brunei has taken numerous measures to lessen the financial burden on the many economic sectors, which have been severely hit by the outbreak by [providing a financial relief worth B\\$250 million.](#) The relief package covers the Deferment of TAP (Tabung Amanah Pekerja) 5% and SCP (Supplemental

Contributory Pension) [3.5% for local workers that earned B\\$1500 below](#) for all sectors categorised as micro, small and medium enterprises (MSME) for six months; Government will pay SCP (Supplemental Contributory Pension) for self employed for six month; 30% discount on the rent of government properties for micro, small and medium enterprises (MSME) targeting tourism, hospitality, restaurant and cafes, air and water transport, small and medium enterprises MSMEs); 50% reduced tax for corporate in the tourism, hospitality, restaurant and cafes, air and water transport sectors; 15% discount on water and electric bill for tourism, hospitality, restaurant and cafes, air and water transport sectors; extending contracts for iReady apprentices for 6 months for apprentices that almost finished their contract; exemption of custom duty for Personal Hygiene Products and encouraging the shift to digital economy.

Besides, the government and banks have reached an agreement to defer the payment of loans for six months in four sectors - tourism, hospitality and events management, food and beverage and air transport. It also extended the same provision to food and medical supplies importers to meet the surge in consumer demand. Apart from this, except for third-party charges, all bank charges related to trade and payment transactions is also waived for six months.

Furthermore, for the private sector, the government has introduced a temporary measure where it allows private sector workers to take paid sick leave once they have worked with their current employer for at least one month. Secondly, the government announced that it will pay 25 percent of private sector employees' salaries for three months to cushion the losses suffered by businesses. This includes a portion of the wages of Micro, Small & Medium Enterprises (MSME) [workers who earn BD\\$1,500 \(US\\$1,053\)](#) or less. The government has also waived the rent of small shops and food stalls. Grants and cash assistance have also been provided in the form of salary subsidy by Brunei government. The government has supported SMEs to adapt to this changing environment, by advising them to adapt to electronic commerce and digitalisation methods in general.

## ***Wawasan Brunei 2035: Brunei's Global Outlook***

While most of the ASEAN economies are highly depended on trade, investment and tourism, Brunei's economy is almost entirely supported by exports of crude and natural gas. As a result, it is hugely affected by the collapse in oil prices caused by the sudden drop in energy consumption due to the widespread lockdowns and travel bans all over the region and the world.

Brunei has been affected as a result of lowering global oil prices. According to World Bank data, Brunei used to have one of the highest GDP per capita in the world, similar to other oil rich countries such as the United Arab Emirates and Saudi Arabia. When global oil prices plunged in 2015, an analysis by Paul Pryce of UPH Analytics in 2016 revealed that government revenue decreased by 70% in 2016. Brunei was even listed in Forbes Magazine in December 2017 as one of "Asia's Five Weakest Economies by Growth.

According to the BP World Energy Outlook, Brunei's oil reserves are projected to run out by 2035. Thus, Brunei [realising that it cannot depend on oil has been looking for other sources of economic diversification through Wawasan 2035](#) or Vision 2035. First formulated in 2004, by late Sultan Hassanal , *Wawasan Brunei 2035* outlines an ambitious future for Brunei. The three main targets of *Wawasan Brunei 2035* is to get the recognition on the world stage for the accomplishments of its having highly educated and skilled people, a quality of life that is among the top 10 in the world and a sustainable economy with an income per capita that is among the top 10 in the world.

On the regional level, in the process of diversifying the economy by promoting renewable energy (solar PV and promoting waste-to-energy), tourism and ecotourism, hopes for China offer's of investment of about \$4.1 billion with an energy equipment service contract. Also, a 2,680-meter-long sea bridge built by Chinese companies that [offered \\$79 million worth of bonds to fund a petrochemical plant and a \\$3.4 billion refinery](#), which is in the planning stages. In fact, China [as](#)

[agreed to support joint exploration with Brunei for oil and gas](#) in the Bruneian coastline. Further, the [new Temburong Bridge, a signature China-Brunei project, was opened](#) amid huge fanfare in March 2020. Previously, only a sea route connected the two districts and hundreds of Temburong residents, who work in other districts, had to undertake a two-hour drive via the city of Limbang in East Malaysia and pass through four immigration check points. Hence, Brunei being a claimant to South China Sea is silent regarding its sovereignty claims.

Given Brunei's status as a heavily hydrocarbon-dependent economy and with the fallout of COVID-19 pandemic it is expected that it [will impact Brunei's future priorities like its ASEAN chairmanship and the planned issuance of a defence white paper](#), both expected in 2021. And since China sees Brunei as an important partner for cooperation in building the 21st Century Maritime Silk Road and is willing to align the Belt and Road Initiative with *Brunei's Wawasan 2035*, a strategy for economic diversification, in a bid to boost the mutually beneficial cooperation between the two countries, the COVID-19 pandemic cast uncertainty over this plan.

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# **CAMBODIA'S IMPROBABLE FIGHT AGAINST COVID-19**

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**UMA PURUSHOTHAMAN**

Like its neighbours, Vietnam and the Laos People's Democratic Republic towards its East, Cambodia has not reported any deaths from COVID-19 Pandemic. Interestingly, its neighbour to the West, Thailand, has had [3,125 confirmed cases of COVID-19 with 58 deaths](#). Cambodia has only reported [126 confirmed cases](#). The first confirmed case in Cambodia was reported on 27 January. The country reported no cases throughout February and the next case was only reported on 7 March. Since then, there was a steady increase, peaking on 23 March, when 33 confirmed cases were reported. After this peak, however, there has been a steady decline in cases, with no cases reported in the period between 13 April and 21 May. The last confirmed case was reported on 7 June. [Five major clusters of infection were identified in the first 100 days](#). Most cases in Cambodia were imported ones and [125 patients](#) have recovered now. The recovery rate is an astounding 99.2%, much higher than India's at [48.1%](#) and higher than the global recovery rate of [90 %](#). The mortality rate is zero. However, this is not to say that that no Cambodian has died of COVID-19. One of the [10 Cambodian](#) peacekeepers in Mali who contracted the disease has died.

## **What explains Cambodia's remarkable achievement?**

For a poor country with not much of a health infrastructure to boast of, Cambodia's achievements in containing the spread of the COVID- 19 Pandemic and its recovery rates have been remarkable. What explains this remarkable achievement?

A few [socio-economic](#) factors proved beneficial for the government in dealing with the Pandemic. One, more than 80% of the country's population lives in rural areas with low density, making it harder for the virus to spread and easier for the government to spend its resources and pay attention to the more densely populated cities. Second, like the Japanese, use of masks is widespread among Cambodians,

though for entirely different reasons —they wear masks to protect themselves from the dust from Cambodia’s poorly-maintained roads. So, people adapted to using masks rather easily. Finally, overseas travel, and by implication imported cases, are limited as 40% of the population lives near or below the poverty line.

Cambodia banned the entry of visitors from six countries i.e. the United States, Italy, Germany, Spain, France, and Iran in [mid-March and later from March 30](#) imposed entry restrictions on all foreigners. It also shut down schools and Universities in mid-March and restricted gatherings in cinemas and karaoke bars in early April. It cancelled New Year celebrations traditionally held in April and prohibited domestic travel for a week. The few people who travelled from abroad had produce a certificate confirming that they did not have COVID-19. Post entry, they were quarantined for another 14 days.

More importantly, it conducted extensive testing. It has [conducted around 16,000 tests since January](#) and carried out extensive contact tracing with the help of the WHO and technical partners like the US Centres for Disease Control and Prevention, and the Pasteur Institute in Cambodia. It adopted the strategy of [“hotspot hunting,”](#) a modified contact tracing approach to focus on high-risk locations where there may be other cases like in neighbourhoods where more migrants were returning, particularly those coming from Thailand. It also quarantined [15000 garment workers](#) who had returned from the provinces to work in the capital as well as those who had contacts with confirmed cases.

At the governmental level, Phnom Penh created the [National Committee for COVID-19](#) led by the Prime Minister to draw up national policies and strategies for the COVID-19 response. An Inter Inter-Ministerial Committee to Combat COVID-19 headed by the Minister of Health was also formed. This model was replicated at the provincial level. The Cambodian government also announced a stimulus package of around 10% of its GDP, comparable in ratio to those of countries like the US and Australia. Officials and citizens contributed generously to the National Committee to



fund the fight against COVID-19. As a WHO report put it, “[a whole-of-government and whole-of-society approach](#)” helped Cambodia fight the Pandemic.

## **Regional Dynamics**

Cambodia got generous support from other countries and organisations in fighting the Pandemic. While [countries](#) such as China, Japan and Vietnam donated medical equipment and supplies, others like Australia, France, Germany and the U.S. have each committed millions of dollars to assist Cambodia. Russia too promised help. The [EU has offered a \\$61 million grant](#) to combat COVID-19 and revive the economy. The WHO has provided technical assistance and operational support while the World Bank has approved \$20 million in credit to revive the economy. China dispatched medical supplies and experts to Cambodia to help fight the pandemic. These experts also helped set up a [remote consultation system](#) in the country.

Cambodia has been remarkably warm towards China throughout the Pandemic, as would be expected of one of Beijing’s few allies. The powerful [Cambodian People's Party \(CPP\) spokesman Suos Yara said](#) that given the “uncertainty in the global situations, China's role is becoming increasingly important in multilateral system leadership” and further proclaimed that despite the economic slowdown in China, “China is still the locomotive to pull the world economy.” Prime Minister Hun Sen as well as the King and Queen Mother visited China after the outbreak of the Pandemic, becoming some of the few world leaders to do so and sending a strong signal of solidarity with China. The two countries also went ahead with [joint military exercises](#) from mid-March to April.

## **Implications**

Despite fighting the Pandemic effectively, there are many challenges and implications ahead for Cambodia, both domestic and foreign. The foremost challenge is to revive its economy. According to a [World Bank Report](#), Cambodia’s growth is expected to plummet to anything between 2.5% to 1 % this year. The

tourism industry, which accounted for 12% of Cambodia's GDP in 2019, could take years to revive. The garment industry, which has been one of the key drivers of Cambodia's economy, has also been badly affected. The EU's stripping of Preferential Market Access to Cambodia over violations of human rights will only add to the economy's woes. Unemployment will also increase because of the slowdown of the economy. So, non-traditional security issues like economic security, food security, health security, etc are set to aggravate for the worse in Cambodia. Second, the COVID-19 pandemic has brought Cambodia even closer to China.

At the same time, its neighbour, Vietnam has moved closer to the US, by joining the Quad plus initiative to coordinate the fight against COVID-19. Given the current decoupling of ties between the US and China and the heightened tensions between India (with whom Vietnam has close ties) and China, these moves do not bode well for regional peace and stability. One could see a replay of the situation during the Cold War when Cambodia supported China while Vietnam supported the Soviet Union. Finally, the new emergency laws passed by Cambodia under the pretext of COVID-19 do not bode well for human rights in the country as they allow invasion of privacy, and restrict freedom of travel, and assembly. It might lead to more sanctions or reprimands from the West, which would again push Cambodia further into China's embrace.

In short, while Cambodia has managed the COVID-19 pandemic well, the effect of the pandemic on its economy has the potential to rupture the already-fraught ties between it and its neighbour Vietnam. This could have serious implications for the regional security and stability as well the future of great power rivalry in Southeast Asia/ the ASEAN and to an extent the larger Indo Pacific region.

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# COVID-19 AND CHINA: NATIONAL STRATEGIES, REGIONAL AND GLOBAL ORDER

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RAJIV RANJAN

As the world is still grappling with COVID-19, China's responses in containing the virus have paid dividends, thereby life and economic activities are returning on the tracks. Since its outbreak in Wuhan on December 8 last year, COVID-19 has claimed 4646 lives and infected 84, 778 persons, the majority of patients in Hubei province, China. On January 23, just before Chinese New Year, the government [imposed lockdown in Wuhan city with 11 million populations](#) and [Hubei Province only to lift on April 8 and March 25 respectively](#).

Initially, the administration failed to recognize the highly infectious nature of the *new-pneumonia*, as it was called in the beginning, thereby slow in responding to contain the virus. However, once it was confirmed that the coronavirus could transmit from human to human and that it's a new type of a virus strain for which there is no apparent cure, the whole state machinery started concerted action to contain the virus on a war footing. Even the [party chief of Wuhan city](#) and [Hubei province](#) were [swiftly sacked for their mishandling of the outbreak](#). And the [sacking of officials who failed to contain the spread of the virus became the norms in China](#). Moreover, other cities in China, too, went on to adopt a voluntary or unofficial quarantine mode. The result was remarkable. The spread of the virus and the [reports of new cases have virtually come down to zero in China - including the Hubei province](#). However, recently few cases of new infections are detected in Beijing.

## Implications

The COVID-19 has not only disturbed the daily lives in China but transformed the social, economic, health security and diplomacy of China. The paper briefly

discusses the impacts of the viruses and also examines the various strategies to limit the impacts.

Bureau of Chinese Statistics, in a report released in April, said that in the first quarter of this year, the growth rate of China has contracted by 6.8 per cent. For the first time since the calculation started in 1992, the decline is seen in year-on-year basis. China's gross domestic product narrowed [6.8 per cent year-on-year to just 20.65 trillion Yuan \(about \\$ 2.91 trillion\)](#) in the first quarter of 2020. It is believed that many small and medium companies will be on the verge of bankruptcy, job loss and reduction in income of the people due to this decline. Moreover, factory production declined by 1.1% in March, which Bureau is hopeful that with the resumption of work, production accelerates. Retail sales declined by 15.8% due and unemployment increased by 5.9%, from 6.2% in February during lockdown. At the same time, IMF expected 1.2 per cent increase in China's GDP this year, which is [expected to increase to 9.2 percent next year](#).

The year 2020 in China is essential in two respects. Firstly, this is the last year of the '13th Five-Year Plan' and second to achieve the goal of 'moderately prosperous society', one of the two centenary goals. Due the pandemic, extremely difficult for China to achieve the goals but programs and stimulus package have been announced. Central Bank of China liquidated banks with 1 trillion Yuan to promote loans for small and medium companies.

## **National Strategy**

To protect small and medium industrial units from the economic crisis, several provinces in China announced financial aid packages, tax exemption and assistance to workers.

China used big data and artificial intelligence in contact tracing and Health QR code, supported by big telecom companies to track the movement of people. The health code ensured that only asymptomatic people can move and work. China also created an

[“epidemic map” display the specific names and locations of the communities](#) where cases have been reported and the [number of infections that has been ascertained besides running live ticker](#). But this becoming of surveillance state was vehemently criticized outside China only to be adopted by other countries. For instance, Arogyasetu in India to combat corona by contact tracing and finally a health pass for availing public transportations, attending offices, etc.

## **Regional and Global Order**

Globally, already strained US-China rivalry is experiencing [Graham Allison's Thucydides Trap](#) and the future world order is equivocal for now. The COVID-19 has discernibly exposed the fault lines in the current international system whereby multilateral intuitions have failed to proactively and efficiently respond to the health security crisis. The new cold war is looming over the horizon but a distinctively altered form of old. For the moment, digital competition intrinsically shadowed any ideological confrontations between the US and China. Having said that the emerging cold war, failing international institutions and power-dilemma are changing country behaviours. New coupling and decoupling among states are taking place to maximize the strategic gains.

Regionally, new bilateral equations are altering regional dynamics. During the virtual summit between Prime Minister Narendra Modi and Australian Prime Minister, Scott Morrison, India and Australian upgraded the relationship to "Comprehensive Strategic Partnership" and also signed a Mutual Logistics Support Agreement (MLSA) and issued a joint declaration on a "[Shared Vision for Maritime Cooperation in the Indo-Pacific](#)", signalling a new dimension in bilateral engagement in the backdrop of dwindling China-Australia relations.

Unlike other parts of the world, China-Japan and China-South Korea relationship are surprisingly stable in East Asia. Keeping political differences aside, three countries held a video conference to foster cooperation in fighting the virus. Besides, a special

ASEAN plus three summits was held to discuss the “[adverse impact on the socio-economic development of our respective countries and the world at large.](#)”

In a nutshell, COVID-19 is challenging the traditional security notion and transforming economic engagement among countries. Furthermore, regional and global alignment in the post-COVID era, if the current trend continues, suggest the leadership-free world order, as an interregnum.

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# BATTLE HALFWAY: INDONESIA HANDLING OF COVID-19

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S. Y. SURENDRA KUMAR

The COVID-19 pandemic has resulted in a massive loss of human lives and has hit the global economy very hard. Although, the Southeast Asian nations have geographical proximity, strong business and tourism links with China, but are better off than the other countries like US, Spain, Italy, UK, Russia, Brazil, India and so on, in terms COVID-19 cases and deaths. The reasons for this could be that, to certain extent, the Southeast Asian nations responded swiftly and effectively in fighting COVID-19; as a result, the human causality is less in comparison to the west.

Among the Southeast Asian nations, Indonesia was regarded as more vulnerable to COVID-19, as it holds the fourth largest population and second-largest urban area in the world. As a result, Indonesia is still witnessing an increasing number of COVID-19 cases, and the mortality rate is still higher in the region. As of 16 June 2020, the [total number of COVID-19 case is 40,400 and 2,231 deaths, with 15,703 recovered and in a single day \(10 June\) around 1,241 new COVID-19 cases were reported, which was highest since first reported on 2 March 2020.](#)

Moreover, the mortality rate, which was 9 per cent (March 2020), has come down to 8.33 per cent (8 June 2020), which is still very high compared to other countries in the region. At the same time, COVID-19 exposed the fragile public healthcare system, i.e., inadequate hospital beds (12/10,000), lesser intensive care facilities, medical supplies, initial [testing rates were just 0.15 per cent per 1000 and the number of physicians was only 0.38 per cent per 1000 people.](#) Thus, Indonesia was ill-prepared to fight the pandemic like COVID-19.

## Implications

Due to the prolonged lockdown and increase in the COVID-19 cases, Indonesian economy is not in good health, For instance, in addition to the existing 8.5 million

poor people, around 5.9 million are expected to become poor due to the COVID-19. The rate of unemployment is intensifying in general and particularly in Starts ups and Micro Small and Medium Enterprises (MSME), such that it is estimated around 2.8 million workers have become jobless, and more numbers would increase further. However, the tourism sector was badly affected and according to the Tourism Ministry, [around 1.7 million in this sector were affected](#) due to COVID-19.

China and Hong Kong are the top destinations for Indonesian exports, and most of its industrial machinery is imported from China, thus in the present crisis, trade between the two countries has declined, in way hurting the economy. In this regard, the World Bank Report (2020), forecasted the "[economic activity is anticipated to be flat](#)" in 2020.

