## TRANSATLANTIC COUNCIL ON MIGRATION



# **Managing the Pandemic and Its Aftermath**

Economies, Jobs, and International Migration in the Age of COVID-19

By Demetrios G. Papademetriou





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**Migration Policy Institute** 

November 2020

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## **Executive Summary**

The COVID-19 pandemic and the policy responses it has set off will leave an indelible legacy on families, societies, and economies. The human costs of the crisis have been devastating. The death toll is more than 1.2 million thus far, making this coronavirus the deadliest pandemic since the 1918–19 Spanish Flu. And that number is rising briskly as the virus spreads throughout the globe and has roared back in most places that had "flattened" the infection curve earlier in the year, while continuing to roam across the United States. The response to the first phase of the pandemic has also brought massive and most likely long-lasting disruptions to livelihoods around the world, as governments imposed strict lockdowns on their populations, closed their borders and radically restricted travel, and effectively shut down large swathes of their economies. And more targeted restrictions, curfews, and lockdowns are once more growing, and will grow further through the fall and winter as infections climb aggressively.

The public-health crisis was rightly the focus for policymakers during the first half of 2020. In fact, the combination of nearly blanket shutdowns, mask-wearing and social-distancing measures, contact tracing and, generally, responsible behavior by most governments and publics led to a retreat of the initial wave of the virus by the end of May. Meanwhile, and as the feverish search

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for treatments that attenuate the severity of symptoms and lethality of the infection, as well as a vaccine, continues, governments and societies are trying to come to terms with the enormous economic damage wrought by the crisis. The International Monetary Fund in its latest (October) World Economic Outlook continues to project a deep recession for 2020—a contraction in global growth of 4.4 percent (slightly lower than its June update), and 5.8 percent for advanced economies. And the Organization for Economic Cooperation and Development (OECD) reports that the GDP contraction for the G20 countries during this year's second quarter was nearly 4.5 times that of the worst quarter of the Great Recession of the late 2000s.

While employment in some sectors appears to be rebounding, hundreds of millions of jobs have already disappeared, and many more workers have experienced cuts to their hours or pay. Many of these losses will be permanent, especially in the hardest-hit sectors, such as components of retail and travel, arts and entertainment, commercial real estate and the constellation of services it supports, and accommodation and hospitality, and most analysts expect more rounds of layoffs as demand for goods and services limps along and economic stimulus programs are eventually phased out. As a result, many workers and their families are expected to experience severe and extensive economic pain and long-term economic scarring. Meanwhile, the World Bank suggests that remittances may fall by as much as 20 percent in 2020, presenting a huge threat to the well-being of migrant households and origin communities (and less directly, economies) that rely on this income. Finally, public and business debt continues to balloon, presenting its own set of longer-term challenges.

Policymakers now are engaged in trying to manage what has proved to be a most complex and treacherous task: reopening their economies, societies, and—much more gradually—borders, while grappling with

the obvious public-health risks that doing so presents. The results have been very troubling, as infection rates have spiked almost uncontrollably in dozens of major cities and subnational jurisdictions across most countries in Europe, the Americas, South Asia, and elsewhere. And so are hospitalization rates.

## Reopening migration channels will likely take time and will certainly happen incrementally.

In the migration realm, the OECD reported in mid-October that global migration fell by 46 percent during the first half of 2020, with the year's second quarter registering a 72-percent decline—and that it expects global migration to reach "a historic low." In fact, reopening migration channels will likely

take time and will certainly happen incrementally. Governments are constantly rolling out new screening and quarantine protocols for travelers but human behavior is reliably unpredictable, and mitigating the risk requires widespread access to testing and rapid but reliable test results, continued progress in identifying anti-viral and anti-inflammatory therapeutics that suppress the intensity of the infection and improve recovery times, and ultimately the discovery of a safe and effective vaccine that is made widely available. Although remarkable progress is being made in all of these areas, it will take many more months before we turn the corner in this, and even longer before reliable treatments and a vaccine are at hand for most people.

Meanwhile, the depth of the economic downturn is likely to cause some would-be sponsors of immigrants to defer family (re)unification, and spiraling structural unemployment in most advanced economies, coupled with the profound damage to various economic sectors, will require policymakers to revisit some of the pre-pandemic assumptions about how many foreign workers, and with which skill or experience profiles, their economy needs. For instance, although there will be continuous demand for "essential" workers in such sectors as medical research and health care across the board and in seasonal and perishable-crop agriculture, construction, and food production and preparation, in other sectors uncertainty about timely access to foreign workers due to concerns about political backlash and rising costs (e.g., linked to quarantine requirements or infection outbreaks) may incentivize some employers to invest instead in hiring and training resident workers.

Of course, government policy will need to play a large supporting role here if such efforts are to gain traction and bear fruit. The new economic reality—and the jobs and fiscal cliff that it has created—may also prompt employers and governments to address more politically sensitive but necessary aspects of this issue, including how to increase productivity in different sectors and options for investing in automation, as well as revisiting once more retirement age laws and pension benefits.

Finally, restarting and gearing up refugee resettlement and asylum operations will be uneven and take time—and the fate of "territorial asylum" in particular is deeply unclear. It is also unclear when the one-third or so of all countries around the globe that continue to close their borders to asylum seekers and most travel might be willing to roll back restrictions. And the virus' soaring surges will inevitably lead to more border closures.

With the first phase of the crisis well behind us and an aggressive second phase already upon us, governments, businesses, and the public will need to move quickly to formulate and execute a strategy

for climbing out of this economic abyss while managing the ongoing health risks. A number of very hard questions will require answers. Among them: How can governments move to support those most vulnerable to the disease in their own countries—particularly the elderly and the immunocompromised, as well as the most socioeconomically vulnerable populations (which typically include minorities and many immigrant groups)—and avoid furthering their economic precarity? How far will governments go in continuing to subsidize wages and provide massive relief to businesses, large and small? What steps can the international community take to alleviate the massive health and socioeconomic harm that COVID-19 is wreaking to lower-income countries with much weaker health systems and institutions? Will the discipline that many governments and societies exhibited in containing the spread of the virus during its first phase be duplicated in safely reopening economies and managing subsequent surges of the virus, or will the "lockdown fatigue" that has set in across most countries jeopardize this? And finally, in these highly polarized times, how can we foster greater political and social solidarity and trust?