At the same time, the Government's revenue has also declined due to the slow economic growth and reduction in collections of both tax and non-tax revenue, as a result of tax incentives and falling off price of essential commodities. Overall, due to the fiscal stimulus and negative growth, is leading to an increase in public debts, which is already 30 per cent of GDP. Nevertheless, similar to other nations, Indonesia to dependents on oil imports, which is one fourth of its total import, and with global oil prices all-time low, it is an advantage for the bursary.

In addition, to COVID-19 effects on the economy, the marginalised communities in the country are also affected badly, particularly the women. Generally, Indonesia women were already vulnerable due to the prevailing discriminatory local bylaws and the COVID-19 has intensified women sufferings, with work-from-home, stress from job loss, economic instability and excessive time at home, leading to increased domestic violence against women. Thus, many women organisations and institutions in the country have emphasised that there is need by the Government for gender mainstreaming of "[investments, policies and programmatic actions in terms of COVID-19 prevention and response and ensure that women are in leading roles in decision-making.](#)"

## National Strategy

The World Health Organisation (WHO) declared on 30 January 2020, the outbreak of COVID-19 as 'public health emergency of international concern', but in Indonesia, the first positive case of COVID-19 was reported only in first week of March and by the end of March it had crossed more than 1000 cases, due to which the President Joko Widodo declared on 13 April the COVID-19 outbreak as the '[non-natural national disaster](#)'. With the outbreak of the pandemic, President Widodo rightly emphasised that the twin agenda of the Government was [to fight two wars - war against COVID-19 and the prevention of economic crisis](#).

However, fighting the COVID-19 was defeated in the earliest stage itself, as President Widodo was alleged to have downplayed the COVID-19 threat and attempted to push for herbal remedies to cure COVID-19, which received broad criticisms within and outside the country. Subsequently, some of the messages and policies announced by the Government from time to time were reversed, in a way causing confusion among the citizens and policy implementers at the regional administrators.

Also, the Government and the authorities were using criminal defamation laws to crack down on public criticism of the Government, which was not welcomed by the citizens and the International community. Thus, President Widodo significant re-election in May 2019, where he secured 55 of the votes, but his handling of the present pandemic, weakened his legitimacy and is also blamed for the increasing COVID-19 cases.

The Indonesian Government on 31 March 2020 closed its border and banned entry on all foreign visitors. Imposed social restrictions like closing schools, workplaces, and limiting religious and public gatherings and it also banned the traditional annual exodus for Muslims holiday. Subsequently, it set up the COVID-19 Task Force with the cooperation of Ministers, national agencies and the regional

administrators for the acceleration of response to COVID-19, and from time to time the respective ministries issues guidelines, to mitigate the spread of COVID-19.

On 4<sup>th</sup> May 2020, the President announced the 'five-point plan' to prevent the second wave of outbreak. Given to certain extent the Government ineffective in fighting the COVID-19, the President Widodo gave more scope for the military and security forces in implementing policies, as a result, his response team included more acting and retired generals.

Apart from fighting the COVID-19, it was vital for the Government to revive the economy, hence, the Government allocated funds and finances for the national economic recovery program and latest series of the stimulus package was [US\\$ 47.6 billion \(Rp 677.2 trillion\) announced in the first week of June 2020, which is 4.2 percent of its GDP](#). The package is aimed at strengthening the health care system, more spending towards social protection and incentive to rescue a business from becoming bankrupt and workers from losing their jobs. The stimulus package is less than 5 per cent of GDP and unlike the other Southeast Asian countries - Thailand and Singapore which had allocated [9 per cent and 13 per cent respectively of their GDP](#) to fight COVID-19.

Besides, the Government also allocated and prepared four types of tax reliefs for the employers for the period April-September 2020, to revive the economy and prevent unemployment. Also, to the role of government agencies in fighting COVID-19, it is the civil society organisations, which has come for high appreciation for its critical role, in awareness campaign among the masses, providing medical assistance, equipment and support, helping the needy during the outbreak, like crowd funding campaign to support the workers from the informal sector, street vendors, cab drivers and so on.

## External Support

The External support/assistance from international and regional agencies and also from neighbouring countries has helped Indonesia to fight the pandemic. In March 2020, the ADB had approved around US\$3 million grants to support Indonesia's efforts in fighting the COVID-19. The World Bank, announced (May 2020) to provide US\$ 250 million loans to support Indonesia's COVID-19 response. The [fund indented to go toward strengthening the country's](#) "emergency response to the pandemic, including improving intensive care capacity, providing more personal protective equipment (PPE) and improving the laboratory network and surveillance systems". European Union (EU) pledged US\$380 million (April 2020) to help ASEAN countries fight the COVID-19, and in this, funding for Indonesia included to strengthen the public health and hygiene and psycho-social counselling for the vulnerable groups.

The Asia Infrastructure Investment Bank (AIIB) has allocated US\$ 1 billion (May 2020) in loan to Indonesia to support its pandemic response. Apparently, More medical aid came from China, since March 2020, it has [contributed Rp 7.8 billion of health aids like portable ventilators, PCR test kits, medical and surgical masks and also personal protective equipments](#). The US has given US\$35.3 million to ASEAN countries to fight the pandemic, and in addition to this, it also [donated US\\$3 million \(April 2020\) to Indonesia for handling the crisis](#). Countries like Taiwan and Singapore have done there bit by donating ventilators, PPE sets, test kits PCR machines, sanitizers and face masks. Thus, to certain extent, Indonesia has successful in limiting the impact of COVID-19 due to the external support.

## The Way Forward

Overall, Indonesia fighting COVID-19 has been a mixed baggage of success. Hence, the top priority for the Indonesian Government should be to (a) contain the spread of the COVID-19 crisis as they enter into the 'new normal phase;' and reducing the mortality rate to save the human lives by carrying more number test and strengthening the public health system. (b) It is essential to revive the economy, which will mitigate the socio-economic impact of the crisis. (c) Indonesia has a

significant number of vulnerable groups like Refugees, pregnant women, Persons with Disabilities (PwD), elderly and displaced persons, migrants and soon. Thus, protecting these groups remains critical in the present juncture, as the country is witnessing a spike in number of cases.

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# COVID-19 AND JAPAN: EMERGING POLITICO-ECONOMIC CONDITION

PRAKASH PANNEERSELVAM

The novel COVID-19 originated in China Wuhan province has soon spread to different part of the world. The World Health Organisation (WHO) declared that COVID-19 as a pandemic. Each country has responded to the pandemic based on their preliminary assessment of the spread of COVID-19 and adopting best practises across the world. Japan in Pacific was not very successful initially, but spring back into action in containing virus. According to the Ministry of Health, Labour and Welfare, Japan has [confirmed case of 17, 174 and 916 death as of on 8<sup>th</sup> June 2020](#). The number of active cases is also decreased significantly during the period.

## Number of COVID19 cases in Japan

	PCR tested	PCR tested positive	Need inpatient treatment		Discharge or end of medical treatment	Death	Under confirmation
				Critically ill			
Domestic cases (excluding returnees by chartered flights)	257,330 (+3,101)	16,850 (+45)	1,141 (-66)	98 (-4)	14,795 (+105)	907 (+4)	12
Airport quarantine	49,303 (+728)	199 (+3)	37 (+3)	0	162	0	0
Returnees by chartered flights	829	15	0	0	15	0	0
<b>Total</b>	<b>307,462 (+3,829)</b>	<b>17,064 (+48)</b>	<b>1,178 (-63)</b>	<b>98 (-4)</b>	<b>14,972 (+105)</b>	<b>907 (+4)</b>	12

Source: Japan's Ministry of Health, Labour and Welfare, June 08, 2020.

Rather looking at other countries best practises Japan adopted a three pronged strategy (Test, Trace and Isolate) based on the public health expert's assessment on the crisis. Japan has also didn't go for the complete lockdown like other countries but rather allowed the some specific sectors like manufacturing, pharmaceuticals and agriculture sector to work throughout emergency period to keep the economy



afloat. However, Japan received a negative response for handling of passenger cruise liner Diamond Princess that was docked at Yokohama. Prime Minister received huge criticism for poorly managing the crisis. As Japan is undergoing major political and economic policy change already, the current COVID-19 is likely to have a major impact of Japanese economic growth. Therefore, it is important to look at the political, economic and geopolitical fallout in the post-COVID-19 world and how Japan it is going to shape Japanese policies.

### **Impact on Socio-economic and politics of Japan**

Japan is facing worst economic crisis this decade as many small and medium industry are filing for bankruptcy. The industry is facing worst crisis as the supply chain was completely disrupted due to spread of COVID19 in Asia. The fear of job loss due to pandemic is posing a major challenge to Japan as it trying to retrieve the economic from the fall. Japan has taken emergency measures like approval of supplementary budget worth approximately ¥26 trillion for the COVID-19 response, primarily to address the economic fallout. Japanese onetime cash handouts part of economic package to small and medium scale industry contributes significantly to Japanese economy. As the tourism sector is seeing no relief as the COVID19 continue to spread across the world the Japanese tourism sector likely to face a major setback in the future.

The postponement of Olympic next year 2021 has major implication on Japanese economy as the event was projected to generate major boost for country's economy and job for Japanese people. The moral of Japanese industry is also low as the customers are not willing to spend in major commodities due to economic certainty. At this point it is difficult to assess the impact of COVID-19, but [economist forecast a deep recession land](#).

#### *Diamond Princess and Tokyo Olympic 2020*

The handling of passenger Cruise Liner Diamond Princess has invited lots of criticism worldwide. The Diamond Princess docked at Yokohama was quarantined

on 4th February 2020. During the period of the quarantine Japanese official was reluctant to engage in proactive to contain the spread of the virus which has led to reportedly 712 people infected by virus and 10 confirmed dead so far. Professor Kentaro Iwata, expert in infectious diseases from Kobe University, Japan described the situation on board as [completely inadequate in terms of infection control](#). This incident created a major diplomatic chaos for Japan in handling the foreign passenger and crew onboard of the Cruise Liner.

**Number of COVID19 Cases onboard of Diamond Princess**

	PCR tested positive ※ [With no symptoms]	Already discharged from hospital	Hospitalized with a ventilator or intensive care unit	Death
Cases at the Cruise ship (Identified by quarantine policy) (3,711)	712 【331】	603 (+2)	11	10

The number in parentheses indicates the change from the previous day.

Source: Japan Ministry of Health, Labour and Welfare

Japan eagerly waiting to unveil the Tokyo 2020 Olympic was completely shocked by Diamond Prince Crisis. The Diamond Prince Crisis compelled Japanese authority to act swiftly to contain and spread of virus in the country. At the same time, many opposition party and experts criticized the Japanese government for not taking proactive approach to contain the virus because if number of COVID-19 cases increases in March and April that could lead to rescheduling or postponement of Olympic 2020 in Tokyo. The Tokyo Olympic 2020 is Prime Minister Shinzo Abe’s ambitious project to boost local economy and display Japanese pride to the global community.

[According to new reports](#), it was estimated that Tokyo Olympic 2020 would provide Japan’s economy with a boost of US\$ 30 billion and creation of 150,000 new jobs. Moreover, Prime Minister personally invested in Tokyo Olympic 2020 to display his leadership skills and boost the economy which is facing severe economic crisis. The postponement of Tokyo Olympic next year 2021 by the International Olympic Committee due to COVID-19 would not only show Prime Minister Shinzo Abe in

bad light both domestically and internationally, but also many have expressed concern that it will significantly affect Liberal Democratic party's future course. Prime Minister Shinzo Abe has decided not to run for second terms but the recent happening would influence the choice of his successor as prime minister.

The handling of Diamond Prince Crisis and postponement of Olympic to next year 2021 overshadowed Japanese effort in combating the dreadful COVID-19. Japan took a different approach in combating the virus. Japan's "cluster" based approach helped to isolate and track the virus spread and able to contain the virus spread quickly compare with other western countries which adopted even stringent approach like lockdown and mass PCR testing.

### **COVID-19: Japan Strategy**

First case of COVID-19 was reported in the month of January 2020, but number of infected case started rise in March which forced Japanese government to declare national emergency in April. [Japan declared state of emergency](#) on 7<sup>th</sup> April 2020, under the Act on Special Measures for Pandemic Influenza and New Infectious Diseases Preparedness and Response. The emergency measure helped Japanese authority to identify the cluster and contain the virus from spreading in the community. Even though there has been a spike in COVID-19 cases in Tokyo, the COVID-19 strategy of Japan was successful in controlling the virus spread. Japan strategy is based particular approach to contact tracing. Mr Shigeru Omi, head of the expert panel advising Mr Abe on the virus said that the [cluster-based approach uses thorough retrospective contact tracing to identify common sources of infection](#). This helped Japanese authority to find the "superspreaders" in a more effective way.

In order to end pandemic Japan has taken comprehensive measure to prevent the spread of virus from one cluster to another cluster based on the "three basic strategy."

1. Early detection of and early response to clusters.

2. Enhancement of intensive care and securing medical service system for the severely ill patients, including medical equipment's (Ventilator, ECMO, etc).
3. Behaviour modification of citizens.

The idea is to maximize efforts to suppress transmission and to minimize socio-economic damage. The strategy also aimed to curtail the rate of increase in patients as much as possible through these preventative measures, in order to control the pandemic in Japan. Moreover, Japan is also looking at improving the health system to fight the pandemic such as COVID-19. Unlike normal situation, the requirement for bed has drastically increased due to spread of the pandemic. Japan has more beds-per-capita than any other country in the world. But, health ministry not foreseeing a pandemic like COVID-19 reduced the numbers of hospital beds last fall which proved to be disastrous for Japan which saw a sudden surge in COVID-19 in March and April. The new policy now makes arrangements to provide necessary medical care for severe patient and to prepare for the possible increase of patients in Japan.

## **Regional Geopolitics**

The COVID-19 displayed inherent weakness in Japanese system in responding to the pandemic. The Japanese diplomatic and political equation with China under pandemic is witnessing a change. Japanese Prime Minister Shinzo Abe appreciated China for taking a drastic measure in containing the COVID-19. Japan also sent relief material to Wuhan province worst hit under the pandemic as a symbolic gesture of friendship. Chinese Primer Xi Jinping visit to Japan was postponed due to pandemic, but the relationship is growing in recent times as Japanese dependence on China growing. At the same time, Japanese Prime Minister announced incentive package for Japanese company moving out of China and investing in Japan and other countries. As the US - China Trade War threat lingering many Japanese companies are finding difficult to export the product to North America. It is still unclear how it is going impact Japan - China trade relationship.

As Japan–China relationship is warming up. The Chinese aggressive military manoeuvring in the South China Sea and East China Sea cast shadow of doubt over Chinese leadership. The US ships have continued dozen of freedom of navigation operation in South China Sea and Taiwan Straits to deter China from taking any rash decision during the pandemic. The Hong Kong Crisis and the military naval ships standoff between the US navy ships, Chinese Oceanography ships near Malaysian water once again raise tension in the region. The Chinese aggressive posture and the US government reluctant to lead the alliance in the fight against the COVID-19 raises serious question about Japanese future in the Indo-pacific.

## **Conclusion**

Japan is successful in controlling the spread of virus unlike western countries in short duration. Particularly, Japan adopted different strategy to fight the novel virus such as three-pronged strategy of test, trace and isolate that helped Japan to broaden the testing and isolate the patents infected by virus. This strategy allows for a certain economic activity and freedom of movement proving to be more sustainable model compare to lockdown. However, the overall economic is facing a major crisis due the spread of virus. The bilateral trade and commerce relationship is also contracted during this period would have major impact on Japan’s external trade relationship with the US, China and South Korea.

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# LAOS HANDLING OF PANDEMIC: A POSITIVE SIGN AMIDST THE GEO-POLITICAL RIVALRY?

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SAMATHA MALLEMPATI

Laos a landlocked South East Asian country with a population of 7.1 million, has [reported only 19 positive COVID-19 cases with no fatalities](#). All the positive cases were fully recovered and the last COVID-19 patient was discharged from the hospital on 9 June. Laos tested 8,607 persons from January to the first week of June. After the COVID-19 outbreak in March, the government appointed the National Taskforce Committee for COVID-19 Prevention and Control. The eleven member Task Force is headed by the Deputy Prime Minister and Finance Minister Mr. Somday Douangdy. Economic Taskforce Committee for monitoring and proposing measures to address the impact of COVID-19 was also appointed by the government. After the last COVID-19 patient was discharged, the Prime Minister said Laos “[has been able to gain an initial victory over the malefic enemy and it is the first significant step.](#)” But the Prime Minister also cautioned the public to be vigilant about the possibility of a second wave of infections.

## **National Strategy**

The government was able to implement prevention and control measures since March through various initiatives to mitigate the impact of the pandemic. It has asked all ministers and the central and local government authorities to spread awareness among people about the infection. It imposed restrictions on travel, local and international airlines cancelled, encouraged work from home and stay at home, unless for essential purchase and hospital visit. Village authorities in villages were asked to monitor agricultural activities in rural areas. Trade inspectors were asked to keep check on the prices. The number of people at social gatherings was restricted to only ten.

Local and international [border checkpoints were closed](#), as well as factories that are not producing essential items. Tax incentives were announced and both the public and private Banks were told to work together to ease the burden on people in repayment of loans and interests. Employees in the public or private sector [earning US\\$559 or below were exempted from paying Personal Income Tax \(PIT\)](#). As no new cases are reported for more than 30 days since May, schools and colleges were reopened in the first week of June. Domestic flights are resumed on 18<sup>th</sup> May, but restrictions continue to be in place at checkpoints, international travel and tourist or visitors' visas are suspended till further notice.

The WHO and the UN agencies have been active in providing cooperation to the government. The Government of Laos is also actively participating in Association of South East Asian Nations (ASEAN) led initiatives in mitigating the impact of COVID-19 on the region.

## **Implications**

By announcing zero positive cases the government decided to open slowly economic and social activities. This is a positive development amidst the gradual increase in cases and fatalities in other South East Asian countries. But the [World Bank cautioned](#) that the country will not be immune to the overall global economic slowdown and the pandemic will impact tourism, trade, investment, remittances, commodity prices and exchange rates. Economic growth in 2020 is projected at -1.8 and 1 percent by the World Bank. More [than 200,000 people are projected to fall into poverty](#) due to job loss in tourism, travel and hospitality sectors, which accounts for eleven percent of total employment. Nearly 68 percent of the population is employed in agriculture and also depend on remittances. The pandemic has forced nearly one lakh migrant workers to return home, impacting household income.

The World Bank estimated US\$125 million loss in remittances. Even the tourism sector incurred losses and will not pick up soon if the global pandemic persists for longer time. [Tourism revenue is expected to incur a loss of US\\$350 million](#). In 2019,



Laos welcomed 4.8 million tourists mainly from Thailand, China besides Vietnam, Britain, Germany, US and France. This major source of revenue will be affected adversely this year.