## 1 Introduction

Crises, and especially life-altering ones, present both challenges and opportunities. COVID-19<sup>1</sup> is no exception. The pandemic's immediate costs, measured in lives lost, have been appalling and continue to rise.<sup>2</sup> Its effect on livelihoods, the result of the economic devastation the outbreak has generated, is already unimaginably deep and global in its reach, and its consequences will be felt for extended periods of time. In fact, unless governments exhibit an extraordinary sense of purpose and leadership, the crisis' disorienting "one-two punch" will intensify distrust of political elites in countries where political trust is already in short supply. Moreover, it undermines confidence in the rule of law and fuels further the political polarization that is plainly evident in dozens of countries. The crisis also has the potential for autocrats everywhere to take advantage of the emergency, clamp down on dissent, and consolidate their political and social control.

But crises also fuel innovation and can create "new facts on the ground" that, managed responsibly and smartly, can seed positive change and lead to new opportunities. For instance, innovation across the board is thriving, with two broad areas galloping ahead of the others: medical and pharmacological research and the virtual world. In the medical and pharmacological fields, innovation has emerged in the form of developing and testing new diagnostic tools and making advances in using molecular electronics and biomarkers, such as biosensor chips, and CRISPR-based tests, to detect the presence of the coronavirus.<sup>3</sup> Even more important at this point in time is the development of anti-viral and monoclonal antibody drug treatments that can help mitigate the effects of the virus by reducing its acuteness (and hence its morbidity

<sup>1</sup> The formal name of the virus is Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2), and the formal name of the disease is coronavirus disease 2019 (COVID-19).

<sup>2</sup> As of November 10, 2020, there were more than 50 million confirmed cases of COVID-19 worldwide and more than 1.2 million deaths (236,000 of those in the United States), though most observers consider this number to be a substantial undercount due to a combination of misclassification of many deaths, especially in the early stages of the pandemic, and underreporting. See World Health Organization (WHO), "WHO Coronavirus Disease (COVID-19) Dashboard," updated November 10, 2020.

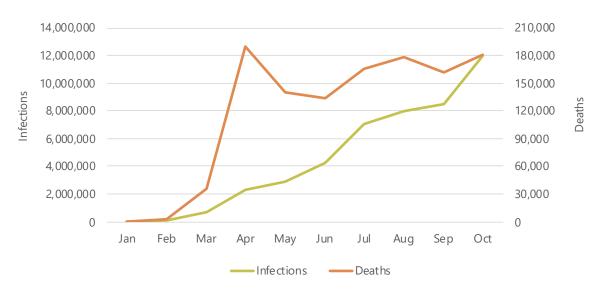
<sup>3</sup> See Bryan Walsh, "Coronavirus Accelerates a New Age of Diagnostics," Axios, June 6,2020; Bryan Walsh, "A New Way to Rapidly Diagnose Disease," Axios, April 29, 2020.

and mortality rates) but that may also be of great help for the inevitable next pandemic (see Box 1). Naturally, the effort to develop a vaccine is front and center in that effort.<sup>4</sup>

#### BOX 1 100 Years of Pandemics and Viral Outbreaks

Prior to the COVID-19 pandemic, there had already been five viral outbreaks in the 21st century. In order of appearance, they are the Severe Acute Respiratory Syndrome (SARS) epidemic of 2002–03, which killed about 770 people worldwide; the H1N1 influenza ("swine flu") pandemic of 2009–10, which killed approximately 300,000 (although many estimates are as high as 500,000); the Middle East Respiratory Syndrome (MERS) outbreak of 2012, which killed about 850; the Ebola outbreak of 2014–16, whose toll was about 11,000; and the Zika epidemic of 2015–16, whose primary effect has been birth defects. By comparison, there were only three pandemics during the 20th century: the Spanish Flu of 1918–19, which by most accounts infected about 500 million people, one-third of the world's population at the time, and killed at least 50 million; the Asian Flu of 1957–58, which started in Singapore and gradually spread to U.S. coastal cities, killing approximately 1.1 million globally; and the Hong Kong Flu of 1968, which resulted in 1 million deaths. (For comparison, HIV/AIDS, which began in the early 1980s, has been responsible for between 25 million and 35 million deaths.) Clearly, the incidence of outbreaks has been increasing, though aggregate death rates appear to be decreasing—until now (see Figures 1, 5, and 6).

Sources: U.S. Centers for Disease Control and Prevention (CDC), "Influenza (Flu): Past Pandemics," updated August 10, 2018. See also Nicolas LePan, "A Visual History of Pandemics," The World Economic Forum, March 15, 2020.



#### FIGURE 1 Global Monthly Infections and Deaths from COVID-19, January–October 2020

Source: Our World in Data, "Coronavirus Pandemic (COVID-19)," University of Oxford, accessed November 2, 2020.

<sup>4</sup> Remarkably, however, simpler but still critical advances such as testing kits that produce reliable results rapidly and the expansion of laboratory capacity to meet the demand for timely test results are still lagging.

Innovations in the virtual world are more immediately apparent. They include expanding broadband (and access to it) and rapid advances in cloud computing and digitization, a key tool in the "contact tracing" realm that, when applied rigorously, can break infection chains and thus slow down the spread of the virus dramatically. This area has also seen the development of new, and dramatic refinement of existing, digital platforms. Such advances have become indispensable elements of everyday life as a remarkable volume of personal communications, meetings, and essential services have gone virtual—from routine medical care (telemedicine) and teaching and learning,<sup>5</sup> to scientific collaboration, many business activities, and grocery and most other forms of shopping.

Of course, in order for these advances to become the force for good they can and must be, they need to engage thoughtfully both government and society, or risk accelerating existing ills. These include threats to privacy and the advancement of illiberal and social control goals, the more efficient dissemination of misinformation, and the exacerbation of unequal access to health care, education, and social safety nets—thus deepening societal divisions and social and economic inequality.

In the mobility and migration arenas, interconnected policy areas whose fate is affected enormously by the massive health and economic effects of COVID-19—and this reflection's ultimate concern—there are two questions that require answers. The first is how these fields fared during the *first phase* of the pandemic, that is, during governments' and publics' frantic effort to save lives above all else. The second question is much more central to the discussion of migration and mobility: namely, how countries are faring now that reopening economies and economic survival have become paramount, almost despite COVID-19's dramatic resurgence.<sup>6</sup> While the former question is answerable, the latter is maddeningly complex in that it involves a lot of unknowns, a constantly evolving health and economic terrain, and a public that seems to be emotionally exhausted from restrictions as "lockdown fatigue" has set in.

# 2 The Challenge of a Lifetime

It is probably a truism that we fear most what we do not understand. As the health crisis approaches the one-year mark, COVID-19 remains an enigma: it is still unclear how much exposure to the virus leads to transmission; which prophylactic measures are more, or less, effective; why some people who share

<sup>5</sup> Some of these new advances also hold the promise to democratize access to the internet and computers, and thus increase digital literacy, for children and families from disadvantaged backgrounds and those living in remote and underserved communities—a massive challenge for many countries that will require enormous investment and time. The ray of hope in the United States is that private philanthropy is apparently working closely with the private and public sectors to make progress in this regard, although only resolute public-sector attention and resources can make enough of a difference. See, for example, Bill and Melinda Gates Foundation, "Schools and Students during the COVID-19 Outbreak in America: A Conversation with Allan Golston," accessed August 10, 2020; Melissa Lazarín, "COVID-19 Spotlights the Inequities Facing English Learner Students, as Nonprofit Organizations Seek to Mitigate Challenges" (commentary, Migration Policy Institute, Washington, DC, June 2020).

<sup>6</sup> There will be several more phases and surges of COVID-19, some of which will be very large and disorienting. The evidence across the globe is already *very clear* in this regard. However, the knowledge gained from the response to the first phase; progress in the identification and availability of drug treatments, however modest so far; and the fact that large shares of recent infections involve younger people, at least in more developed (and wealthier) countries, have been decreasing the virus' mortality rates (see Figure 1). And a widely available vaccine will allow this coronavirus to take its place among the other viruses from which people will need to be protected as a matter of routine prophylaxis.

characteristics (such as certain underlying health conditions) become infected while others do not; why, *ceteris paribus*, it affects some people worse than others; whether infection confers immunity *and for how long*;<sup>7</sup> and, finally, the efficacy of convalescent plasma.<sup>8</sup> Moreover, nobody knows how severe subsequent waves of the coronavirus will be, especially as fall continues and winter arrives, flu season gears up, people move indoors (creating conditions conducive to spreading the virus), and COVID-19 patients have to compete with those with severe cases of the flu and other serious ailments for intensive care hospital spots. Finally, many countries are still struggling with how to protect the most vulnerable members of society, including the elderly,<sup>9</sup> the immunocompromised, and some racial and ethnic minorities.<sup>10</sup>

But there are also many things that have become clearer since the first reports of the outbreak emerged in China in December 2019. For instance, it is now evident that the virus' apparent retreat almost always the result of extraordinary measures that locked economies down;<sup>11</sup> strict adherence to frequent handwashing, face covering, and social distancing; and in countries that fared best

It is now evident that the virus' apparent retreat ... gave some politicians and the public a false sense of security that has resulted in the virus making repeated comebacks.

in controlling COVID-19's spread during its first and deadliest phase (such as Taiwan, Norway, Finland, South Korea, New Zealand, Australia, and Singapore), the systematic use of multilayered common-sense protective measures and gear, extensive testing, and diligent contact tracing—gave some politicians and

<sup>7</sup> The evidence on this point is ambiguous. While there are examples of people testing positive again after initially receiving negative test results post-infection, a study by the Korean Centers for Disease Control and Prevention suggests that these reinfected patients are no longer infectious (and that the diagnostic tests may instead be detecting dead or noninfectious virus). See Sarah McCammon, "13 USS Roosevelt Sailors Test Positive for COVID-19, Again," NPR, May 16, 2020; Erin Garcia de Jesus, "New Data Suggest People Aren't Getting Reinfected with the Coronavirus," Science News, May 19, 2020; Kate Kelland and Emilio Parodi, "WHO and Other Experts Say No Evidence of Coronavirus Losing Potency," Reuters, June 1, 2020. However, more recent studies suggest the antibodies of both symptomatic and asymptomatic infected patients lose their potency—and hence their ability to protect one from further infections—after a few months. See Robert Roos, "Chinese Study: Antibodies in COVID-19 Patients Fade Quickly," University of Minnesota Center for Infectious Disease Research and Policy, June 19, 2020. The latter findings have received support from researchers at King's College London who examined levels of antibodies in 90 patients with the virus. Sixty percent of the subjects showed a strong immune viral response in the early weeks after infection. But at three months, only 17 percent maintained high levels of antibodies, and several had no detectable antibodies at all. See Patrick Galey, "Virus Immunity May Disappear within Months," Barron's, July 13, 2020.

<sup>8</sup> This refers to the use of antibody-rich blood plasma drawn from patients who have recovered from the virus to treat COVID-19 patients.

<sup>9</sup> Nursing homes and long-term care facilities have accounted for disproportionate shares of fatalities. In the United States, the Wall Street Journal estimated in early Summer 2020 that more than 70,000 of all deaths had been among residents of such facilities. (U.S. nursing homes are notorious for poor quality of care.) See Jon Kamp, Sadie Gurman, and Anna Wilde Mathews, "Trump Administration Seeks Data on Covid-19 Nursing Home Deaths in Four States," Wall Street Journal, August 27, 2020. The Foundation for Research on Equal Opportunity estimated that as much as 45 percent of all U.S. deaths by early May had occurred in such facilities. See Gregg Girvan and Avik Roy, "Nursing Homes and Assisted Living Facilities Account for 45% of COVID-19 Deaths," Foundation for Research on Equal Opportunity, May 7, 2020.