## **Pandemic and the Regional Dynamics**

As a less developed country in the region Laos joined the ASEAN in 1997. In 2020 the World Bank classified Laos as lower middle income country. ASEAN's membership and engagement with multilateral organisations helped in bridging the development gap to some extent with the countries in the region. The government's "open door policy" linked the economy to ASEAN, multilateral aid agencies, connected to cross border trade and opened the way for foreign investment. The economic focus shifted to utilising mining and hydropower resources, emphasis on growth led by manufacturing, service and construction sector. But this has [not entirely helped in addressing sustainable development](#) as most of the population is still dependent on agriculture. In this scenario, the global pandemic imposed economic slowdown is going to impact the gains achieved in recent years by Laos.

There are concerns regarding the debt to GDP ratio of Laos which is 58% in 2019 and it's over dependence on China for investments in mining and hydropower sectors. [Some argue](#) that this might impact balanced cooperation in the region and lead to more dependence on China. As part of Belt and Road Initiative (BRI), both the countries are implementing various projects such as Lao-China railway project and construction of dams on Mekong River. These projects are to address employment opportunities, transportation and travel and electricity needs of the region. At the same time, the lukewarm response by China to the Mekong River Commission (MRC) and launching of Lackong Mekong Cooperation Framework, brushing aside environmental and livelihood concerns, particularly by Thailand, is a concern. But this may not deter the strong inroads China had made in the region.

The US inroads into the region have been limited in the past and it might continue to remain so in the post COVID-19 regional geo-politics. The US expects that South

East Asia adopt completely the vision of Free and Open Indo-Pacific. The vision [according to the US](#) will tackle challenges the region is facing such as risk to political autonomy, economic independence and debt dependence. The US after the global pandemic outbreak has provided [\\$18.3 million](#) to ASEAN member states. But overall the US response to the global pandemic and its inability to manage the pandemic at the domestic front has in a way strengthened China's defence of its political system and its vision of BRI at the moment. Similar ideological beliefs between China and Laos and Laos economic needs are continue to be important factors in forging strong bilateral relations even in Post COVID-19 scenario.

China's health diplomacy during the global pandemic may also ensure both security and economic concerns related to BRI that are not addressed aggressively by the countries in the region. However, debt issue of Chinese loans will continue to be a concern in ASEAN member states and lack of collective response to the political and security challenges faced by the region. Therefore, COVID-19 may not drastically reshape Laos' bilateral and regional engagement as well as the geo-politics of the region. Meanwhile, both China and the US will continue to devise ways to shape the geo-politics of the region through regional, multilateral and bilateral associations.

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# COVID-19: EXPERIENCES AND PERSPECTIVES OF MALAYSIA

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HANAFI HUSSIN

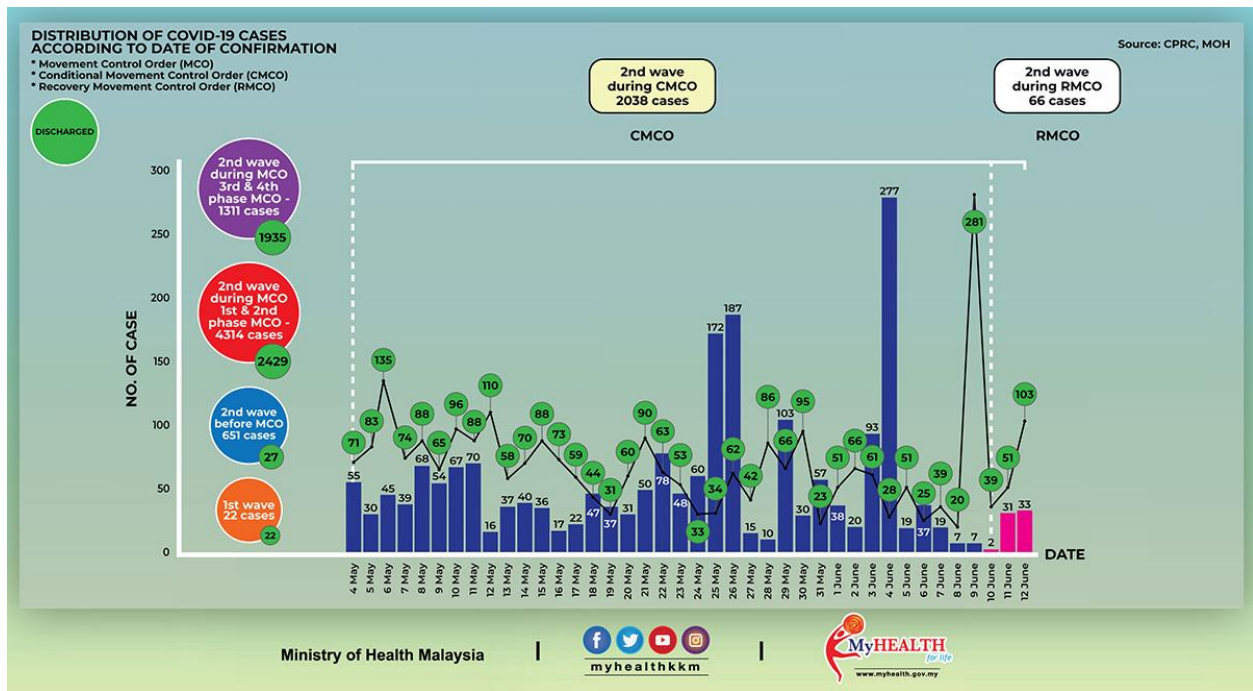
The World Health Organization (WHO) declared the COVID-19 outbreak a pandemic on 11 March 2020. Many countries, including Malaysia have developed their action plans in order to deal with this pandemic well before the declaration. [Malaysia's COVID-19 cases surged after March 5. According to the Department of Statistics Malaysia](#) as of 7 June 2020, total confirmed cases on March 3 were 36 and the number of deaths was zero. These statistics increased to 3333 confirmed cases with 57 deaths on April 3, which further increased to 6298 and 105 deaths on May 3. As of June 7, the total confirmed cases reached 8303, and the number of deaths was 117.

Malaysia was facing political turmoil as former Prime Minister Mahathir Mohamad resigned after an unwieldy coalition crumbled between Mahathir and Anwar Ibrahim when Malaysia joined the list of countries with first confirmed COVID-19 cases on 25 January 2020. The infected person was a 40-year old man who came from Wuhan to Johor. The first human-to-human transmission of coronavirus in Malaysia was detected on 12 March causing concerns of pandemic spread. The first death due to coronavirus was reported on 17 March 2020.

The most number of cases in Malaysia were reported from a mass religious gathering event that saw the participation of 16,000 people, including about 14, 500 people from Malaysia and 2000 people from Rohingya. Due to the size of the gathering, the government faced several problems in testing all the participants of the events, in particular, the difficulty in tracing the Rohingyas who were mainly illegal immigrants.

The current statistics on COVID-19 as reported by the Department of Statistics of Malaysia up until June 12, 2020, is shown in Figure below, which clearly shows the effect of the Movement Control Order (MCO) implementation towards flattening the COVID-19 infection curve. The MCO implemented in three stages, firstly from 18 March until 12 May 2020 (four phases), next the Conditional Movement Order (CMCO) stage, from 13 May until 9 June 2020 and finally, the Recovery Movement Control Order (RMCO) from 10 June until 31 August 2020. The implementation of the RMCO aimed to allow Malaysians and those who are living in Malaysia to activate their daily activities by strictly following the Standard of Procedures (SOPs).

### Distribution of COVID-19 Cases according to date of confirmation



Source: Ministry of Health Malaysia

### Implications

The world economy is still in the position of uncertainty after the severe shocks of the COVID-19 pandemic. [According to the International Monetary Fund \(IMF\)](#), there is 80% probability that COVID-19 will result in global financial crises that will be more severe than the 2007-2008 global financial crises originated from America due to subprime mortgages.

The [Duddu](#) has elaborated on the socio-economic impact of COVID-19 on Malaysia in detail. He has reported that the hotel industry, due to cancellation of room bookings of tourists, is experiencing revenue loss of over RM40 million. The tourism industry is one of the industries in Malaysia most affected by the pandemic, which includes travelling transportation, hotels, restaurants and other associated sub-sectors. As a major portion of Government revenue comes from the sale of crude oil, a reduction in the consumption of oil due to global lock-down has resulted in the decrease in oil prices that has affected government resources.

The knock-on effect of COVID-19 on Malaysia's trading partners has affected both imports as well as export activities of the economy. The World Bank has predicted that the estimated GDP growth rate of Malaysia will fall from 4.5% to -0.1% in 2020. COVID-19 will also result in slower growth impetus while recovering from this pandemic. Many businesses in the country has been affected due to COVID-19 especially SME's reporting zero cash flow due to the partial lock-down. The collapse of financial markets and the real economy result in loss of jobs and incomes.

Political activity has slowed down in the country as the new Prime Minister of Malaysia has postponed the parliamentary meeting till 18 May 2020 after being appointed. Even though Parliament is sitting now, [no debate or discussion sessions are carried out](#). As health is the main concern as a result of this pandemic, health security has increased in terms of washing hands, use of masks and consultations with the doctor even in cases of minor symptoms. Similarly, food security has also been [increased in terms of prevention and usage](#).

## **National Strategy**

After identifying the human-to-human transmission of COVID-19 in its 14<sup>th</sup> case in Malaysia, the government has started taking strict actions against its spread in the form of different phases of movement control order (MCO) as mentioned earlier. A rapid RT-PCR test on patients and contacts is developed, used and distributed to several government hospitals and medical laboratories. For frontline healthcare

personnel, the government has provided respiratory protection devices and protective clothing, including N95 masks, gloves, goggles and PPE (personal protection equipment).

The government has also ensured that essential services like the police force, armed forces, fire-fighters and those essential manning services such as electricity and water supply, should all be given proper protection as well are maintained during the pandemic and the MCO implementation. In order to ensure social distancing, avoiding large crowds, closing of schools, working from home and reducing unnecessary travel is implemented. In addition, the government of Malaysia has [announced financial stimulus packages for different industries](#) like tourism, travelling, food, etc.

The Malaysian government has also closed the crowded places where people can possibly gather during that time like public, private offices, schools, colleges, universities, market places, and mosques etc. The Malaysian government has brought home many Malaysians from other countries, including Wuhan, China and quarantined them at the Higher Education Leadership Academy (Akademi Kepimpinan Pendidikan Tinggi-AKEPT) for monitoring.

Malaysia has cancelled flights from all the countries in order to avoid the entry of foreigners in an attempt to protect the spread of this pandemic until 31 August 2020. Immigration facilities for the foreigners have also been stopped till further order since 27 January 2020, to encompass the coronavirus import. The locals have also been advised to avoid travelling abroad especially to the most affected countries of the world. [Joint Working Groups have been formed with many ASEAN countries](#), especially with Singapore and Japan.

The Malaysian Government issued four economic stimulus packages to combat the COVID-19 pandemic outbreak. First, in February 2020, an emergency [stimulus package worth US\\$4.8 billion was introduced](#), which included spurring economic

growth, promoting investments, and encouraging businesses to adopt automation and digitalisation in their processes. Second, a stimulus package worth 250 billion ringgit (US \$58-Billion) to cushion the impact of COVID-19 on 27 March 2020. It is [aimed at helping families and business owners weather the economic downturn](#) caused by the outbreak. The third stimulus package worth 10 billion ringgit (\$2.3 Billion) mainly targeted at small and medium-sized enterprises (SMEs) which made up 98 per cent of Malaysia's economy and also limited retrenchment. The fourth economic stimulus package launched on 5 June 2020 valued at 35 billion ringgit (\$11.4 billion), aimed largely at checking unemployment, which hit a 10-year high. The plan included RM10 billion in direct fiscal injection, of which half would be spent on extending existing wage subsidies from three months to six months. Another [RM4 billion will be allocated to benefit workers](#), including up skilling programmes and to improve the welfare of freelancers.

The Prime Minister announced the RMCO effective June until August 31, 2020 with more lenient restrictions where interstate travel is permitted. However, [international travel is not permitted](#). Almost all social, religious, business and educational activities are allowed to resume in stages under strict SOPs during the RMCO which involves seven strategies, namely; 1) strengthening public health; 2) legislation and enforcement; 3) strengthening border control; 4) opening up the economic sector fully; 5) inculcating the new normal; 6) empowering community responsibilities; 7) protecting groups at risk. The [success of these strategies very much depends on the cooperation and support of all parties](#), including the machinery of the Federal and State governments, the private sector, non-governmental organisations (NGOs) and community leaders.

## **REGIONAL DYNAMICS**

China is emerging as the economic leader of the world and challenging the powers of America in the region even before the spread of this pandemic. America's situation is becoming worse due to initial failure of the government to tackle the pandemic that has hurt its image at home as well as abroad in terms of esteem and



lives of people. Even though this pandemic has started from Wuhan but China has recovered well from the early shocks of this pandemic and now China is aggressively building diplomatic relationships with other countries by offering their help too many countries in this situation. However, it is [too early to predict that after this global economic recession resulting from the short term pandemic shocks, that China will become the global leader replacing America.](#)

Regional responses to fight COVID-19 via organisations like ASEAN and SAARC with members of both these groupings coming together to establish funds to respond to the crisis as well as most effective measures to prevent the spread of contagion are discussed. In South Asia, leaders regrouped virtually in a departure from their usual state of stagnancy and inertia. With China being the second-largest trading partner of ASEAN, the impact of the pandemic is intensified in countries of Southeast Asia. In the context of the Indo-Pacific, it is being speculated that the post-crisis World will see an even more hawkish China ready to exploit “free-market vulnerabilities” in order to offset its losses. This may, in turn, lead to further intensification of tensions between China and the United States with Southeast Asia becoming [the theatre of this resurgent competition.](#)

Even though America has blamed China to be accountable for this worldwide pandemic, still China through its successful aid and diplomacy is being accepted as one of the most influential economic powers among Southeast Asian countries. [China’s economic influential power is much higher from USA and Japan in the region](#) even before this pandemic.

## **Conclusion**

Malaysia's efforts to combat the COVID-19 pandemic continue to produce an encouraging outcome with more patients recovering from the infection. MCO compliance that stands at 95 per cent has helped to control the spread of the virus in terms of reducing the number of new reported cases and deaths.

The COVID-19 resulted in an increase in the number of cases and deaths worldwide day by day even though it is much controlled in Malaysia. It is too early to predict when the COVID-19 pandemic will end as said by Michael Ryan (Head of WHO's health emergencies programme). WHO chief, Tedros Adhanom Ghebreyesus said that this outbreak might take world health and economic indicators in any direction. However, it is predicted that the COVID-19 pandemic will definitely hit the global economy, and Malaysia will also be affected by this pandemic.

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# MALDIVES: IMPACT OF COVID-19 AND THE REGIONAL DYNAMICS

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**T.C. KARTHIKHEYAN**

Maldives, better known internationally as an idyllic tourist destination for its underwater sports, beautiful beachfront and landscapes, has been caught in the COVID-19 pandemic crisis and is now in the process of overcoming it ever since this January. Although the first case was reported only on the 7<sup>th</sup> March, [around 31<sup>st</sup> May 2020](#), Maldives has already recorded 1672 positive cases of COVID-19, with 5 deaths and 401 recovering from the disease and of which 1266 were under quarantine. Despite having set up isolation facilities across the nation, Maldives has reported high transmission rate among the expatriates predominantly of the workers from Bangladesh, India, Sri Lanka and Nepal.

When the whole world is going through a crisis situation in the backdrop of COVID-19, Maldives with its peculiar geography and economic base has peculiar challenges and advantages to it. Maldives has witnessed many crises in the past like that of a coup attempt on its government in 1988, the devastating Tsunami of 2004, the democratic and institutional crisis in its 12 years of existence as a democracy. But nothing is compared to the present situation due to COVID-19, that has brought to the fore the vulnerabilities of the Maldives, experienced as never before.

Tourism is the mainstay of the Maldivian economy and the pandemic conditions resulting in the lockdown and travel restrictions has only exacerbated its economic woes. Almost every employment generating activity in the country is, to some degree, related to, or dependent on tourism. With no tourist arriving in the Maldives since March, its impact on the economy can be felt strongly. Maldives has also been warned by experts that economic contraction and possible difficulties paying back foreign debts.

Another dimension of peculiar vulnerability of Maldives is that almost all the staple food, medicine, medical equipment, and other essential supplies are imported from abroad. The severe disruption in global supply chains has exacerbated the plight of Maldives even more desperate. Maldives, due to its smallness, remoteness of its islands, and limited connectivity to global supply chains, are incredibly vulnerable to external shocks like this. For the Maldives, this COVID 19 crisis has a burgeoning effect on its economy, on its ability to respond, and its ability to overcome.

Malé city is one of the world's most congested areas in the world, the centre of commerce for the nation with a large population of migrant workers. The cramped living conditions in congested spaces led to rapid spread of the infections resulting an [average of 30 COVID-19 positive cases per day](#) in the capital city, with many being unaccounted because of its asymptomatic, unreported or untested conditions. Being an Islamic nation as it was also the period of Ramzan, Maldives really had a tough time.

### **Politico, Socio-Economic Impact**

The geography of dispersed islands brings Maldives both a boon and a bane. The dispersed islands make it easier for isolating the communities and practicing social distancing but at the same time, it also brings the problem where adequate specialist doctors and good health care facilities could not be extended to all the inhabited islands and also the economy to bear this cost demanded by the health sector. To safeguard its people from the pandemic, Maldives took some difficult decisions as early as in February, by temporarily suspending direct travellers from China, which accounts for its major chunk of tourism market. This posed an instant negative impact on its economy and collapsed favourable predictions and plans of the Maldivian government.

Adding to these concerns, the falling demand and the resulting decline in price for fish globally has impacted the fisheries sector too, which is the second largest economic booster for Maldives. As Maldives pays for its imports mainly from its

revenue from tourism and fishery sector, it is now in a trapped position to meet the imports of its daily essential needs.

Currently Maldives is [facing a revenue shortfall of up to US \\$908 million](#) and it is also estimated that it will face a foreign currency shortfall of up to US \$450 million. As its entire revenue is being directed to the health emergency, Maldives will soon run out of funds and depletion of resources. Initially, Maldives had an estimated annual real Gross Domestic Product (GDP) accelerating to 7.5 per cent during the year 2020. The [National reserve has reached US \\$752 million, exceeding the original estimation of US \\$635 million](#). But with the onset of COVID-19 pandemic crisis, the total government revenue is estimated to decrease, with a [deficit of US \\$778.2 million](#).

As part of its lockdown strategy, even being an Islamic nation with Ramadan fasting being observed all across the nation, Maldives has suspended the right to peaceful assembly, along with congregational prayers in the mosques. The government also [postponed the local council elections](#) scheduled to be held in April 2020, by a constitutional amendment, until the state of public health emergency imposed due to COVID-19 is over.