<sup>10</sup> Research strongly suggests that social and economic risk factors drive poorer health outcomes for some racial and ethnic minorities. These include lack of access to adequate health care, working in frontline jobs (and taking public transport to those jobs), and living in underserved and densely populated neighborhoods and multigenerational households. See U.S. Centers for Disease Control and Prevention (CDC), "COVID-19 in Racial and Ethnic Minority Groups," updated June 4, 2020; Joseph Chamie, "COVID-19 Deaths before a Vaccine?" Inter Press Service, May 4, 2020.

<sup>11</sup> South Korea, and to some degree, Germany, are exceptions in this regard.

the public a false sense of security that has resulted in the virus making repeated comebacks.<sup>12</sup> Historians and epidemiologists in fact remind us that the Spanish Flu pandemic struck in two waves: the first one, in the spring of 1918, killed far fewer people than did its second wave, in the fall and winter of 1918/1919.<sup>13</sup>

Of course, it is always possible that the unprecedented level of effort and money being poured into developing and testing new treatments, often involving drugs and combinations of drugs that have proved effective in controlling other viral outbreaks, and an astonishing level of collaboration among scientists<sup>14</sup> may be poised to lead to the discovery of a safe and effective vaccine in record time. Yet it is the next steps—producing the vaccine swiftly and at the vast scale needed,<sup>15</sup> distributing it quickly (a likely logistical nightmare for lower-income countries), and assuring the public (and particularly vaccine skeptics) of its safety, efficacy, *and necessity*<sup>16</sup>—that will determine when normal life can resume. Delays in such breakthroughs will mean that the fear, and the crisis' costs, will remain profound and even grow.

Epidemiologists, virologists, serologists, and others with first-hand experience with previous viral outbreaks tell us that this coronavirus is not anywhere near to having run its course. In the meantime, COVID-19 has already affected and continues to affect the lives of billions of people as it spread rapidly through countries all around the globe. And epidemiologists, virologists, serologists, and others with first-hand experience with previous viral outbreaks tell us that this coronavirus is not anywhere near to having run its course—a point

16 Concern about the "trust gap" when it comes to vaccines is neither idle nor limited to countries such as the United States, where the anti-vaccination movement is particularly problematic.

<sup>12</sup> Germany's chancellor, Angela Merkel, made precisely this point when she cautioned Germans about being lulled into a false sense of security and then again about making plans for summer holidays abroad. See Jon Henley, Philip Oltermann, and Jennifer Rankin, "Merkel Issues Warning over Coronavirus Lockdown Exit," *The Guardian*, April 23, 2020. And the Chancellor has maintained the same measured and even-tempered tone in every statement about the virus as she has overseen the reopening of the economy. See, for example, Deutsche Welle, "Coronavirus: Germany Toughens Restrictions as It Enters 'Decisive' Phase," Deutsche Welle, October 14, 2020, in which the chancellor warned that Germany was "already in a phase of exponential growth" and after a marathon session with the premiers of Germany's 16 *Länder* announced a tightening of safety requirements. Top U.S. infectious disease expert, Anthony Fauci, often warns about what he calls "false complacency." And indeed, the price of complacency has been high, with new large-scale infection rates in many countries in Europe, North America, and elsewhere around the globe. See Archie Bland, "Coronavirus: Work from Home If You Can, Gove Says in Government U-Turn," *The Guardian*, September 22, 2020; Felicia Schwartz and Dov Lieber, "Israel to Enter Lockdown Again as Second Coronavirus Wave Hits," *Wall Street Journal*, September 13, 2020; Marcelo Silva de Sousa, "Quarantine-Weary Brazilians Head to Beaches Despite Warnings," AP News, September 6, 202; Rafael Minder, "Spain's Coronavirus Crisis Accelerated as Warnings Went Unheeded," *New York Times*, published April 7, 2020, updated August 31, 2020; Dylan Scott, "Germany and South Korea Excelled at Covid-19 Containment. It Still Came Back," Vox, May 13, 2020.

<sup>13</sup> CDC, "1918 Pandemic (H1N1 Virus)," updated March 20, 2019. Of course, any comparisons with the 1918 pandemic must take into account the vastly different public-health infrastructure between then and now and the enormous gains in epidemiological science and research in the last hundred years. In fact, one of the most enduring byproducts of that pandemic was the development of the very field of epidemiology and the establishment of public-health services, initially in Russia and much of Europe, and by the late 1920s and early 1930s, in the United States and elsewhere. For a compelling work on the 1918 pandemic, see John M. Barry, *The Great Influenza: The Story of the Deadliest Pandemic in History* (New York and London: Penguin, 2005). See also Jessica A. Belser and Terrence M. Tumpey, "The 1918 Flu 100 Years Later," *Science* 359, no. 6373 (January 2018): 255; Laura Spinney, "How the 1918 Flu Pandemic Revolutionized Public Health," *Smithsonian Magazine*, September 27, 2017; Laura Spinney, "The World Changed Its Approach to Health after the 1918 Flu. Will It after the COVID-19 Outbreak?" *Time*, March 7, 2020.

<sup>14</sup> Competition and politico-economic interests—an ugly form of "vaccine nationalism"—naturally define the parameters of crossborder collaboration, particularly when it comes to China and the United States. See Adam Taylor, "Why Vaccine Nationalism Is Winning – Today's World View," Washington Post, September 3, 2020; Eric A. Friedman et al, "Joining COVAX Could Save American Lives," Foreign Policy, September 15, 2020.