## **National Response**

As soon as the COVID 19 pandemic broke out, Maldives took immediate precautionary measures by temporarily cancelling the visa on arrival facility and [preventing the foreigners from already affected countries entering Maldives](#). As the island population are vulnerable, travel restrictions were imposed between islands and some of the [resort islands was designated as quarantine facilities](#). Contact tracing was done extensively with the Health Protection Agency launching a software application –“[TraceEkee](#)”- enabling the community-led contact tracing. The National Emergency Operations Centre [NEOC] was established upon declaring itself a State of Public Health Emergency from March 12 extending until June 29, 2020.

To reduce its expenditure, the government has taken several measures including the reduction of salaries of all political appointees, heads and staff of state-owned enterprises, by 20 percent. Parliament has also approved a 20 percent pay cut on their member's salaries. The government has also introduced a [financial stimulus package with US \\$161.9 million \(MVR 2.5 billion\)](#) intending to prevent the closing down of local businesses and the loss of jobs; by giving allowances US \$ 325 (MVR 5000) to those who became unemployed because of this pandemic crisis. On solving its debt crisis including the US \$1.4 million that is owed to China, a debt sustainability strategy is followed since early 2019, pursuing its borrowing, revenue generating, and expenditure policies based on the strategy.

The People's Majlis (parliament) has brought amendments to the [Fiscal Responsibility Act to enable the Government to borrow US \\$284.94 million \(MVR 4.4 billion\)](#) from the Central Bank to manage cashflow to handle the situation. Another bill is submitted to the Parliament, to [stop the immediate evictions](#) of the tenants without due notice over failure to pay rent. Government has also taken measures to provide temporary shelters and food for those who have poor access to their basic needs.

## **Regional Dynamics**

Given its inherent vulnerabilities in terms of geography, economy, environment, Maldives has always been a supporter of regional cooperation. In this COVID-19 pandemic situation and its repercussions on its economy, Maldives expects the regional players to formulate an economic relief package that would include budget support to fill the significant shortfall in its revenue gap. Maldives has reached out to its bilateral partners and other international agencies for support with considerable success.

As history shows, India has always been a ready partner in solving the crisis faced by Maldives and has continued now by evacuating nine [Maldivians from Wuhan](#),

China and by donating three months' worth of essential medicines, apart from sending its [team of medical experts](#) to help and assuring uninterrupted supply of essential commodities to handle this huge crisis situation. Maldives has further [received US \\$150 million from the US \\$400 million currency swap agreement](#) signed in July 2019 between the Maldives Monetary Authority and the Reserve Bank of India.

The unprecedented [COVID-19](#) crisis has necessitated India to be active in SAARC activities, as India took the lead by initiating the setting up of [COVID-19 Emergency Fund by pledging US \\$10 million](#), soon followed by other member countries to accumulate a sum of [US \\$21.8 million](#). Nevertheless, Pakistan insisting this fund should be administered through the SAARC Secretariat and its utilisation should be finalised through consultations with the SAARC members "as per the SAARC Charter," had [India retaliating](#) saying, the fund should be considered as a "stand-alone" emergency step that should remain "outside the SAARC calendar of approved activities", thus showing the ever present crack in the SAARC.

In addition to these fissures, there is a prospect for China getting involved in the region by using the negative outcomes of COVID-19 effects on the economy of Maldives. China will try to make use of the crisis riddled Maldives in its favour by offering more funds and thus making it dependent on China, having Maldives in its "debt trap", as has happened with Sri Lanka. At another level, the Chinese could also make use of the policy decision of the Maldivian government to [lease uninhabited islands for agricultural purposes](#) to meet at least 50 percent of their food security from local produce. Though at present, leasing is restricted only for local players, China could possibly convince Maldives with its economic and technological might to get lease of several islands in its favour that could also be helpful for Maldives in ensuring its food security. Nevertheless, India might not take these developments lightly, that Chinese taking control of several uninhabited islands in its close vicinity, and that will definitely have some ripple effects in the



politics and security of the region, particularly in the backdrop of recent skirmishes in the Indo-Sino border disputes.

To conclude, the Maldivian government is exploring ways and means of making itself more self-reliant in the long term. With [assistance from friendly nations](#) and [international organisations](#), it is only hoped that the country will rise up and shine again. At present, for Maldives, like most of the nations in the region, on the face of low or negative growth, the priority would be to stabilize the economy through any means. Nevertheless, due to the impact of COVID-19, absolute poverty rate will increase with rising inequality in the region, paving way for extra regional powers to play a role in the economy and politics of the region that could potentially change the trajectory of relationships between nations in the region.

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# MYANMAR: COVID-19 AND EMERGING GEOPOLITICS IN THE INDO-PACIFIC REGION

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K. YHOME

In the midst of conflict and with poor health infrastructure, the global pandemic poses a major health emergency in Myanmar. At the time of confirmation of Myanmar's first case on 23 March, the country had [only one laboratory](#) capable of testing coronavirus and up until late February all samples were sent to Bangkok for testing. As of 6 June 2020, Myanmar has [236 confirmed COVID-19 cases and 6 deaths](#).

Beyond the immediate health emergency, the pandemic has huge implications for all sides involved in ethno political conflicts as they tackle a common enemy and there are voices suggesting that the pandemic could be a moment for the government to push economic reforms in the country. At the same time, the emerging geopolitics of the Indo-Pacific region in the context of the global pandemic may provide new opportunities for Myanmar.

## **National Response Strategy**

The Myanmar government's response strategy to combat the pandemic involves measures to contain and slowdown the spread of COVID19 by enforcing travel restrictions and lockdown along with upgradation of health facilities and capacity. Even before the first positive case of COVID-19, the country closed its land borders to all foreigners on March 18. After initial criticism for the lacklustre response, the Myanmar authorities formed two high-powered committees to deal with the situation.

On 26 March, the Myanmar government formed the Central Committee on Prevention, Control and Treatment of the Coronavirus Disease (CPCTCD)\_under State Counsellor Aung San Suu Kyi chairpersonship. A few days later, the joint

civilian-military [Control and Emergency Response Committee](#) led by the military nominated Vice President Myint Swe to enforce social distancing and quarantine measures.

This “[mutual cooperation](#)” between the Myanmar government and the military in the fight against the pandemic is viewed through the lens of the rivalry between the two key political forces as they position themselves to “[project authority](#)” during the pandemic with an eye on the upcoming November elections.

As the number of positive cases rises, the Myanmar authorities upgraded health facilities and capacities with help from international donors and private healthcare sector such as the country’s largest pharmaceutical distribution company donating [a new COVID-19 testing machine](#) that can run more than 1,400 tests per day, thus increasing testing capacity.

According to a report in late April, close to half of the 700,000 workers in the country’s apparel industry in Myanmar were “[at risk of either being suspended without pay or losing their jobs permanently.](#)” Thousands of Myanmar migrant workers returned from China, Thailand and other countries after losing their jobs due to COVID-19. A [report](#) citing Myanmar official figures claim that some 46,000 migrant workers returned from abroad up to mid-April 2020.

In late April, the Myanmar government issued [an economic stimulus package](#) to mitigate the economic impact posed by COVID-19. A recent [study](#) assessing the impact of COVID-19 on Myanmar’s economy suggests that the stimulus package was “comprehensive and sensible”, but it would not be able to make the country’s economy return to the pre-COVID-19 growth trajectory. In fact, in April, the IMF reduced Myanmar’s 2020 growth outlook to [1.8 percent from 6.4 percent](#). This will be the lowest growth rate recorded since political reforms in 2011.

As part of effort to fight against the pandemic, the Myanmar military declared a unilateral “[ceasefire](#)” on 9 May 2020. However, the ceasefire excluded the restive states of Rakhine and southern Chin states where clashes between the Myanmar army remain unabated. On areas where the ceasefire is enforced, the Myanmar armed forces and major ethnic armed have been “[working together](#)” to contain the pandemic and this could have long-terms implications on their relationship and the stalled ethnic peace process.

## **Regional Outlook**

The novel coronavirus pandemic has exposed the unpreparedness of the global system and intensified the shift in the global order, a process that was already underway. Amitav Acharya observes that the novel coronavirus is “[not just a catastrophe for global public health, it will bring about a shift in the world order.](#)”

Some observers are more definitive about the power shift and the direction of the shift. Kishore Mahbubani, for instance, points out: “The resurgence of Asia in world affairs and the global economy, which was happening before the emergence of COVID-19, will be cemented in a new world order after the crisis. [The pandemic could thus mark the start of the Asian century.](#)” C Raja Mohan suggests that “[new international coalitions](#)” would emerge as the world explores “new forms of solidarity.”

There are instances of such new coalitions and forms of solidarity in combating the pandemic such as the US-initiated meeting among countries in the Indo-Pacific region or what has been dubbed as the “Quad-Plus” that include the original Quad-members and South Korea, New Zealand and Vietnam to collaborate in the fight against the pandemic.

Beyond the pandemic, strategic calculations also drive such emerging coalitions. The Quad Plus is seen as an attempt to keep these “[countries within a certain sphere of](#)

[influence and strategic direction.](#)” It remains to be seen how the coalition with shared underlying strategic interests will evolve in post-COVID era.

Located at the ‘crossroads of Asia’ and as a key littoral of the Bay of Bengal that links the Indian and the Pacific Oceans, Myanmar recognises the implications of the emerging geopolitical dynamics in the Indo-Pacific region. For Myanmar, to tap the [“tremendous potential” that “its unparalleled geography at the heart of Asia”](#) provides require greater diversification of its engagements with key players in the Indo-Pacific region including the emerging coalitions.

Myanmar recognises the need to reduce its economic reliance on increasingly assertive China, even as it wants to benefit from Chinese investments in building much-needed infrastructure in the country. Though Myanmar wants China’s help to achieve rapid economic transformation, there is also an underlying sense that it is in [“both countries’ interests](#) that Myanmar, as the smaller (and) poorer partner, (should) define the terms” of the relationship.

Myanmar’s desire to catch-up in economic development and the consequences of its inability to envision an inclusive democratic nation-state pushes the country to look towards its powerful northern neighbour. To increase its manoeuvrability in defining “the terms” of relations with its northern neighbour will largely be determined by its balancing act between China and the key regional players including India, Japan, South Korea, Australia, ASEAN and its members as well as new emerging coalitions of like-minded nations and partners in the Indo-Pacific region.

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## NEW ZEALAND: LIFE RETURNS ALMOST TO NORMAL

### M. MAYILVAGANAN

Novel coronavirus called SARS-CoV-2 or COVID-19, the disease caused by a respiratory infection that affects lungs and airways has redefined the world. New Zealand was not the exception; with the country of 5.8 million people, about 1,500 people contracted the virus, including 22 who died (see table below) due to COVID-19. [As on 16<sup>th</sup> June 2020, two new cases have been reported](#) who are reportedly return from the UK. The first case was reported on 26<sup>th</sup> February 2020 and from 14<sup>th</sup> March to 18<sup>th</sup> April, there high number of daily reported cases (see graph below). The major source of infection is through the influx of people who return to New Zealand ahead of the border restrictions.

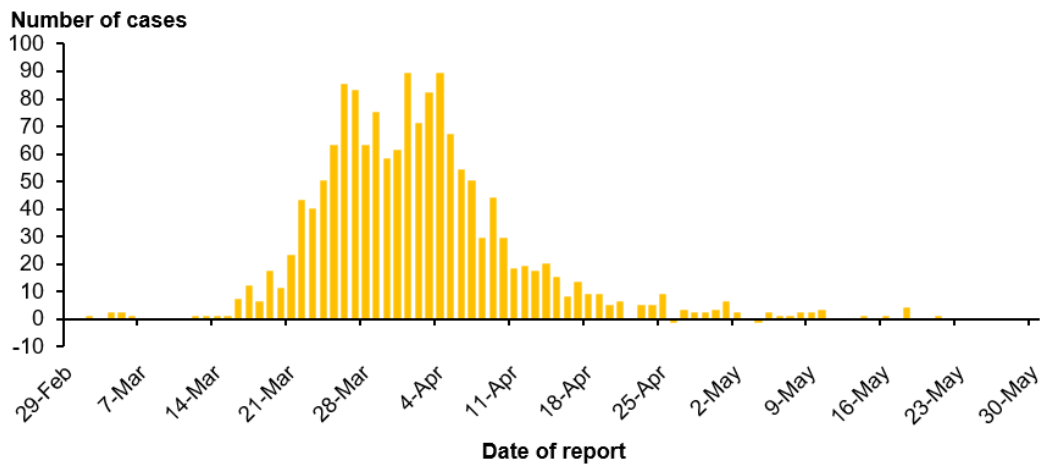
#### Number of cases as on 8<sup>th</sup> June 2020

	<b>Total (As 1 June 2020)</b>	<b>Total <a href="#">As of 8 June 2020</a></b>	<b>Total As of 16 June 2020</b>
<b>Number of confirmed cases in New Zealand</b>	1,154	0	2
<b>Number of probable cases</b>	350	0	0
<b>Number of confirmed and probable cases</b>	1,504	0	2
<b>Number of recovered cases</b>	1,481	1482	1482
<b>Number of deaths</b>	22	22	22
<b>Number of active cases</b>	1	0	2
<b>Number of cases currently in hospital</b>	0	0	2

Source: [ESR EpiSurv extract](#)



### Daily Rate of Cases from February to June



Source: [ESR EpiSurv extract](#)

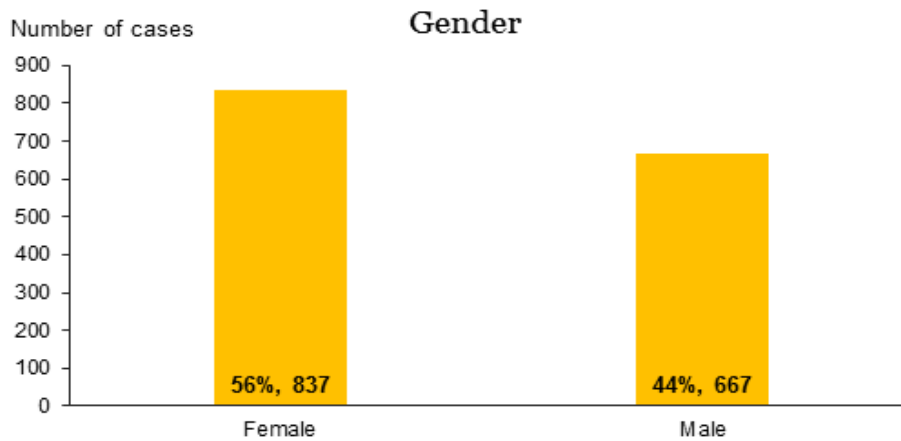
As per the [New Zealand’s Crown Research Institute](#), the highest number of cases has been reported in Waitemata, Southern, Waikato and Auckland with the age group between 20 to 59 are highly affected (see table below). In terms of gender, female witnessed high infection rate than male (see graph below) and among the ethnicity, European topped the chart of infected cases than other groups (see graph below).

### Age Group of infected to Recovered

Age Group	Active	Recovered	Deceased	Total
0 to 9	0	36		36
10 to 19	0	121		121
20 to 29	0	358		358
30 to 39	0	229		229
40 to 49	0	220		220
50 to 59	0	246		246
60 to 69	0	175	3	178
70 to 79	0	70	7	77
80 to 89	0	23	7	30
90+	0	4	5	9
<b>Total</b>	<b>0</b>	<b>1482</b>	<b>22</b>	<b>1504</b>

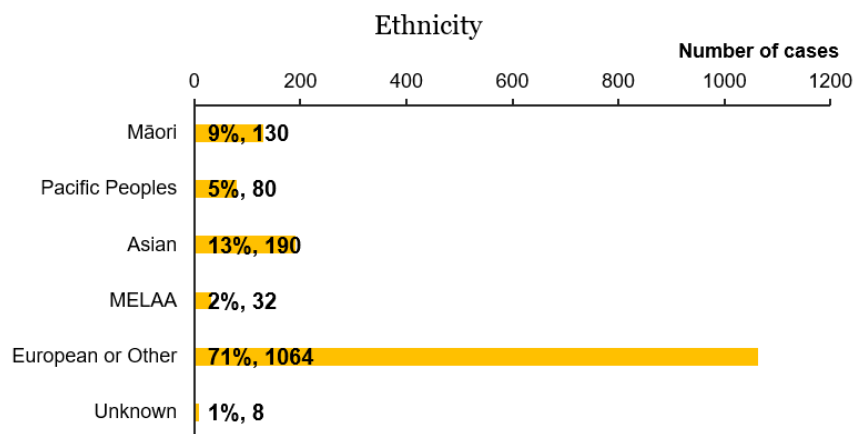
Source: [ESR EpiSurv extract](#)

## Gender Ratio



Source: [ESR EpiSurv extract](#)

## Infection Rate based on Ethnicity



Source: [ESR EpiSurv extract](#)

## **Implications**

As expected New Zealand economy faces 'serious impact' from the pandemic outbreak with its tourism, logging and agriculture sector facing consequences, particularly, when the country's economy of [\\$200 billion is depended on trade and tourism](#). Notably, the tourism and education sector are the significant drivers of the country's economy. The visiting Chinese tourists are estimated to spend around \$180m per month in the peak travel period of January through to April in New Zealand. One in eight Kiwis is employed in the tourism industry that contributes

[21% of its foreign currency while another 4% of GDP](#) comes from industries supporting tourism.

Also, with the disruption of supply chain from China, New Zealand had some effects on its domestic companies who rely on imports from it. In fact, China is New Zealand's top trading partner, accounting for [27% of its total exports and on an annual basis, 28% of New Zealand's total exports](#) were to China. As a result, exports from timber to meat and fruit had worst hit. Then the business and hospitality industries are worst affected by the pandemic outbreak.

The education sector is the next to be worst affected with students from abroad particularly from China (who are comparatively high then other) had dropped with the border closing. The foreign students [contribute \\$5.1 billion to New Zealand economy](#). The foreign students enrolled in country's education institutes contribute about \$3 billion (as per 2017 data) to the economy.

### **Strategies: How New Zealand eliminated COVID-19**

Prime Minister Jacinda Ardern announced that New Zealand have moved to alert level 1 from alert 2 under which ["life returns almost to normal"](#) in the background of health officials' statement that since late February that there have been no active cases and the last person who was being monitored for coronavirus had recovered. In a sense, the Pacific island nation has eradicated the COVID-19 infection. But as on 16<sup>th</sup> June 2020, two new cases have been reported who arrived from the UK on 7 June 2020.