<sup>15</sup> Who produces it but especially who has priority access to it may well be the next flashpoint in international relations.

that is punctuated every day as infections and deaths continue to mount and governments have had to reverse decisions about reopening and lock down once more parts of, and at times entire, countries, large subnational jurisdictions, and dozens of cities.<sup>17</sup> In fact, the World Health Organization (WHO) health emergency chief, Mike Ryan, has suggested that COVID-19 may become "just another endemic virus" and that it "may never go away."<sup>18</sup> Despite border closures and shutdowns (with very few exceptions) of entire economies, the coronavirus has spread to regions that until mid-Spring 2020 *appeared* to have been relatively spared, such as most of Latin America, South Asia, and Africa,<sup>19</sup> leading to the largest surges yet in the number of infections worldwide as of the end of October 2020 (see Figure 1).<sup>20</sup> The evidence in fact suggests that COVID-19 is not anywhere near its global peak, and is well on its way to affecting countless more people and to visiting much more damage—measured in deaths and lingering serious post-recovery health complications, economic devastation, but also in deep psychosocial anxiety, dread, and longer-term mental-health disease—upon families, friends, neighbors, coworkers, and communities.

# *Economic Carnage: An Initial Exploration of COVID-19's Economic Impacts*

There is no doubt that while some of us will be affected by the virus itself, vast orders of magnitude more will be scarred for extended periods by its economic effects. According to the Organization for Economic Cooperation and Development (OECD), in the first quarter of 2020, EU economies shrank by 3.3 percent (and the eurozone by 3.7 percent), while the U.S. economy contracted by 1.3 percent and the Canadian economy by 2.1 percent.<sup>21</sup> Expectedly, given the shutdowns in April, May, and to a more limited extent in June, the second quarter numbers are *far* worse. The EU-wide economy contracted by 11.4 percent and the eurozone by 11.8 percent; the U.S. economy shrank by 9 percent (the worst contraction in a single quarter since mid-1921), Canada by 11.5 percent, and Australia by 7 percent (the country's first contraction in 30

20 WHO, "WHO Coronavirus Disease (COVID-19) Dashboard."

<sup>17</sup> Course reversals and lockdowns now tend to be more targeted, focusing on curfews and establishments that are known as infection spreaders—such as restaurants and particularly bars. But they are widespread. They include, among others, many of the larger cities in France, the Netherlands, Belgium, Spain, Italy, and much of Central Europe and the Western Balkans, the United Kingdom, and Canada, but also Jakarta, Mumbai, and others. But more extreme measures have once more had to be imposed in several countries (such as Israel, Ireland, Argentina, and Czechia) but also in many subnational jurisdictions ranging from Scotland, Wales, and Northern Ireland, to parts of U.S. and Australian states, to Jordan, South Africa, and Ethiopia.

<sup>18</sup> See Emma Farge and Michael Shields, "This Virus May Never Go Away, WHO Says," Reuters, May 13, 2020.

<sup>19</sup> There is a case to be made that the "delay" in the arrival of the virus to some less developed states and regions is the result of not being international travel and commercial centers. See Diana Enriquez, Sebastian Rojas Cabal, and Miguel A. Centeno, "Latin America's Covid-19 Nightmare: Lessons from the World's Hardest Hit Region," Foreign Affairs, September 1, 2020. There is also increasing evidence that the relatively low figures for infection and death rates that much of Africa, as well as many lower-income countries posted early in the pandemic, reflected in part the fact that many of these countries are ill-equipped to count and report these data or, in many cases, misdiagnose and even intentionally underreport them. See, for example, *The Economist*, "Why Covid-19 Seems to Spread More Slowly in Africa," *The Economist*, May 16, 2020. But two other sets of factors have probably played an even bigger role: demographics (two-thirds of Africans are under age 35, and the median age is less than 20 years old); and lessons from and experience with past disease outbreaks, which may have routinized such activities as face coverings and social distancing. See Eugene Ngumi, "What's Wrong with Africa's Coronavirus Numbers?" International Politics and Society, September 14, 2020. And with cases multiplying at alarming rates in Brazil, Peru, Argentina, Colombia, Mexico, several Central American states, and elsewhere in Latin America, as well as in the United States, the WHO on May 26 designated the Western Hemisphere the new epicenter of COVID-19. See Anthony Boadle, "WHO Says the Americas Are New COVID-19 Epicenter as Deaths Surge in Latin America," Reuters, May 26, 2020.

<sup>21</sup> Organization for Economic Cooperation and Development (OECD), "Quarterly National Accounts: Quarterly Growth Rates of Real GDP, Change over Previous Quarter," OECD.Stat, accessed October 2, 2020.

years).<sup>22</sup> And the organization warns that the effects are likely to continue throughout 2020 and into 2021, especially if there is a second wave of infections—a scenario that has been unfolding already in many countries. In fact, the OECD has projected that global economic activity could fall by 6 percent in 2020 in a "single-hit" scenario, and by 7.6 percent in a "double-hit" scenario.<sup>23</sup> And the International Monetary Fund (IMF) chief economist, Gita Gopinath, projected that global GDP could fall by more than U.S. \$12 trillion over 2020 and 2021. (In its most recent projection, the IMF offers a more "optimistic" estimate of a U.S. \$11 trillion contraction.)<sup>24</sup>

The volatility and erratic trajectory of the virus has produced widely contradictory estimates of its labor market effects. For instance, unemployment rates in most of Europe registered only a modest uptick during the first two quarters of 2020, though many analysts expect those numbers to rise substantially by the end of 2020/early months of 2021 as the continent's generous wage supports subside and likely end. And across the Atlantic, Canada and especially the United States have been reporting stubbornly high numbers of people applying for first time unemployment benefits and historically high numbers of people on unemployment rolls, at the same time as registering remarkably large numbers of job gains. With data pointing in multiple directions, the prospects for, and shape of, the economic recovery is shrouded in uncertainty, allowing politicians to make self-serving claims and counterclaims. One thing, however, appears clear: the pandemic's economic effects will be massive and felt unevenly in different countries and regions.

For instance, the IMF reported in April that it expected the global economy to contract by 4.9 percent in 2020, with the contraction for advanced economies projected to be 8.0 percent and that of the euro area 10.2 percent; the Fund revised its projections in October to a *slightly less severe* contraction of 4.4 percent.<sup>25</sup> According to the Fund's June forecast, the contraction for emerging markets and developing economies was estimated to be 3.0 percent; this was followed by a *substantially worse* projection in October of a contraction of 5.7 percent. As one might expect, countries that imposed strict economic lockdown measures early on in the crisis had the sharpest drops in their GDP.<sup>26</sup> Eurostat and OECD G20 data illustrate that pattern well (see Figure 2).<sup>27</sup> In fact, the economies of eight eurozone countries contracted by more than 9.5 percent in the second quarter of 2020. In descending order, they are Spain (17.8 percent), Greece (14 percent), Portugal (13.9 percent), France (13.8 percent), Italy (13 percent), Belgium (12.1 percent), Austria (12.1 percent), and Germany (9.7 percent)—and in Germany's case, that is despite some factories being open

<sup>22</sup> OECD, "Quarterly National Accounts."

<sup>23</sup> OECD, OECD Economic Outlook, Volume 2020, Issue 1 (Paris: OECD Publishing, 2020).

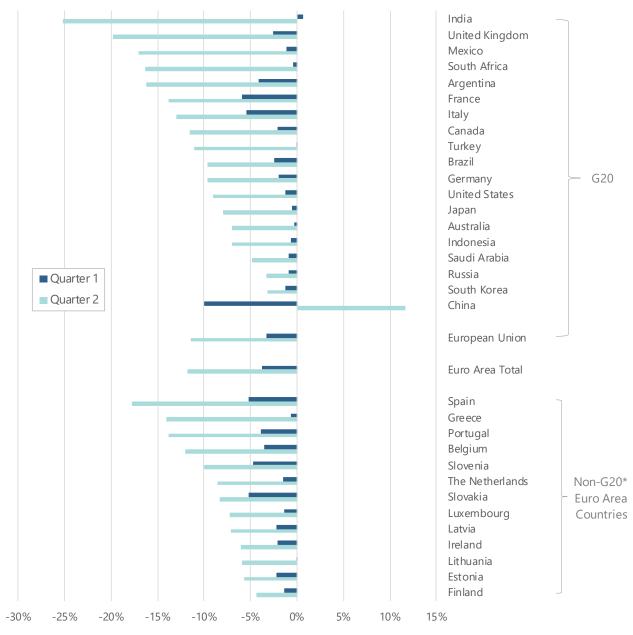
<sup>24</sup> Gita Gopinath, "Reopening from the Great Lockdown: Uneven and Uncertain Recovery," International Monetary Fund (IMF) Blog, June 24, 2020; Gita Gopinath, "A Long, Uneven and Uncertain Ascent," IMF Blog, October 13, 2020.

<sup>25</sup> See IMF, World Economic Outlook, October 2020: A Long and Difficult Ascent (Washington, DC: IMF, 2020). The IMF estimates the 2020 contraction in GDP for Latin America and the Caribbean will be 9.4 percent. The estimates for Mexico are 10.5 percent and for Brazil 9.1 percent, while several Caribbean countries that rely heavily on tourism revenue (e.g., Antigua and Barbuda, Belize, St. Lucia, and St. Kitts and Nevis) are expected to be especially badly affected. See IMF, World Economic Outlook Update, June 2020 (Washington, DC: IMF, 2020). This is very likely still a significant underestimate considering, for instance, that the economies of India, Argentina, Mexico, and South Africa contracted by 23.9 percent, 19.5 percent, 18.9 percent, and 16.1 percent, respectively. See Kejel Vyas and Vibhuti Agarwal, "COVID-19 Ravages World's Largest Developing Economies," Wall Street Journal, September 4, 2020.

<sup>26</sup> Greece imposed one of the earliest and most complete lockdowns anywhere. See Billy Perrigo and Joseph Hincks, "Greece Has an Elderly Population and a Fragile Economy. How Has It Escaped the Worst of the Coronavirus So Far?" *Time*, April 23, 2020.

<sup>27</sup> Eurostat, "GDP down by 12.1% in the Euro Area and by 11.9% in the EU" (news release, July 31, 2020); OECD, "Unprecedented Falls in GDP in Most G20 Economies in Second Quarter of 2020" (news release, September 14, 2020).





\* This figure includes the non-G20 Euro Area countries except Malta and Cyprus, which are not included in the Organization for Economic Cooperation and Development (OECD) dataset.

Source: OECD, "Quarterly National Accounts: Quarterly Growth Rates of Real GDP, Change Over Previous Quarter," OECD.Stat, accessed October 26, 2020.

during some of that time. The OECD also reported that the United Kingdom suffered a GDP drop of 20.4 percent—after reporting a modest 2.2-percent contraction for the first quarter.<sup>28</sup> For comparison, during the Great Recession of the late 2000s, the global economy only shrunk by 0.1 percent—a 3.3 percent drop in advanced economies, and 4.5 percent in the euro area; the G20 second quarter contraction for 2020 is nearly 4.5 times larger than the worst quarter of the Great Recession.<sup>29</sup>

These data suggest that while early and complete shutdowns were effective in slowing the spread of the virus, they came at a shattering—and most likely long-lasting—economic cost.<sup>30</sup> Even cities, states, and continents that seemed to have escaped the worst of the pandemic's wrath in its early phases have been deeply harmed by two of its most devastating (and inter-related) byproducts: the economic carnage that is already evident and the crush of indebtedness that raises the specter of default and the deep—and prolonged—economic pain associated with it.

### The Job Loss Tragedy

The first blow is the result of a simple fact: hundreds of millions of jobs have already disappeared as a result of the economic lockdown in the unprecedented effort to stem the advance of the virus.<sup>31</sup> Many of these job losses may be temporary, but it will take time before most people can go back to work.<sup>32</sup> But even for some of those fortunate workers who remain employed, it will take time before they can reclaim their previous salaries following widespread cuts to hours and pay. And many dozens, possibly even hundreds, of millions of jobs will simply disappear as many businesses, especially though not exclusively restaurants and smaller retail shops (see Box 2), and enterprises with tighter margins and already declining fortunes, will never reopen or will struggle to survive an extended fall in demand *and* mounting indebtedness.