*How did they do it?*

When other countries are still battling with the new cases the obvious question is, how it New Zealand eliminated the virus? Among the national strategy response that the New Zealand government under Jacinda Ardern adopted were, one, the country closed its borders on 19<sup>th</sup> March 2020 without delay when the cases were rising. Before that only the passengers and flight from China was prohibited since

mid February 2020. The international flight operations was cancelled with some exceptions to its citizens and residents who want to return (they too on return was placed under 14 days quarantine). The location of New Zealand in the South Pacific, bit remote to other countries with a low population density too provided an advantage in mitigating the pandemic.

Two, strict lockdown was enforced on 26<sup>th</sup> March 2020 for about seven weeks with most businesses, education institutes and other public spaces were closed. Except essential workers, everyone had to stay at home. Google's community mobility data showed activity near commercial and retail areas dropped [almost 90% and around 75%](#) near parks and beaches.

Three, the country adopted proactive testing, as per the data from the Health Ministry of New Zealand the total test done between [22 January to 31 May 2020 was 281,609](#) and the contact tracers are monitoring the suspected ones through the NZ COVID Tracer app. Incidentally, the government has earmarked an extra \$55m into its contact tracing operation.

Since the first reported case, New Zealand quickly went into action to identify all cases of COVID-19, isolate the infected, trace and quarantine their contacts as part of managing cluster outbreaks. Also, it [ensured that access to testing is equitable](#) including for Māori and Pacific people.

In addition, the role of Prime Minister Ardern, in contrast to some other countries like the US or Brazil, publicly agreed with Dr. Ashley Bloomfield, the Director-General of Health, in handling the pandemic instead of down playing. In a sense, science and leadership have gone together in addressing the pandemic. She not only swung into action immediately when the country witnessed rising of cases but also shared modelling and data swiftly and asked locals to 'be strong,' 'be kind,' and 'do good' at the time of uncertain. She engaged the citizens through candid Facebook

Live chats from time to time. Ms. Ardern has repeatedly called the New Zealand as “our team of five million.”

According to Andrew Hughes, from the Research School of Management in Australian National University, [how Ardern handled the crisis is fantastic](#) whereas Prof Michael Baker from Otago University's Public Health Department, who advise the New Zealand government on its health response finds Jacinda Ardern as “a brilliant communicator and an empathetic leader.”

The strategy of New Zealand appears to be rather than just aiming to contain the disease it desired to eliminate the “chains of transmission.” [In the words of Ardern](#) that to completely “succeed” in the battle against the COVID-19, as “there is no widespread, undetected community transmission in New Zealand. We have won that battle” but “must remain vigilant if we are to keep it that way.”

Yet, there has also been criticism over the relative lack of clarity around some of the big virus clusters in New Zealand, especially where the origin of cases it not clear. [Observers was of view](#) that the bug clusters with more than 230 unknown-origin cases show a weak contact-tracing system, which many argue is essential for containing the virus. In wake of two new reported cases on 16<sup>th</sup> June the Ardern government is facing further criticism about how two returnees from UK went untested before being allowed to leave an Auckland.

Todd Muller, the country's opposition leader, criticized the Ardern government's failure as “[clumsy and totally inappropriate](#).” Reports say both received a compassionate exemption to the compulsory 14-day isolation period for returning travellers as had to visit a critically ill relative in Wellington. In her own words, Ardern said it was “[absolutely nonsensical](#)” that the women had not been tested. Thus, the compassionate dispensation policy has been suspended now and military has been put in charge for COVID-19 quarantine.

*What now?*

With no new cases since 28 February 2020, except two reported cases on June 15<sup>th</sup> 2020 and lockdown measures, by and large, repealed, in early June 2020, barring border closure restrictions, public transport service resumed and many people are returning to their workplaces. Equally, malls, retail and restaurants began to operate normally and public and private events were allowed without any. However, in the words of Director-General of Health, Dr Ashley Bloomfield the country will continue [“ongoing vigilance against COVID-19.”](#) But most gatherings are limited to 10 people and social distancing guidelines remains in place.

The Finance Minister Grant Robertson rolled out fiscal measures, including wage subsidies, of around [NZ\\$20 billion](#) (\$12 billion), particularly granted NZ\$11m relief package to tourism industry. The package included an initial [NZ\\$500 million boost for health services, NZ\\$600 million initial support for the aviation sector, NZ\\$5.1 billion in wage subsidy support and NZ\\$2.8 billion in income support](#). According to him, initial Treasury department forecasts showed the economy was expected to fall 1% by the first quarter of 2021 and if the package is implemented, a slower contraction than the 3% forecast without the support. New Zealand's Central Bank, on its part announced cut rates by 75 basis points and has started quantitative easing, buying [up NZ\\$30 billion worth of government bonds](#). The package also included NZ\$2.8 billion in business tax changes to free up cash flow, including a provisional tax threshold lift, the reinstatement of building depreciation and writing off interest on the late payment of tax.

The Prime Minister, Jacinda Ardern recently announced that she, ministers in her cabinet and public service chief executives would take a [20% pay cut for the next six months](#), in order to lessen the impact on other New Zealanders. She also stated that the government was considering granting an exemption to Chinese university students, and were in talks with the education sector about how they would safely quarantine arriving students. As per her, “New Zealand is about to enter a very tough winter, but every winter eventually is followed by spring, and if we make the

right choices we can get New Zealanders back to work and our economy moving quickly again.”

## **Regional Dynamics**

The New Zealand is discussing with Australia on the possibility of opening up borders to each other, what is called “travel bubble,” a travel corridor between the two nations when the prospect of global tourism is bleak. In the words of Australian Prime Minister Scott Morrison, “If there is any country in the world with whom we can reconnect with first, undoubtedly that's New Zealand.” Certainly, there are few reasons why New Zealand and Australia would like to open up to each other's first.

First, the two countries are geographically closer in the Pacific, separated by about 2,000 km (1,243 miles) of sea. Two, they enjoy closest bilateral relationships where Australian passport holders can travel and work in New Zealand for ever without a visa, and similarly Kiwis can travel and work in Australia indefinitely. In fact, the two countries contribute a lot to each other's tourism industry. Almost 40% of international arrivals to New Zealand are Australians. Conversely, New Zealanders make up around 15% of Australia's international visitors. Once two countries find progress in the ‘travel bubble,’ there is a [possibility of broadening the bubble to include some other Pacific Islands](#) like Fiji, and Guam that would aid tourism industry.

Also, the call for reducing over depend on China is been raising, for instance, the former trade negotiator [Charles Finny has warned](#) the New Zealand government to diversify its reliance on China to ensure that their businesses aren’t affected again in future, if any like COVID-19.

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# PHILIPPINES, COVID-19 AND THE CHANGING REGIONAL DYNAMICS

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AMIT MUKHERJEE

The Philippines is an archipelago with more than 7100 islands spread over 1850 kilometre from North to South and 700 kilometres at its widest reaches with its capital in Manila. The population of the Philippines is about 10 crores and its population density is 392 per square kilometre. This makes it a medium-density population country, thus providing an ample opportunity for spread of a contagion, if not controlled. The population is divided with 33% consisting of children up to 14 years, 19% up to 15-24 years, 37% between 34 to 54 years, 6% up to 64 years and 4% who constitute 65 year of age and above age group.

The Philippines' economy is structured on food processing; production of cement, iron, and steel; telecommunications, among others. The agricultural sector employs 25% of the labour force but contributes only 9.3% of GDP. Its highest contributor to the GDP is the services sector that contributes 59%. It employs 57% of the work force. This is followed by Industry which employs 18% of workforce and contributes about 30% to the GDP. The country works in a multi-party system and often has coalition government with the President being the Head of the state and the head of the government and the commander in chief of the armed forces.

The first case of COVID-19 in the [Philippines](#) was reported on [30th January 2019](#). Initially the reported cases were low. The [detection was as low as 7 by the first two weeks of March](#) 2020. The first local case was on 7<sup>th</sup> March 2020. This was almost a month after the detection of the first case. By April the cases had jumped to [about 3660](#). The spread of infection increased thereafter raising the total number of cases to 20,382 on 4th June 2020. The trend has been rising and seems to peak most mysteriously during the end of the month and thereabout. There are about 1000 people who have died and the ratio of [COVID cases is 200 per million](#). The highest

single-day detection has been 1452 on 31st March 2020. The death rate has been comparatively low at a 1:20 ratio approximately. Of the total 20,000 cases, almost 55% are male and are in the age group of 20 to 39. About 40% of cases are youth. Almost 66% of people who died are above 60 years of age.

## **Implications**

Philippines' economic growth has been slow for the past two years for several domestic constraints. The tourism industry which is a big grosser for GDP will lose 7 million tourists' contribution and its associated sector, impact on the pre COVID 12.7% share. Nickel mining, which is a major export to China, is under lockdown indefinitely. More than 700 factories in 400 economic zones are facing an uncertain future that went under lockdown. The government's goal of securing an "A" credit rating is going to be difficult because of the economic fallout from the pandemic. It is also estimated that 0.4 to 0.8 percent<sup>10</sup> of GDP in 2020.

Likewise, according to the Government of Philippines report by National Economic and Development Authority ([NEDA](#)), the slowdown in economic activities may reduce employment by about 33,800 to 56,600 in 2020. The tourism industry which contributes 12.5% of the GDP will also lose its contribution. The house hold consumption lost about 5 to 10 percent in the non-essential items. On the upside the socio economic debt ratio of Philippines is now at an improved 41% from the previous 70%, according to government reports.

## **National Strategy**

The Philippines, like most nations in the world, grappled with the unexpected and considerably unprecedented complexities that have risen from the Corona Pandemic. The steps at initial phases were reactions to evolving situations. The clampdown on flights from China, Macau, and Hong Kong were its first steps in the direction to contain the situation. However, given that the graph still shows a steady rise, it appears that the countrywide containment strategy [has not effectively brought down](#) the infection curve and hence displays some lacunae in the strategy.

Though initially the response for the pandemic was lacking, the government soon brought out the action plan as the severity of the pandemic became evident post-March 7th 2020. The Government of Philippines applied a three pronged strategy, what is known as the Four Pillar Socio Economic Strategy against COVID 19 that included providing immediate financial remittance to the poor, protecting the health care workers and keeping the economy afloat, (finally restoring economic growth). The government is engaged with various multilateral agencies to receive financial concessions.

On 9<sup>th</sup> March 2020, the Philippines government and the [Department of Health](#) set up the mechanism for nation-wide detection and prevention at a relatively early phase. To mitigate socio-economic impacts, it set up an interagency task force and a national action plan. Despite setting up action plans faced challenges. The system could arrange only 2000 testing kits even after a month of setting up the remedial measure. Later domestically manufactured kits were produced at much less cost than the imported kits. The subsequent measures saw the lockdown of the metro area of [Manila](#) and [Luzon](#) that contribute to the [3/4th of the economy](#). When panic-stricken public rushed to the market for supplies, the military had to be deployed. However, subsequent days saw the creation of relief plans for 18 million poor households. The distribution of money is said to have been slow initially but now seems to be catching up. It is estimated that the Philippines would be losing [1 trillion pesos](#) (about USD 50 billion) from May 2020 onwards with no scope insight for its recovery. It is also projected that its GDP is going to shrink to around 2%, a first in 22 years. The budget deficit is projected at 3 to 3.6%, more than the pre-COVID estimates due to loss of economic activities.

## **Contemporary Regional Dynamics**

The President of Philippines [Rodrigo Roa Duterte](#) had openly declared his pivot to China policy in 2016. His policy has stayed even though China continues to occupy of some islands historically that was claimed by the Philippines. Despite winning an International Court of Justice case against China in 2016 in the disputed island case,

the government continued to align towards Chinese influence. In return, China bestowed the Philippines with support for large-scale infrastructure projects.

This growing affiliation has been often visible in the regional context. It was seen in the case of Philippine's decision to ban flights from Taiwan in February 2020. Philippines decision to ban flights from China, [Macau](#), and [Hong Kong](#) and then subsequently from Taiwan is said to have shown political consideration towards the one-China narrative. Despite the fact that Philippines do not officially recognise Taipei, its act of severance of flights from Taiwan was considered a political manoeuvre rather than an act for the benefit of the people. This view was also reflected by several political observers.

In another instance, during COVID period, Philippines is said to have suppressed the report of receiving defective face masks from China. Added to this, the decision by the government to sever the US troop agreement seemed to clearly suggest a shift towards China, away from the traditional US-Philippines relation. The decision of the Philippines to pivot with China may have originated from its necessity to garner economic assistance to fulfil the national ambitions. Since the Philippines began to look for alternate sources to secure its economic wherewithal, any continued overtures in the future would put a strain on the [long established legacy of US-Philippines relationship](#).

#### *Changing dynamics*

In early June 2020, a sudden U-turn by Philippines government decided to scrap the two decade old US-Philippines troop agreement. This sudden and surprise move suggests that the situation may yet be far from a complete orientation towards China. This reflects the changing dynamic of the Indo-Pacific during COVID phase. It is considered in some circles that the U-turn by the Philippines is due to China's recent moves against Vietnam, Malaysia and Indonesia, the combined effect of the pandemic and other regional dimensions. In an earlier instance, in the month of May 2020, the US government through the U.S. Agency for International Development

[\(USAID\)](#), in partnership with the Department of Social Welfare and Development (DSWD), Philippines, formally launched the [“ReliefAgad”](#) web application to speed up the distribution of financial assistance to Filipinos affected by the COVID-19 pandemic, as reported by the US embassy in Philippines website. These activities in recent times indicate that the decision to orient with China may not be as unidirectional as the last few years had shown.

Philippines' dependency on US or China would increase due to the financial burden that it would find itself in during post-COVID recovery. If its future realignments happen to be closer to Chinese sphere of influence, it would set departure from present day status-quo of geopolitical linkages, since its drift towards China in the pre-COVID past has been self-evident. Any decision to recourse its strategy of pivot to China, could upset US geopolitical interests in the region and cause significant disruptions in normalcy between the US and the Philippines in the distant future. A post-COVID period might just bring it back towards the US folds as recent indicators suggest. It is also possible that an approach to balance the powers may be reached among the decision makers for the sake of its aspirational goals.

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# SINGAPORE BRACING FOR A LESS COOPERATIVE WORLD ORDER IN SPITE OF LARGEST ECONOMIC DOWNTURN

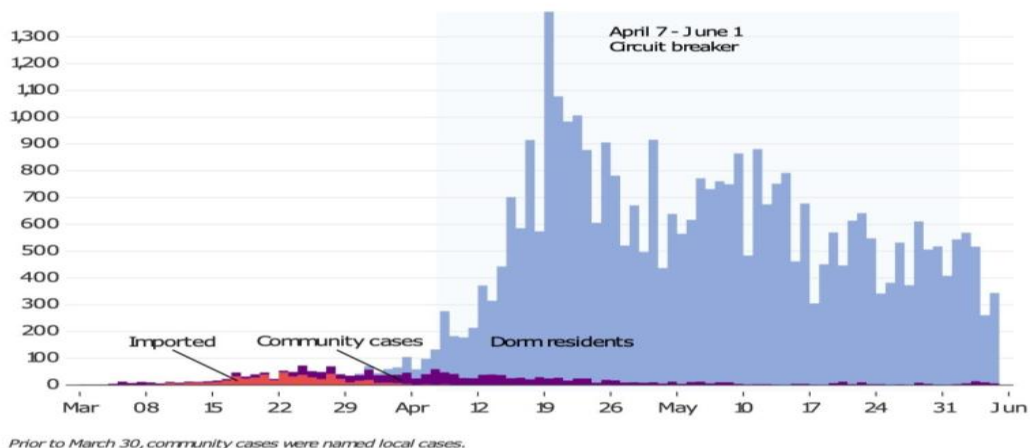
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DHARISH DAVID

Singapore recently ended its 8-week long circuit breaker on the 2<sup>nd</sup> of June 2020 that had started April 7, during which the majority of the city state's non-essential economic sectors were put to a halt. The circuit breaker, where more stringent social distancing measures and compulsory work from home measures were implemented, seems to have worked. As the number of daily cases reduced considerably from its peak on April 20 where there were 1426 cases.

Until early April 2020 average cases of COVID-19 infections were around 10 a day, that too they were mostly imported cases from those returning from overseas. Then there was a growth in local cases and community spread, but the bulk of the cases came after the first week of April when the spread was mainly in the migrant workers' dormitories. Singapore had successfully controlled the outbreak for months [after which it has struggled to contain the infection spread in multiple foreign worker dormitories, construction sites and factories](#), which now accounts to about 93% of its cases.

Daily COVID-19 cases (since March 1, 2020)



Source: Extracted and redesigned by authors from [Straits Times](#) (as of 07 June 2020)

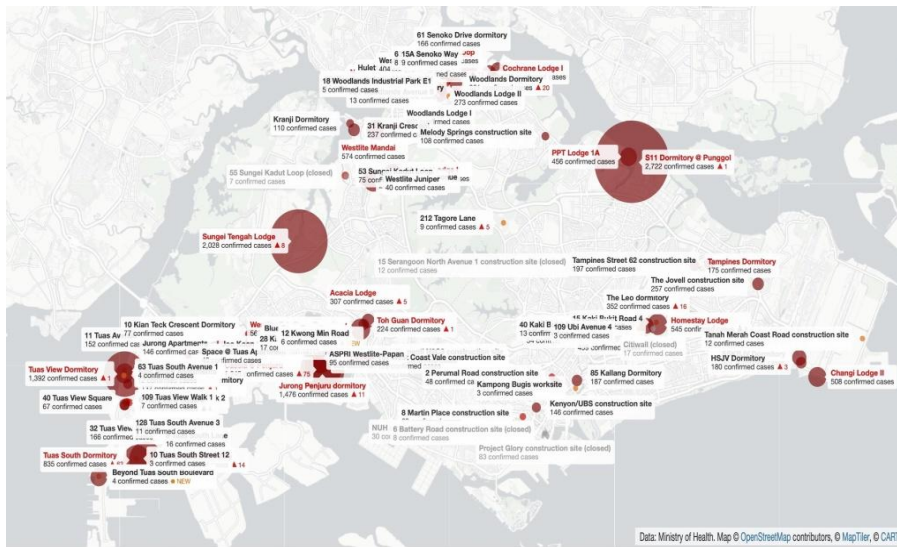
*Singapore's peculiar case of high infection rate but very low death rate*

Somehow the government had overlooked the potential spread of the virus among workers in densely populated dorms. But since then has ramped up its [efforts and imposed further restrictions on dorms to control the spread](#). There are more than 300,000 foreign labourers mostly from Bangladesh, China and India in the city-state of just 5.7 million. The high population density and constricted spaces with 12 to 20 men living in each dorm room made it the epicentre of the viral infection spread in Singapore. The country now has one of the highest infection rates in Asia and [according to Reuters there are 210 clusters](#).

By mid-May 2020 the number of cases started averaging around 500 a day and has been reducing since then, but still in the 100s. There have also been other efforts to reform living conditions and regulations around workers to provide them with better living conditions and reducing density among dorms. But regardless of the large number of cases, which is closing 40,000 now, death rates are still contained at 25. As of 7 June 2020, total cases are 37,910, with 24,886 recoveries with a negligible fatality rate. This low fatality rate can be attributed to the bulk of the infections which are restricted to these migrant [workers who generally tend to be younger, average age of 30 years when they were surveyed last in 2015](#). This makes Singapore a unique case, where mortality rates are in no comparison to other countries which have been greatly affected. Recently the government has confirmed that the situation in the dormitories has stabilised and has committed to testing all dormitory residents over the coming months and [daily cases are expected to fall below 100 by the end of June](#).



## Singapore's COVID19 infection clusters



Source: Extracted by authors from [Channel News Asia](#) as of 07 June, 2020

## Singapore's National Strategy

*Concerted Efforts to control the spread of infections Using Technology*

As one of the earliest countries to detect COVID-19, Singapore has [reassembled its multi-ministry taskforce](#) that was born from SARS 2003, in January 2020 as well as mobilising its biomedical research and laboratory community and was able to successfully create a test-kit for the novel virus. With aggressive but targeted quarantine measures, screening all inbound travellers from Wuhan since January 3 and soon after, imposing on all inbound travellers.

Singapore has adopted a tightening and relaxing approach that only small states can do, as well as embarking on a [three-phase approach to gradually](#) opening up the economy. It will also continue to expand its testing capacity, speed up contact tracing and ensure sufficient healthcare capacity.

For instance, it has ramped up its testing capacity from [2,900 tests per day in early April, to more than 8,000 tests per day, strict measures to sequester foreign workers](#) and has implemented mandatory testing for those who are staying in dormitories, as well as [mandatory swab tests for pre-school staff before centres resume full services.](#)

In its war against COVID-19, it has contributed [US \\$500,000](#) and has rolled out 4 stimulus packages consisting of Unity, Solidarity, Resilience and Fortitude within three months that will [spend 19.2% of its GDP](#). It has also mobilised its digital technology for contact tracing, such as *TraceTogether* and *SafeEntry* that protects the individuals' privacy and only when the consent is given, the personal information will be used by the government only for contact tracing.

Singapore has also embarked on its prevention of fake news by [launching Gov.sg channels](#) to keep the public informed about COVID-19. For instance, news on educating the public about misinformation regarding COVID-19, methods used to curb the virus/tracing as well as its [Safe Management Measures](#) during circuit breaker and after. While Singapore's cases may be quite high, inching towards 40,000, its responses have been effective and restricting the mortality to only 25 so far, due to its aggressive testing, contact tracing efforts and openly sharing case details. By raising DORSCON level to orange in May after several connections of unlinked cases, Singapore has updated business continuity plans, mass mask distribution to all Singapore residents, ramped up testing along with the usage of high levels of contact tracing through [multi agency teams](#), strict monitoring as well as mobilisation of technology capabilities such as [dog robot](#) that enforces social distancing measures.

Furthermore, [strict punishments and fines](#) have been imposed on businesses and individuals who fray from the imposed restrictions. Since May 2020, 119 firms have been fined S\$45 000 and 'offenders' have been [barred from re-entering Singapore](#), revoked permanent resident statuses and work passes as well as prosecuting them by [charging them in court](#) and [sentencing them to prison](#). Rules for businesses have also been very strict with [more than 200 businesses being ordered to shut between 8-10 April](#) 2020 for remaining open despite providing non-essential services or failing to comply with safe distancing measures.

### *Singapore's Strategy of Opening-up the Economy in Phases*

During the circuit breaker, day-to-day activities were brought to a standstill except for those operating in the essential services such as [health and social services, food & beverage businesses, transportation and storage, defence and security](#). But Singapore has adopted gradual approach to reopen its [economy in 3 phases, opening up more segments over time](#).

The current [phase 1 primarily focuses on the reopening of economic activities that do not pose a high risk of transmission](#). Majority of the social activities are still prohibited, with only a few relaxations on visiting relatives or older parents with strict guidelines on the number of persons and kin relationships. Primary and secondary schools have also physically opened up with more guidelines in place and classes being conducted on a rotational basis, where at one time only 50 per cent of the school will be on campus. [Phase 2 will involve more relaxations and allowing for a more diverse range of economic and social activities](#) but still subject to social safety measures. With more facilities reopening it will also include caps and restrictions on the number of individuals allowed on premises to avoid a second outbreak.

#### **Post-circuit breaker - a three-phased approach**

Phase	Priority	Details
Phase One (Safe Re-Opening)	<ul style="list-style-type: none"><li>- Expanding our testing capacity</li><li>- Speed up contact tracing</li><li>- Ensure sufficient healthcare capacity</li></ul>	Safe re-opening of economic activities that do not pose high risk of transmission Most manufacturing and production facilities, and businesses with less interaction will open
Phase Two (Safe Transition)	<ul style="list-style-type: none"><li>- More activities will resume: Retail, F&amp;B, and other services</li><li>- Social interactions and family visits (up to 5 visitors)</li><li>- Schools will fully reopen</li></ul>	Government will be engaging businesses and organisations safely resuming with safe management measures and safeguards Such as religious, cultural, conferences, events, and entertainment facilities
Phase Three	<ul style="list-style-type: none"><li>- Social, cultural, religious</li></ul>	Public commutes will resume fully, with

(Safe Nation)	and business gatherings or events would have resumed - Seniors would be able to resume day-to-day activities	businesses staggering working hours and compulsory wearing of mask Gradually re-open our borders for locals and foreigners for safe travel and transit
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Source: [Gov.sg](http://Gov.sg)

## Implications

*Strengthening social support for the people as they face more uncertainties*

Amid the current COVID19 situation, low income families are struggling the most to make ends meet their needs, due to loss of jobs and the lack of jobs' mobility. In response to low income families' difficulties, financial support has been effectuated to help these individuals tide through the pandemic such as the [Temporary Relief Fund, COVID-19 Support Grant and the Courage Fund](#).

In support of businesses and workers, [Singapore has rolled out on 3Cs such as in the Fortitude Budget - cash flow, costs, and credit](#). To stabilise the economy and support our workers and enterprises, the government is [providing support through job support programs, wage credit schemes, rental waivers, temporary cash flow support, corporate and other tax rebates](#). For instance, firms will receive an additional month of support, an extension the Foreign Worker Levy for another two months for businesses that cannot resume on-site operations.

The government will also support more vulnerable sections of the economy such as SMEs through an additional \$2 billion cash grant as well as two months of rental costs rebate and another \$285 million to finance promising start-ups. Additional help is also being provided to sectors directly affected by the outbreak through wages support and up skilling of the workforce such as in – construction, tourism, aviation, food services and retail, as well as point-to-point transport sectors.

Besides, the COVID-19 outbreak has stressed the nation's social fault lines and increased tensions between foreigners and locals based on xenophobia and racism. Recent examples included an individual self-proclaiming herself as a 'sovereign',

with instinctive [reaction of some to label her as a foreigner, local's visceral reaction to foreigners gathering at Robertson Quay, flouting social distancing rules](#). Racial fault lines and xenophobia are likely to be exacerbated as the economic situation worsens in the months to come, requiring more efforts from [groups like the Inter-Racial and Religious Confidence Circles, National Integration Council and other religious and community groups](#).

#### *Largest economic contraction calls for the largest stimulus packages*

Although there's uncertainty over how long and intense the economic downturn will be, the [Monetary Authority of Singapore \(MAS\) has confirmed that Singapore will enter into a recession this year with GDP growth projected at -4% to 1%](#). Its economy has already contracted 2.2% year-on-year for the first quarter of 2020, the first negative quarter since the 2009 global financial crisis and the economy is expected to see its largest contraction in history.

An effort to combat coronavirus has included a total of 4 economic stimulus packages by far - Unity Budget, Resilience Budget, Solidarity Budget, Fortitude Budget. These budgets have brought [Singapore's war chest against COVID-19 to almost SGD100 billion](#), with the priority going to businesses especially the SMEs, lower income families, individuals whose jobs were affected by the pandemic. The government's biggest priority has been jobs, as the number of [unemployed is expected to see around 14% increase year on year to above 100,000 in 2020](#).

#### *Impediment to national elections*

The virus outbreak has led to the possibility of a delay in Singapore elections that is to be held by April 2021 and due to the evolving uncertainty, the Elections Department (ELD) cannot prematurely announce the rules and regulations for the upcoming elections. These matters have disadvantaged both the Government and opposition parties due to the need for clear measures to [ensure the safety of voters, candidates and election officials](#) and the prevention of physical rallies which have been the driving force of a conventional election.

Moreover, with the COVID19 situation expected to move more campaigning online, [candidates will be expected to abide by more Internet election advertising rules](#), such as disclosing who paid for their ads online on social media. Though these rules were not particularly developed only because of COVID-19 but were in the making in response to some of the trends seen overseas since the last election.

*Food and cyber security will be key priorities*

One prominent security implication relates to Singapore's food security. This pandemic has certainly disrupted the global supply chain and the state is highly vulnerable to this disruption, since [90 percent of food supply is imported](#). If there were potential food shortages coupled with panic-buying and food hoarding, it could lead to residents being deprived of food. Singapore remains vulnerable to any abrupt changes in the global supply chain, with the country now opting for a strategy of diversifying its sources from more than [170 countries](#) in the global supply chain. This will allow Singapore's food security to remain resilient in tough times while also looking into options of scaling up urban farming solutions within the country.

Another security implication has been issues concerning cyber security. Growing [malicious cyber activities through](#) promoting misinformation or creating chaos in this situation, and potential cyber-attacks and hacking of government and private institution websites and data servers.

## **Singapore and the Regional Geopolitics**

*Balancing the US and China*

COVID-19 may not directly alter the future of Indo-Pacific geopolitics but instead, the pandemic may reshape the globalized world with calls to decouple from China and the decline in United States' soft power. With the US inability to effectively tackle the pandemic, the aftermath and consequences are beginning to and will play out more in the years to come. This shift in global power would foster greater regionalism, stronger relationships within Indo-Pacific. But the real issue will be [the](#)

[deteriorating US-China relations, which might put pressure on Singapore and other ASEAN countries to pick sides](#), where they traditionally have kept close relations with both these two great powers.

Most likely Singapore's place in the global economy would be reformulated but one thing will remain unchanged and that is its openness to the globalised world - especially as a city-state highly dependent on trade, openness and globalization. Due to the rising threat of tariffs and export controls, there has been [further decoupling from China-centric supply chains and resulting in the construction of new manufacturing and assembly facilities elsewhere such as Vietnam, Malaysia and Thailand](#). With the acceleration of decoupling due to COVID-19 and in issues with the recent issues in Hong Kong, [state and non-state actors are turning to Singapore for expertise and services such as finance, shipping and logistics. The Port Authority of Singapore, has seen higher demands for containerisation, warehousing and port operations](#). Singapore will be able to maintain its position in the global economy because of the continual investment towards automation and adoption of good governance with the use of rules-based framework; these allow for the state to stay relevant with large investments it has made towards industry 4.0 and its Smart Nation program.

### *Strengthening ASEAN*

This pandemic has signified the importance of new commitments among ASEAN leaders that goes beyond the current works of ASEAN. For instance, ASEAN + 3 leaders have rolled out [COVID-19 ASEAN Response Fund](#) in protecting ASEAN states against COVID-19. Collectiveness of ASEAN can be beneficial for the economic recoveries of states because of the advantages that ASEAN members have, such as the [faster rebound of intra-ASEAN travel, trade and investments](#) with further regionalization expected in the short term.

In short, Singapore's [place in the global economy will be redefined](#) and emerged as a stronger top trading hub in the post-COVID-19 pandemic as it has demonstrated its

capability and stability throughout the 'event'. Accounting also for the fact that the US has declared that Hong Kong is no longer autonomous from China, this could further diminish business confidence and compromise Hong Kong's importance as a global trading hub, possibly paving the way for Singapore to be the next global trading and expanding as a financial hub.

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# SOUTH KOREA: RESPONSE TO COVID-19 AND THE GEOPOLITICAL IMPLICATION

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JOJIN V. JOHN

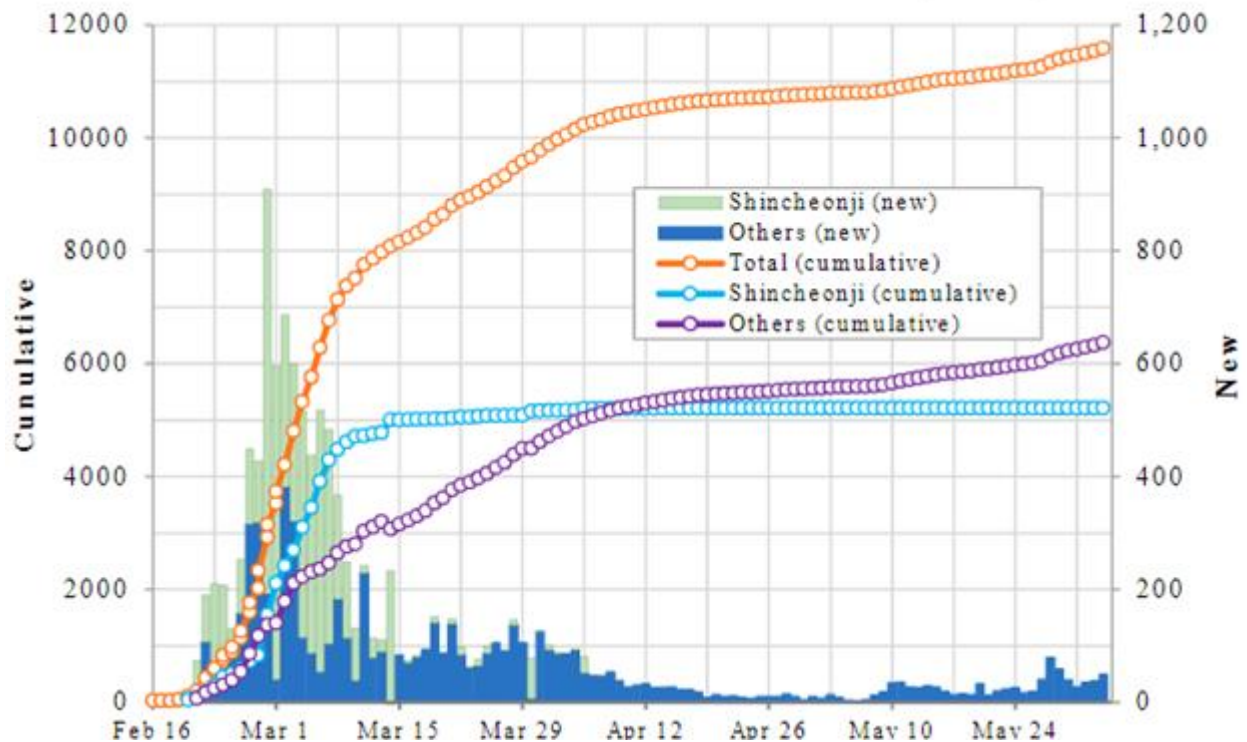
Over the last six months, countries around the world are in a combative mode fighting the novel COVID-19 pandemic. South Korean (hereafter Korea) response to the COVID-19 has [gained much international attention and has been recommended a model to follow](#). Korean model gained traction not only because it quickly managed to flatten the curve after a significant outbreak but also the way they did it. Unlike many other countries, the Korean approach did not include measure such as a massive lockdown. A testimony to Korea's resilience in fighting the crisis has been its success in holding a parliamentary election in April that has witnessed the highest turnout of voters in the last three decades.

Given its proximity and close interaction with China, Korea was exposed to the COVID-19 very early. During four weeks following the first confirmed case on January 20, Korea reported only 30 cases, all being imported cases, mostly Korean nationals with travel history of visiting Wuhan. However, Korea reported a sudden spike in infections in the third week of February. Between February 20 and March 15, there were 8000 new infections. More than sixty per cent of the new cases were linked to a cluster outbreak among the members of a secret cult church called Shincheonji in the city of Degu. The daily rate of new case discovery peaked on February 29, 2020, with 813 patients. But in one week the number of daily cases were brought down to half, and [by March 15, daily infections were brought under 100](#).

Though Korea was successful in flattening the curve, it is too early to suggest that Korea has won the fight against the virus. After a month of very few cases of infection, several new clusters have reported since the second week of May. As of June 5, [Korea reported a total of 11,468 cases of COVID, out of which 10,405 patients](#)

[have recovered, and 270 are dead.](#) The fatality rate in Korea so far has been low recorded [at 1.33 per cent in comparison to the global rate of 4.34 per cent.](#)

### COVID-19 cases in South Korea



Source: [Wikipedia](#)

### **Korea's COVID Strategy**

Several factors contributed to Korea's success in containing the pandemic, including its advanced health care system and technological capability. However, the most critical factor has been the high level of preparedness, which enabled the Korean government to respond to the crisis quickly and efficiently. Korea's readiness for such an eventuality was built on lessons that learned from experiences of dealing with virus outbreaks similar to COVID in the past, particularly MERS (Middle East Respiratory Syndrome) epidemic of 2015. Extensive testing, smart contact tracing and a zero-tolerance isolation system have been central to Korea's COVID-19 response strategy.

Drawing on its experience from MERS 2015 crisis, Korea already had a system in place to advance its diagnostic capability. Immediately after the virus outbreak was reported in China, Korean government officials were closely working with private biotechnology companies, who carried out a large-scale production of test kits. By the end of January, Korea had [scaled up its production to 100,000 kits per day](#). By March 28, Korea [tested nearly 400000 people, about one test per 250 people](#), among the highest testing rates in the world. Massive testing allowed Korea to identify and manage cluster infections while reducing the fatality rate by treating people at the earliest. Korea also made the test free of cost to everyone and came up with innovative approaches that include drive-through testing facility, as well as mobile facilities and door-to-door visits. The [drive-in test centres lowered the risk of virus infection](#).

The application of high-tech tracking and surveillance system has been another vital feature of the Korean strategy. Once a case of infection is confirmed, information alerts are sent out to everyone in the locality. Also, the tracking system enables the health official to track down people at high risk, namely, those who might have come in contact with the infected person using extensive CCTV records, credit card and mobile data. The [level of details shared on the government website goes to the extent of identifying the seat used by a patient at a movie theatre](#). Digital mapping of infection through online applications developed through the collaborative efforts of start-up companies, and local authorities, which are basically a real-time exposure map, which visualizes the movement trajectories of confirmed cases, along with timestamps and transport mode, helped people to lower the risk of infection.

Another feature of the Korean strategy has been its zero-tolerance isolation system. COVID patients in Korea are divided into several groups. The elderly and those with serious illnesses were admitted directly to hospitals, while moderately sick people are sent to dedicated COVID isolation dorm. The asymptomatic "contacts" of recently diagnosed cases are asked to self-quarantine at home; however,

the health officials monitored their health status twice a day. High tech surveillance system, including live monitoring, helped to ensure strict compliance of quarantine measures.