<sup>28</sup> See OECD, "Quarterly National Accounts"; OECD, "Unprecedented Fall in OECD GDP by 9.8% in Q2 2020" (news release, August 26, 2020). For earlier estimates, see OECD, "Evaluating the Initial Impact of COVID-19 Containment Measures on Economic Activity" (issue brief, OECD Publishing, Paris, April 14, 2020); OECD, "Editorial: After the Lockdown, a Tightrope Walk to Recovery," OECD Economic Outlook, Volume 2020, Issue 1 (Paris: OECD Publishing, 2020).

<sup>29</sup> IMF, "Real GDP Growth: Annual Percent Change," accessed August 31, 2020.

<sup>30</sup> Ben Casselman and Sapna Maheshwari, "When Shoppers Venture out, What Will Be Left?" New York Times, May 15, 2020.

<sup>31</sup> The International Labor Organization (ILO) estimated in June that global working hours would be 14 percent lower than the last pre-crisis quarter, which is the equivalent to 400 million full-time jobs. (The ILO's April estimates were 10.5 percent and 305 million jobs.) Sectors such as retail, manufacturing, accommodation and food services, real estate, arts and entertainment, and air travel and hospitality are expected to be hardest hit, and workers and enterprises in the informal economy are expected to be particularly affected due to their lack of protections and inability to work remotely. As a result, for economies with large informal economic sectors—street vendors, petty traders, and providers of informal services, many of whom are women—the economic damage will be massive. See ILO, "ILO Monitor: COVID-19 and the World of Work. Third Edition" (briefing note, ILO, Geneva, April 29, 2020); ILO, "ILO Monitor: COVID-19 and the World of Work. Fifth Edition" (briefing note, ILO, Geneva, June 30, 2020).

<sup>32</sup> The OECD forecasts that the average unemployment rate across its 37 Member States will be 9.4 percent unless there is a second wave of the virus. If that happens, the estimate grows to 12.4 percent. See OECD, "Evaluating the Initial Impact of COVID-19 Containment Measures"; OECD, "Editorial: After the Lockdown." In some countries, especially some of those with federal systems of government, and particularly the United States, state and local workers—including some public-safety and emergency workers, as well as teachers and other school employees, from school bus drivers and custodians, to food preparation and service workers (see Box 4)—are also being furloughed. Most of these workers have job security and are represented by particularly strong unions. Yet, the collapse of many states' and localities' finances, which rely to very large degrees on taxes of various types and have as a result been devastated, may mean that many of these workers will not be able to return to their positions for a period of time unless the central government is willing (or legally required) to support the budget shortfalls of subnational jurisdictions. See Mary Williams Walsh, "As Virus Ravages Budgets, States Cut and Borrow for Balance," *New York Times*, May 14, 2020; Dana Rubinstein, ""We're at War': New York City Faces a Financial Abyss," *New York Times*, September 28, 2020; James A. Parrott and Lina Moe, *No Cure in Sight: The Covid-19 Economic Virus in New York City as the End of Summer Approaches* (New York: The New School Center for New York City Affairs, 2020).

### BOX 2 COVID-19 and Jobs in North America and Europe

Businesses in the retail sector, large and small, are already being decimated as e-commerce giants become ever more dominant—and more efficient. In the United States, where small businesses employ nearly half of all workers, business failures and job losses have been and are expected to continue to be massive. E-commerce companies have and continue to hire large numbers of new workers to meet burgeoning demand; for example, Walmart reported hiring 235,000 new workers by mid-May, and Amazon hired 175,000 additional workers in March and April 2020 alone and is seeking to hire an additional 100,000 workers in the United States and Canada, as well as 33,000 professional workers. Yet, this cannot come anywhere close to matching the widespread job losses across the retail sector. In fact, several already ailing major U.S. national retailers may not survive the pandemic's economic fallout. Lord and Taylor, America's oldest department store (1826), is closing all its stores and liquidating all merchandize, while J.C. Penney, Neiman Marcus, Brooks Brothers, the more than 100-years-old Hertz car rental company, and others have already declared bankruptcy. By one estimate, 1 million U.S. stores are likely to close during 2020.

Europe is not immune to large-scale layoffs. While its massive, and continuing, wage subsidies to workers and smaller businesses were able to keep unemployment relatively low in the first half of 2020, a jobs reckoning is almost inevitable. In some corners, it has already started. BP is shedding 10,000 jobs, Lufthansa 22,000, Renault 14,600, and Air France, the Bank of Ireland, large department stores (such as W.H. Smith and Debenhams), and countless smaller retailers are planning cuts which, by some estimates, will amount to hundreds of thousands of jobs. A true second wave of the virus in addition to the very large spikes Europe is already experiencing will translate into even bigger cuts.

Meanwhile, U.S. layoffs are continuing, concurrent with large-scale worker call-backs—adding further to the conflicting narratives about the economy. For example, the United States lost 21 million jobs in March and April but added 7.5 million jobs in May and June and an additional 1.8 million in July, 1.4 million in August, and 660,000 in September. At the same time, job losses (at about 850,000 per week in August, September, and October) have continued. Canadian data have followed similar trajectories. And it is reasonable to expect U.S. job losses to continue as many states and localities have had to reverse reopening parts of their economies due to surges in infections. Moreover, many airlines and other transportation companies are now abandoning unprofitable routes, and the manufacturing, arts and entertainment, food services, and other sectors are shedding jobs because consumer demand continues to lag. For instance, Disney has announced that it is laying off 28,000 employees from its theme parks, and unless air traffic somehow spikes and governments provide additional mass subsidies, airlines and the travel and hospitality sectors are likely to release hundreds of thousands of employees, especially as governments' support of jobs winds down.

But not every sector is shedding jobs prodigiously. There is, in fact, substantial job growth in such areas as digitization, online retail and e-commerce (beyond Walmart or Amazon), health and safety (sanitizing and reconfiguring of spaces), customer services, the buying and selling of homes, and health care across the board. While these job gains are not anywhere near enough to make up for the massive job losses in other sectors, they offer a ray of hope for workers and their families, and the beginnings of a possible pathway out of the economic morass.