Another vital characteristic of Korean COVID response has been the high level of trust between the government and people achieved through open and transparent communication. The Korean health ministry has been conducting daily briefings to update the public and convey best practices, such as social distancing and hand-washing. Health professionals have been in charge of public communication. In that way, Korea managed to keep the politics out in its way of managing the crisis. Rather than implementing a full-fledged lockdown, Korea opted to keep its economy open by encouraging people to practise social distancing and best hygiene practices.

### **Geopolitical Implications of COVID crisis for Korea**

While the public and economic life in Korea have almost attained a state of normalcy, the geopolitical situation is getting tougher for Seoul. Though we are yet to witness the full scale of the impact of COVID crisis on geopolitics, the trend so far is that the pandemic is acting as an accelerant and intensifying already existing geopolitical tension in the Northeast Asian region. Among all other trends, it is the intensification of the United States-China strategic rivalry pose a significant challenge for Korea. First of all, the great power rivalry will further delay the peace process in the Korean Peninsula that has already stalled due to the lack of any progress in the US-North Korea denuclearisation dialogue.

Second, the intensification of the US-China rivalry also means increasing pressure on Korea's strategic choice of avoiding choosing sides between the US and China. For instance, the pandemic triggered economic decoupling between the US and China will have grave implications for the Korean economy. The US insistence of diversifying its supply chains away from China will be will a test to Korean production networks that are integrated both in Chinese and US-based supply chains. Similarly, Korea's strategic manoeuvring between US-led Indo-pacific

regional order and China's regional initiative would also be challenging. Third, the rise of right-wing nationalism in the US and President Donald Trump's doubling down on 'America First' policy is further testing the waters of US-Korea alliance that have already shown signs of fatigue on accounts of US's retrenchment from international commitment and growing US-Korea difference on burden-sharing.

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# COVID-19 AND THE REGIONAL DYNAMICS: A SRI LANKAN PERSPECTIVE

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ASANTHA SENEVIRATHNA

The COVID-19 pandemic has become a major threat to the world and has affected many people around the world creating severe socio-economic problems. The first COVID-19 case in Sri Lanka was reported on 27 January 2020 with the 43-year-old Chinese tourist woman from Hubei Province in China who was admitted to the National Institute of Infection Diseases (NIID). The first Sri Lankan citizen with COVID-19 positive was reported on 11 March 2020, a male tour guide who was guiding a group of tourists from Italy. Since then the numbers gradually increased, mainly with Sri Lankans living abroad coming back home due to the deteriorating situation in those countries. It is identified that most COVID-19 cases came to the country from many Sri Lankans coming from Italy. Thereafter, many of the new cases found in the country were people who had immediate contact with who arrived from abroad, mostly their close family members.

As of early May Sri Lanka has performed well in the region in by testing persons for COVID-19 and was conducting 930 tests per 1 million people, in comparison to other South Asian countries such as India (602), Pakistan (703) and Bangladesh (393). Sri Lanka, has reported 11 deaths due to COVID-19 as of early 05 June 2020. There are 1797 confirmed cases where 839 have recovered with 947 active cases. At present new cases only reports from suspected persons under quarantine and new cases are not found among the public. Generally, compared to the regional and global situation, Sri Lanka's situation has become normal and is under control.

## **Socio-economic Impact**

As elsewhere in the world, the COVID-19 pandemic has created many socio-economic issues in Sri Lanka. The lockdowns resulted in the loss of jobs and decreasing income levels for most of the people. This is mainly a problem for the



people working in the private sector and who were self-employed. [Among all sectors of the economy, the tourism sector has been the hardest hit. During the month of March where the lockdown began, the tourist arrivals were down by 70 percent compared to the March in previous year.](#) In 2019, due to the unexpected Easter-Sunday bomb blasts tourism was heavily affected. This means present COVID-19 pandemic is further affecting the vital tourism industry in Sri Lanka this year. Since the situation is improving in Sri Lanka, the traditional European and some other tourists have shown their interest to come to the island, but taking the tourists into the country remains a challenge since there have to be a proper screening on COVID-19 for those who arrive.

The main exports market for Sri Lankan goods in the United States and European countries. Due to the prevailing situation in those countries demand for Sri Lankan goods has drastically gone down. [According to experts in the field, Sri Lanka's apparel exports foresee a loss of up to US\\$ 1.5 million in this sector from March to September 2020.](#) As Sri Lanka's main exports, apparels industry currently faces greater difficulties. Anyway, as a result of the COVID-19 crisis, apparel industry has gained new orders from abroad and within the country for Personal Protection Equipment (PPE) such as masks, hazmat suits and gloves that will minimize the economic damage on the industry.

Sri Lanka's aviation sector was heavily affected due to the crisis, but Sri Lankan seaports were operational throughout generation income for the country. In the meantime, Sri Lanka was supposed to hold the parliamentary election late April 2020 but was postponed due to the COVID-19 situation. Currently, the Election Commission considering a new date and the president, and his party anticipate parliamentary election to be held soon as possible to consolidate its power.

The COVID-19 pandemic forwarded a greater challenge to Sri Lanka due to the recent experience on Easter Sunday Bombings which claimed more than 250 lives of Sri Lankans and foreigners.

## **National Strategy**

In this background, the new president Gotabaya Rajapaksa had to adopt a new strategy to face this new crisis. The president formed a National Operation Centre for Prevention of COVID-19 Outbreak (NOCPCO), which is co-chaired by the Minister of Health, Chief of Defence Staff and Commander of the Army, and the Director-General of Health Services. It is commendable that, Sri Lanka's initial response to the COVID-19 crisis has been robust, where the president's new strategies come into fruition with the enforced lockdowns and social distancing in the country prevented the spread of the virus within the country.

The states' response to COVID-19 crisis had three segments. These three segments included the political leadership, Defence establishment in including military and police, and Health sector and professionals. President Gotabaya Rajapaksa giving leadership to government ministries to carry out their tasks was evident daily. Sri Lanka is having a well-developed public health sector among the developing countries of the world. After the first few Sri Lankans were found with the virus in early March, the medical professionals urged the government to implement lockdown measures immediately. The existing health infrastructure was improved with the help of government and private sector to face a special situation.

The third segment of the strategy included defence establishments with a prominent role played by the Military. The military intelligence was vital in collecting information on the infected people and response was quick to the suspected persons. The military with the coordination of health officials and police reached the suspected persons overnight and took measures to quarantine those. Military initiated quarantine centres throughout the country the police and other law enforcement agencies to maintain the lockdown measures all over the country. The countries response to preventing the spread of the virus has been highly successful and is among the best responsive countries in the world.

## **Regional Dynamics**

Sri Lanka is located in a strategically important position in the Indian Ocean Region (IRO) that makes Indo-Pacific geopolitical implications an unavoidable fact in its foreign relations. In the regional context, the ongoing military standoff due to border dispute among India and China represents a negative impact on Sri Lanka. In recent times Sri Lanka has initiated large scale strategically important development projects with both India and China in the country. Sri Lanka is heavily dependent on India and China for its economic growth in the twenty-first century and stable Indo-China relations will certainly benefit islands economic interests. A military conflict between India and China will further create a rivalry and cold war between these two countries that will create a difficult foreign policy scenario for Sri Lanka and the countries in the region. Resolving the border dispute peacefully and develop a cooperative framework for peaceful coexistence among two Asian giants is a must considering the future economic prosperity of theirs and the region.

According to global financial institutions, the world will be in an economic recession in 2020 that will certainly create chaotic in domestic level in every country that can lead to anarchic international order this year. The COVID-19 pandemic has done larger damage to the United States and Europe compared Asia. It is predicted that China's will emerge stronger relative to the United States and West out of the COVID-19 crisis. In this background, the trade war between the United States and China will aggravate creating disruptions in the global economy with a larger impact on the countries in the Indo-Pacific region. China's border dispute with India, and maritime dispute in South China Sea and East China sea with its some South-East Asian neighbours, Japan and South Korea may probably strengthen economic and security alignments between the United States and those countries against China creating geopolitical implications for countries in the Indo-Pacific region.

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# TAIWAN'S RESPONSE TO COVID-19: HOW IT FLATTENED THE CURVE

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**SANA HASHMI**

Taiwan has not only flattened the curve but has been able to mitigate the threat from the novel coronavirus. It is one of the few countries that have come back to normalcy. As of June 18, there were 446 confirmed COVID-19 cases with seven casualties. So far as the COVID-19 waves are concerned, it spread and affected the country in two stages. While the first wave coincided with the Wuhan outbreak, the second wave spread simultaneously as with the rest of the world. From January 21, 2020 when the first victim of COVID-19 was detected- to the end of February 29, less than 40 cases were reported in Taiwan. Surprising as it may seem, over a period of past six months, COVID-19 cases in Taiwan were not only less in number but there were also minimal level of casualties (seven), amplifying this achievement is also the fact that despite geographic and people-to-people linkages, no community outbreak was witnessed. More than 400,000 Taiwanese reside in Mainland China.

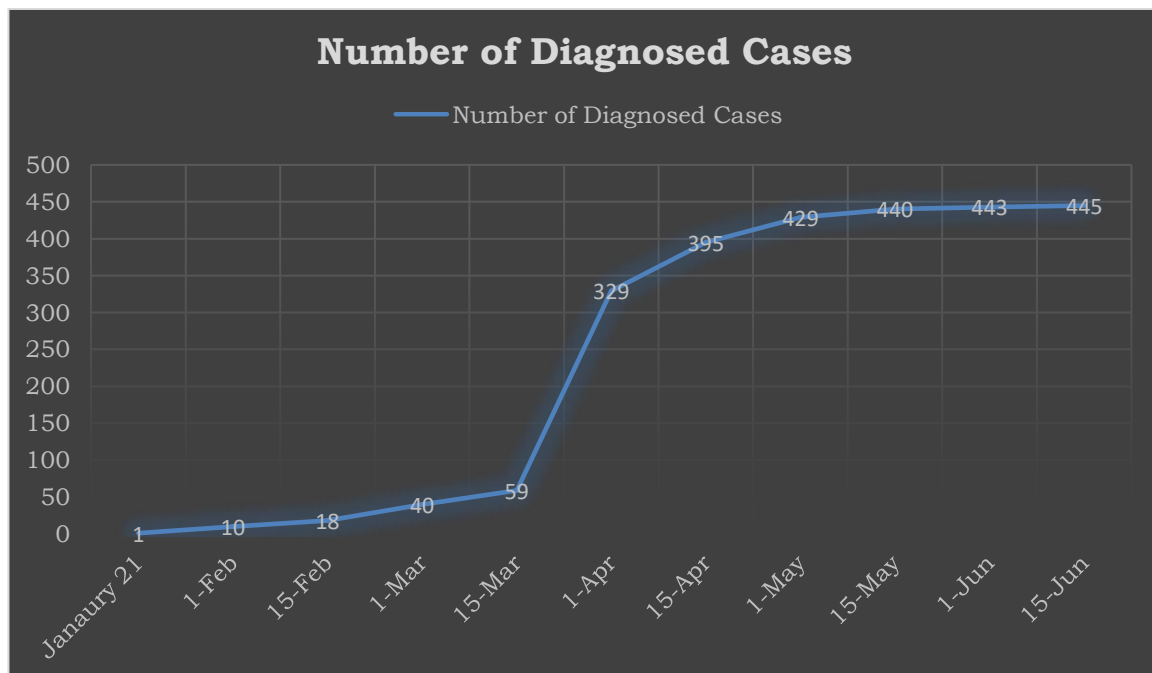
Given the timing of the outbreak in China, it was expected that several Taiwanese living in China would return to Taiwan for the Lunar New Year celebration and Taiwan would become one of the most affected countries. What may be primarily characterised as imported cases, Taiwan began to see an increase in the number of cases in March. In April, when Dunmu, a naval fleet returned Taiwan after a goodwill visit to Palau- one of its diplomatic allies- a small cluster from overseas emerged. 700 sailors were quarantined and as a part of contact tracing, 200,000 people were asked to self-monitor their health. There are just 55 local cases, whereas 355 cases are imported. 36 cases were from the naval fleet. The last locally transmitted case was diagnosed on April 10.

**COVID-19 Positive Cases in Taiwan** (As of June 18, 2020)

<b>Indicators</b>	<b>Total (As of March 1)</b>	<b>Total (As of May 1)</b>	<b>Total (As of June 18)</b>
Number of Confirmed Positive Cases	40	429	446
Number of Recovered Cases	12	324	434
Number of Deaths	1	6	7
Number of Active Cases	28	105	13

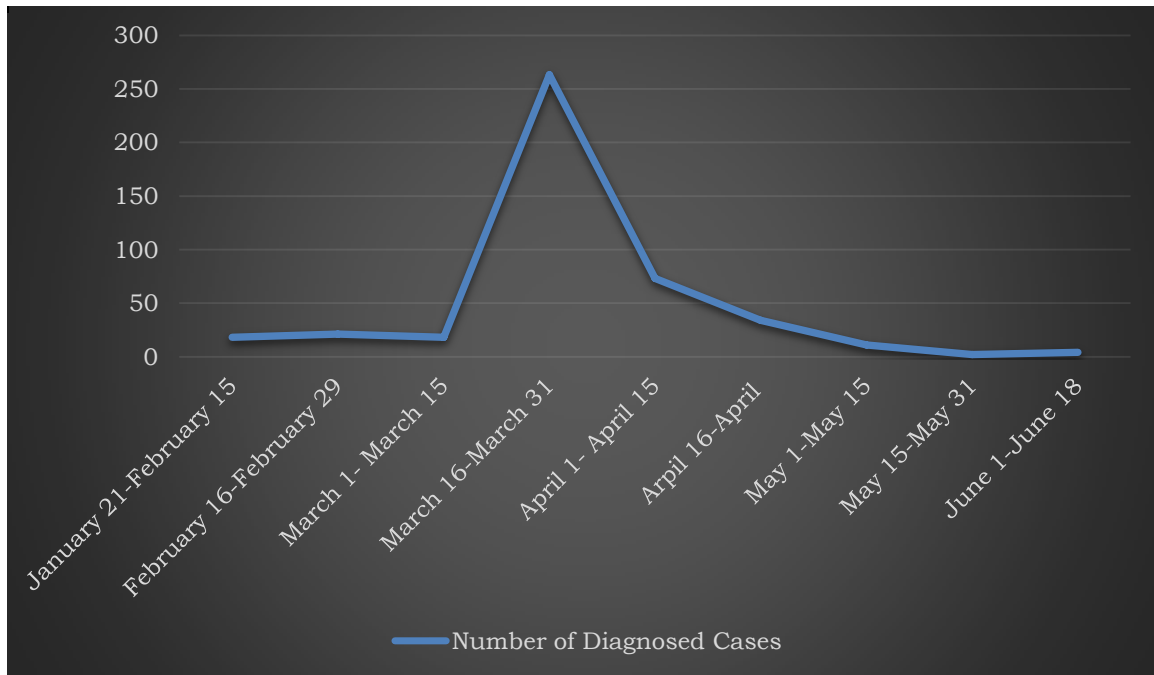
Source: [Taiwan Center for Disease Control \(CDC\)](#)

**Number of Confirmed Cases in Taiwan**



Source: [Taiwan Center for Disease Control](#)

### Taiwan Flattening the Curve



Source: [Taiwan Center for Disease Control](#)

### **Factors Influencing Taiwan COVID-19 Response**

Taiwan’s response to COVID-19 has boosted the argument that the virus could be dealt with effectively without taking stringent measures such as lockdown and shutting down the economy. This was made possible with the implementation of a mix of policies. First, past experiences from the Severe Acute Respiratory Syndrome (SARS) made Taiwan fend for itself. It has been equipping its healthcare for the next pandemic since the outbreak of SARS, and therefore, an epidemic prevention strategy was already in place. One of the keys to its response was institutionalising its healthcare system.

Under the National Health Insurance (NHI), 99 percent of its population is covered. Second, identifying the severity of the virus at the stage when the outbreak just hit China in the late 2019 and taking prompt actions have shaped Taiwan’s policy and response towards COVID-19. Screening of flights, banning the flights from the hot spots, temperature checking, use of sanitisers and disinfectants are some of the prompt actions taken by the government. Taiwan banned the entry of foreigners

without the valid resident and work permit in March and made quarantine compulsory for Taiwanese nationals and foreigners having resident and work permit. This has helped in stopping the spread through identifying the source of the infection. Third, its response may be characterised by transparency and effective communication of the government. It was the first to notify the World Health Organization (WHO) about the potential health threat from a novel virus in December 2019. To alleviate fears and quell rumours, a series of notifications were uploaded on the website of Taiwan Centre for Disease Control (CDC). Fourth, the administration ramped up the production of medical supplies. In early 2020, Taiwan was producing [1.88 million masks per day](#).

As a part of its epidemic control strategy, it began to increase its daily production of face masks. By [April, the daily production reached 11 million, which was further increased to 19 million by May](#). The administration began to ration masks as early as February to ensure the uninterrupted domestic supply. Fifth, Taiwan adopted the whole-of-government approach- different department/agencies have been involved for a synchronised and comprehensive response. Sixth, Taiwan adopted one of the stricter quarantine protocols and is one of the few countries to have used negative pressure rooms to treat the COVID-19 patients. Seventh and least talked about aspect of Taiwan's response is the coordination between the government and the citizens.

Due to prompt and timely actions by the administration, Taiwan has not suffered as much as other economies have. This is primarily because Taiwan dealt with the virus without having resorted to lockdown. Taiwan model to deal with the pandemic is being lauded. A number of stimulus packages to sustain the economy and support businesses adversely affected by the pandemic have been introduced by the Executive Yuan. [The special act on COVID-19 prevention aimed to authorise the special budget of NT\\$ 60 billion](#) (US\$ 2 billion) was also announced. An initial relief package of NT\$ 100 billion was created by drawing money from various government sources. The act and the package therein was praised by the people and media alike



as it was announced by Executive Yuan that [“it would cover everyone from families and disadvantaged groups to companies and industries, the package provides such support as individual tax breaks, household expense subsidies, industrial relief and business tax cuts.”](#) Later on, the act was amended and upgraded to increase the relief package as high as NT\$ 1.5 trillion.

## **Taiwan’s Global Outreach and Cross-Strait Tensions**

Taiwan’s successful response to COVID-19 has provided the island nation with a rare opportunity to reach out to countries and work on expanding its global space. After successfully battling COVID-19 at home, Taiwan began to help countries in distress through its medical diplomacy. It donated high-quality face masks and Personal Protective Equipment (PPE) not only to its diplomatic allies, but also to the United States, some of the European countries and to the countries under the New Southbound Policy. It donated [400,000 masks to the United States](#) in April and on the basis of reciprocity, [100,000 masks](#) weekly. [Seven million](#) surgical masks were donated to the European countries and European Union (EU). Taiwan also donated [one million](#) masks to India in May.

Taiwan’s response has garnered support for its greater participation and visibility in the WHO. From 2009-16, Taiwan was an observer in the World Health Assembly (WHA). After Taiwan President Tsai Ing-wen came to power in 2016, the observer status was taken away from Taiwan. Taiwan’s exclusion from the WHO meetings is directly linked to China’s opposition to its membership and attempts to shrink its global exposure. Wider global reportage on Taiwan has made China worrisome which has made the latter more assertive and aggressive. [Chinese fighter planes have entered Taiwan’s Air Defence Identification zone](#) several times in May-June 2020.

## **Road Ahead**

Taiwan’s responsible and successful management of COVID-19 has enhanced its image. Its response to COVID-19 domestically and medical outreach to countries

worldwide have helped it in expanding its international profile. It has strengthened Taiwan's aspiration to boost its international cooperation. However, it has not made significant changes in Taiwan's position vis-à-vis China. It remains to be seen how Taiwan capitalises on its success related to COVID-19 and turns it into a tangible achievement in foreign policy area.

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# COVID-19 PANDEMIC, THAILAND AND THE ASEAN DYNAMICS

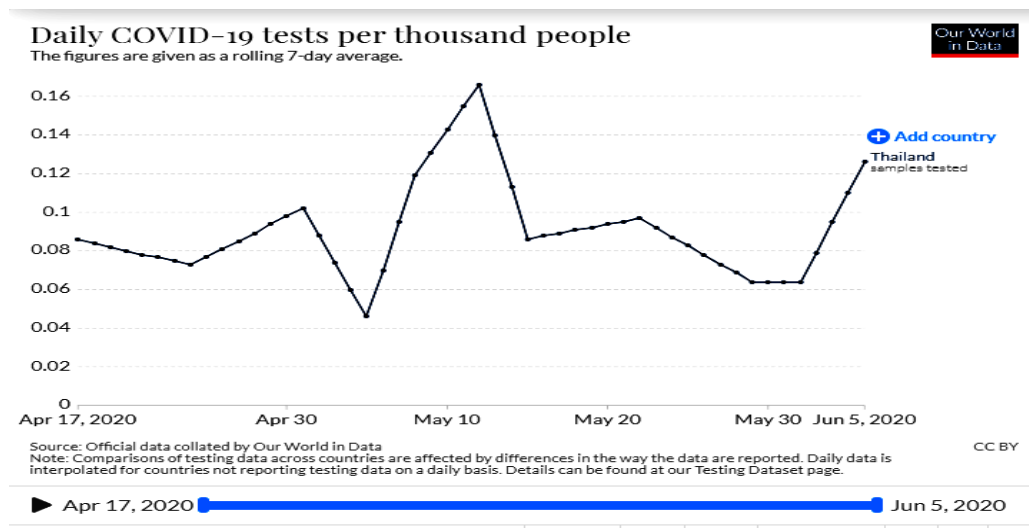
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**NANDA KISHOR M.S.**

The whole world is reeling under the dire consequences caused by the COVID-19 pandemic in 2020. The pandemic has caused havoc in terms of altering geopolitics and geo-economics all over the world and Southeast Asia has not been an exception. As the Southeast Asian states are dealing with the pandemic in a commendable way, Thailand seems to be doing exceptionally well being so close to China and also reporting one of the earliest cases of COVID-19.

Thailand reported the first case on 13 January 2020 perhaps being one of the earliest cases of the pandemic outside China. Thailand with a population of 68,977,400, there were natural expectations on the high spread of COVID-19. In fact, Thailand was also listed in the top ten countries listed in the high-risk zone apart from Malaysia, Singapore and Vietnam in Southeast Asia. [The total number of cases](#) as on 12 June 2020 stood at 3,121 and 2, 987 has recovered successfully. The death of 58 persons since January 2020 and just 84 persons in hospital has surprised a lot of nations across the world. Needless to say, unlike South Korea and Taiwan, people have not spoken much on Thailand and its success in containing the deadly pandemic. Below graph indicates that [6.71 tests per 1000](#) were carried out.

## Tests conducted per new confirmed case of COVID-19



Source: <https://ourworldindata.org/coronavirus/country/thailand?country=~THA>

### **COVID-19 and Thai Economy**

Thailand is perhaps the only country in Southeast Asia which was never colonised has been going through its own upheavals in the sphere of government and politics. A strong constitutional monarchy with able support by the military has been successful in thwarting efforts towards democratisation. This phenomenon has never stopped Thailand being one of the most sought after destination for tourists across the world. The [Tourism Authority of Thailand \(TAT\)](#) expected 3.18 trillion baht in overall tourism revenue for Thailand in 2020 or a 4 per cent year-on-year increase. This includes 2.02 trillion baht from international tourists and 1.16 trillion baht from domestic tourists. The total revenue earned from the tourism sector amounts to \$60 billion. This statistics further reiterate on the fact that Thailand is one of the worst affected due to the pandemic in 2020 directly leading to losses in revenue generation and job loss for those dependent on the tourism sector. Bangkok, Chiang Mai, and Pattaya attracted some of the highest numbers of tourists to Thailand and all of these places have gone silent. This has opened up the vulnerability of migrant workers heavily dependent on the tourism sector.

More than half of workers in Thailand are [informal](#), meaning they are not covered by a social security scheme and are particularly vulnerable. In 2018, there were an

estimated 21.2 million informal and 17.1 million formal workers. Besides agriculture, with a 92 per cent informality rate, jobs in commerce have the second-highest rate of informality at 60 per cent.

There are 3.9 million migrants in Thailand as it is a booming economy with regard to the tourism sector. This population largely belongs to [Myanmar, Laos, Cambodia and Vietnam](#). This adds up to almost 10 per cent of the workforce in Thailand. With COVID-19 outbreak, the most severely affected population has been the migrant workers in general and the ones belonging to Myanmar in particular. Their lion share in provinces such as Ranong and Samut Sakhon has been shattered as 90 per cent of the migrant workers from Myanmar have lost jobs. These provinces have certain provinces being called as 'little Myanmar' are at the brink of collapse. The Thai government started a financial scheme to help the people suffering the economic impact of the COVID-19 pandemic. Many have complained that they have been left out of the government's financial relief scheme after some were wrongly classified as working in the agricultural sector, which has its own rescue package.

Of 27 million applicants for the "No One Left Behind" scheme, which promises 5,000 baht (\$218) in cash every month for three months, only about [3.2 million people](#) have recently received the first lot of payment. Although the government said only nine million applicants would be eligible for the payout, many in dire straits held out hope of some relief as the coronavirus outbreak stripped them of earnings from their informal jobs. The government predicts the economy will contract by 5.3 per cent while the IMF estimate is even worse, foreseeing a 6.7 per cent drop in GDP. Either scenario would make the [Thai economy](#) the worst affected in the ASEAN region.

The Thai government made put efforts to revive the economy like many states across the world. It listed out the stimulus package of 1.9-trillion-baht, roughly equivalent to 12% of GDP. The package consists of government debt issuance of 1 trillion baht to finance income loss compensation and public health improvements. The other

measure is the Bank of Thailand (BOT)'s soft loans for small- and medium-sized enterprises (SMEs) to the tune of half a trillion baht. [Thailand's export sector](#) has been severely affected due to the pandemic. The manufacturing sector which accounts for 34 per cent of the economy fell by 7 per cent, beverages saw a -11 per cent and automotive sector had a loss of -19 per cent. The electrical appliances saw a rise of +6 per cent.

## **Thai Containment Strategy**

Thailand was one of the most vulnerable states during the outbreak of the epidemic but managed to contain it successfully and presently it is one of the few success stories in Southeast Asia. The Thai government took [several measures](#) to contain the pandemic including raising its travel advisory to level 3 on 23 January 2020, advising to avoid all non-essential travel to China. The country was placed under a state of emergency on 26 March until 30 April 2020. Many regions were placed under lockdown, borders were closed and all foreign citizens were barred from entering the country. The Department of Disease Control (DDC) also placed health surveillance systems at 28 other airports. The usual other measures such as close down of schools, travel spots and commercial activities also played a significant role in containing the pandemic. In a remarkable achievement through containing the spread of the epidemic, the Thai government has limited the death to minimal along with the number of active cases. In a recent review of the COVID-19 scenario in the country, the spokesperson of the Centre for COVID-19 Situation Administration attributed 90% of the success to the cooperation of the public. Thailand has one of the most robust and efficient health systems in Southeast Asia.

## **ASEAN Regional Dynamics**

The ASEAN response to the pandemic included the ASEAN Defence Ministers joint statement, intra-ASEAN members meeting apart from meetings with dialogue partners, ASEAN working group meeting, special ASEAN summit for ensuring a steady supply of medical equipment, especially the availability personal protective equipment (PPE) for front-line medical workers, and ASEAN+3 meeting with

dialogue partners across the East Asian region-China, Japan and South Korea. The response and resolve were to have a continuous flow of information to treat the infected, common understanding on how to restrict the movement of people across the borders and bring back stranded citizens of Southeast Asia from other parts of the world.

Thailand is recovering from the lockdown now and the fresh cases have been in single digit. With the successful cooperation of the public and the health professionals, Thailand has set an example to handle the pandemic in Southeast Asia.

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# COVID-19 IN VIETNAM: NATIONAL AND REGIONAL RESPONSE

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## LE THI HANG NGA

In the past few months, the corona virus has put nations into a state of emergency like wartime, threatened people's health and life and caused serious global social and economic crisis. The fighting weapons in this context are no longer the sophisticated weapons that mankind has accumulated in the arms race over the past years, but it is the self-rule, the wisdom, calmness, awareness and solidarity. In this context, Vietnam has shown to be a greatly courageous nation. The success story of Vietnam in the fight against the COVID-19 pandemic is attributed to the combination of the comprehensive leadership of the Vietnam Communist Party and the State, as well as the solidarity, support and cooperation of the people from all sections of the society.

In Vietnam, the first case of COVID-19 was discovered on January 23, 2020. As of 15 June 2020, out of 97,3 million people, Vietnam has 334 cases of COVID-19 in which 323 cases have been cured; 11 cases are under treatment and no dead case has been reported (See Table 1):

**Number of cases as of 15 June 2020**

	<b>Total (as of 15 June 2020)</b>
<b>Number of confirmed cases in Vietnam</b>	334
<b>Number of recovered cases</b>	323
<b>Number of deaths</b>	0
<b>Number of cases currently in hospital</b>	11

Source: <https://ncov.moh.gov.vn/>

## National Response

Over the past several months, the ruling Party and the Government of Vietnam have made “historic decisions”, that is, the decision to “fight against the pandemic like fighting against the enemy”. For the first time after 45 years of independence, the Party and the Government of Vietnam have used the term [“fighting against the enemy”](#) in its official documents. It was well defined that, “the fight against any enemy” would require certain tactics, strategies and preparation of forces for various “battles” that might occur ([dangcongsan.vn](#)). On March 30, 2020, the Secretary General and President Nguyen Phu Trong issued a National Call urging the entire people of Vietnam to join hands in the war against the corona virus. The National Call clearly stated that: [“Each citizen is a soldier on the front of disease prevention.”](#)

The war against the COVID-19 pandemic in Vietnam can be divided into four phases (see Table below):

**Phases of the COVID-19 pandemic in Vietnam**

	<b>Time</b>	<b>Number of confirmed cases</b>	<b>Description</b>
Phase 1	23 Jan - 25 Feb/2020	16	The positive cases are patients with a history of movement from China
Phase 2	6-19 March/2020	69	Corona virus spread globally, positive cases have history of movement from European countries
Phase 3	20 March-21 April/2020	183	The positive cases spread among the communities
Phase 4	22 April - 15 June/2020	66 +	Vietnam is able to control the pandemic well; a new normal is established; steps are taken to promote socio-economic development

Source: Generalization by the author from the [report from government data](#)

Phase 1 (from 23<sup>th</sup> January to 6<sup>th</sup> March); phase 2 (from 6<sup>th</sup> March to 1<sup>st</sup> April); phase 3 (from 1<sup>st</sup> April to 23<sup>th</sup> April); phase 4 (from 23 April up to now). Phase 1 is marked by the outbreak of epidemic at Son Loi commune (Vinh Phuc province) with 16 patients coming from Wuhan. The entire commune was put under strict isolation and quarantine. The successful handling of the Son Loi case helped Vietnam draw the first lessons on COVID-19 prevention measures. In phase 2, starting from the 17<sup>th</sup> case (on 6<sup>th</sup> March) in which the patient got the virus from a trip to England, the war became more intense. The Government decided to isolate all passengers on the flights coming from the epidemic areas. Many concentrated isolation points were set up.

All people returning from the epidemic area were isolated for 14 days. Only when they have negative test results and medical certificates, they could return to their homes and continued their self-isolation at home for the next 14 days. This measure has effectively helped prevent the spread of the disease coming from outside the country. Phase 3 began when the track of FO (positive COVID-19 case) is lost. The outbreak of the hotbed of diseases at Bach Mai Hospital (the largest national hospital in Hanoi) and at the Bar Buddha (in Ho Chi Minh City) showed that the track of the positive COVID-19 cases was lost. On 1<sup>st</sup> April, Prime Minister Nguyen Xuan Phuc signed the decision to announce the epidemic of nationwide scale. After more than one week of implementation, the number of COVID-19 cases in Vietnam decreased from two digits a day to few people a day and then only one person a day. This showed the effectiveness of the Government's strategy. Phase 4 starts on April 23 when Vietnam began to gradually release social distancing regulations and establish "the new normal state". Since April 23 up to 28 May 2020, Vietnam reports no new case of COVID-19 among the communities.

On the whole, by raising the alert level to the highest, i.e. "[Fighting the pandemic is akin to fighting against the enemy](#)", Vietnam has created a unique strategy in coping with the COVID-19. Right from the day of the first positive case of COVID-19 being discovered in Vietnam, the country has proactively mobilized and prepared forces

and resources to ensure most effective prevention measures. The National Steering Committee on Fighting against COVID-19 was set up and headed by Vice-Prime Minister Vu Duc Dam. Vietnam has been doing much more than what has been recommended and forecasted by the World Health Organization (WHO). Vietnam has been resolutely carrying out 5 principles of prevention – detection – isolation – localization – extinction, in addition to the 4 on-site principles, including on-site prevention, isolation and treatment; on-site facilities and logistics; on-site finance; on-site forces. This principle enables Vietnam to promptly react to all situations with local forces and help ease the burden of the higher levels of the Government while making full use of the local resources.

The people joined the ruling party and Government in the “war” against the COVID-19 by propagating the [various catchy and memorable slogans such as](#): *“Staying home is patriotism”, “Patriotism means Staying home”; “Fighting against the foreign enemies means going into the battlefield, but fighting against the pandemic means staying home”;* the medical force also spread slogans such as: *“we go to work for you, you please stay at home for us”*.... On social media such as Facebook and Zalo, various slogans are put out, including: [“Please stay still when the country needs it.”](#) Various personal pages of people too share the instruction of authorities on the use of measures to prevent the disease such as: *“If someone coughs, please report to the health sector; if someone publishes fake news, please report to the police; if someone escapes from quarantine measure, please report to the social media community...”*

Among the support of the communities towards the cause of fighting against the pandemic, the free rice ATM created by a Vietnamese businessman may be highlighted. What is called the [“love spreading”](#) rice ATM made by Mr. Hoang Anh Tuan - CEO of PHGLock Company (Tan Phu district, Ho Chi Minh City), were the machine works like an ATM and the people are only need to press the button. The rice will automatically flush. After being introduced in Ho Chi Minh City, the rice ATM has quickly spread across the country. Stemming from the motto “do not let anyone be left behind,” the Rice ATMs is a manifestation of the traditional spirit of

solidarity of the Vietnamese people. Believing that “[a small piece of food when the stomach is empty equals to a big package of food when the stomach is full](#)”, many people are ready to share the difficulties of the less fortunate persons.

## **Regional Response**

*Vietnam as ASEAN Chair in 2020*

COVID-19 has spread in a way that it is impossible to put it under control without collective efforts of regional and global communities. In addition to national spirit, Vietnam has also shown the spirit of international spirit and solidarity. As the ASEAN Chair in 2020, Vietnam has shown the image of a proactive, responsible, “cooperative and adaptive” ASEAN Chairperson. On April 14, the special ASEAN and ASEAN + 3 Summits on responding to the COVID-19 pandemic have been successfully organized. It demonstrates Vietnam’s highest political commitment to ASEAN’s internal solidarity as well as its cooperation with external partners to overcome the pandemic.

According to the former Deputy Foreign Minister Pham Quang Vinh, the proactiveness and flexibility of Vietnam as ASEAN Chair in the months of “[living together](#)” with the COVID-19 pandemic was shown in the facts that, Vietnam was taking initiative in sharing of information and coordinating with ASEAN countries in promoting joint efforts and solidarity in preventing and fighting against the pandemic. Vietnam also coordinated with foreign partners in organizing many video conferences, dialogues and webinars, within ASEAN as well as with external partners such as China, European Union, and the US to join the efforts to prevent and control the pandemic. Vietnam has also been joining hands in regional and international efforts of mutual cooperation and support in terms of medical equipments, face marks and protective clothing. It has extended support to Laos, Cambodia, and Myanmar and has also supported countries outside the region such as China, EU, the US, Russia. For instance, Vietnam sent [550.000 face marks to 5 European countries including England, France, Italy, Spain, presented 100.000 face masks for the people of India](#) on April 21<sup>st</sup>, 2020, etc.

## **Conclusion**

In short, with limited resources, Vietnam has so far succeeded in controlling the pandemics by promptly establishing rigorous measures such as social distancing and border closures to combat the spread of the virus. Simultaneously, Vietnam also extended support and assistance to other countries affected by the COVID-19. The Party and Government's strong actions to protect the people's health and safety, on the basis of the philosophy "no one is left behind", have strengthened the people's confidence in the exemplary leadership of the Vietnam's ruling party and Government.

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Abstract: The COVID-19 (Coronavirus) pandemic is defining global response to the greatest challenge we faced since World War Two. It has significant bearing on social, economic, political and security of the nations as well global. People have lost jobs and income, with no way of knowing when normality will return, migrants within the country and the expatriates are forced to return to the home. The nations, those are heavily dependent on consumer economy, manufacturing, and tourism, etc. have nearly insolvent. Every country prepares to reopen and hoping to recover as much as possible. But there are multiple challenges. Apart from containing the spread of the virus and treating infected patients, there are related economy, political and security issues, and questions about the future regional and world order. The report analysis how the countries in the region are coping up with the pandemic amidst the changing geopolitics.

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