#### BOX 2 (cont.) COVID-19 and Jobs in North America and Europe

In the United States, the McKinsey Global Institute estimated in April that between 42 million and 54 million U.S. jobs would be vulnerable to the combination of reduced hours and/or pay, temporary furloughs, and layoffs. This estimate has been exceeded as almost 65 million U.S. workers have filed for initial unemployment benefits since March 23, though the number actually receiving unemployment in recent weeks has been about 25 million, less than half of whom receive benefits under the more expansive eligibility criteria of emergency relief funding, which extended benefits to most self-employed and gig workers. (For a discussion of eligible populations, see Box 3.)

Sources: Tonya Garcia, "Amazon's 175,000-Worker Hiring Spree Suggests Strong First-Quarter Sales Despite COVID-19, Analysts Say," MarketWatch, April 28, 2020; Ben Otto and Sebastian Herrera, "Amazon to Hire 100,000 in U.S. and Canada," Wall Street Journal, September 14, 2020; Joseph Pisani, "What Slowdown? Amazon Seeks to Hire 33,000 People," AP News, September 8, 2020; Alina Selyukh, "Walmart Hires Almost a Quarter-Million Workers as Sales Soar," NPR, May 19, 2020; Ruth Simon, "Covid-19 Shuttered More Than 1 Million Small Businesses. Here Is How Five Survived," Wall Street Journal, August 1, 2020; Susan Lund et al., "Lives and Livelihoods: Assessing the Near-Term Impact of COVID-19 on US Workers," McKinsey & Company, April 2, 2020; Matt Lundy, "Two Million Canadian Jobs Lost in April as Unemployment Rate Reaches 13 Percent," The Globe and Mail, May 8, 2020; Matt Lundy, "Canadian Economy Adds 419,000 Jobs in July; More than Half of Pandemic Losses Now Recouped," The Globe and Mail, August 7, 2020; U.S. Department of Labor, Bureau of Labor Statistics, "Economic News Releases—Employment & Unemployment" (monthly news releases, updated September 24, 2020); Sarah Chaney, "U.S. Unemployment Rate Fell to 8.4% in August as Hiring Continued," Wall Street Journal, September 4, 2020; Christopher Rugaber, "3 Million More US Layoffs Intensify Fears of Lasting Damage," AP News, May 14, 2020; Aisha Al-Muslim and Soma Biswas, "Retail Carnage Deepens as Pandemic's Impact Exceeds Forecasts," Wall Street Journal, July 22, 2020; Aisha Al-Muslim, "U.S. Retail Store Closures Hit Record in First Half," Wall Street Journal, September 29, 2020; Harriet Torry and Anthony DeBarros, "WSJ Survey: Overall Economy Is Recovering Faster Than Economists Expected," Wall Street Journal, September 10, 2020; Sarah Chaney and Kim Mackrael, "High Jobless Claims Suggest Slowing in Labor Market's Recovery," Wall Street Journal, September 24, 2020; Manuel Alcalá Kovalski and Louise Sheiner, "How Does Unemployment Insurance Work? And How Is It Changing during the Coronavirus Pandemic?" Brookings Institution, July 20, 2020; Liz Alderman, "Europe Tried to Limit Mass Layoffs, But the Cuts Will Continue Anyway," New York *Times*, August 24, 2020.

## **Collapse of Consumer Demand**

The second blow is that many family incomes, and hence the ability and confidence to purchase nonessential goods and services, is and will be deeply affected for extended periods. As previous economic downturns have demonstrated, the propensity to purchase nonessential goods decreases in times of extreme economic upheaval.<sup>33</sup> This is a reality that manufacturers of such goods everywhere, and providers of "nonessential" services—from dental services and elective surgeries (the economic lifeblood of private hospitals) to legal and accounting services, to commercial real estate and the retail services that support it (from coffee shops and restaurants to drug stores and cleaners), to personal services of all types and transport, travel, and tourism writ large—understand very well, as do many political leaders. In fact, governments in countries ranging from China to Spain, Germany, France, the United Kingdom, Italy, the United States, Canada, and many others eager to get their economies working again, are providing substantial economic incentives to consumers to purchase goods and services, and almost all of them

<sup>33</sup> For a full discussion, see Demetrios G. Papademetriou, Madeleine Sumption, and Aaron Terrazas, eds., *Migration and the Great Recession: The Transatlantic Experience* (Washington, DC: Migration Policy Institute, 2011). See also the 2009 Migration Policy Institute (MPI) report, commissioned by the BBC World Service, on the Global Recession's impact on immigration policies, migration flows, migrants, and remittances across several of the world's regions: Michael Fix et al., *Migration and the Global Recession* (Washington, DC: MPI, 2009).

have extended their wage subsidies to the end of the year and are likely to do so further if circumstances demand.<sup>34</sup>

## The Looming Sovereign and Private Debt Crisis

The third blow, defaulting on one's loans, has several components. The one with the most wide-ranging impact, public debt, can make borrowing very expensive or even lock countries out of credit markets altogether. In either case, governments and their citizens are condemned to severe economic austerities for extended periods of time and to accepting credit terms that require extreme sacrifices.<sup>35</sup> The examples of Greece, Argentina, and other states during their sovereign debt crises makes that point painfully clear.<sup>36</sup>

Unsustainable public debt will not be the exclusive province of less well-off countries. In April, the U.S. Congressional Budget Office, the nonpartisan referee on U.S. budgetary matters, projected that the United States' deficit will likely reach 17.9 percent of GDP in 2020, with federal debt held by foreign governments and investors amounting to 108 percent of GDP—

Unsustainable public debt will not be the exclusive province of less well-off countries.

the largest share in U.S. history.<sup>37</sup> Subsequent projections are even bleaker, with total debt rising to \$20.5 trillion by the end of the second quarter, raising fears of a "debt spiral" among many observers.<sup>38</sup> And the IMF estimates that in advanced economies—especially those already heavily indebted—government debt will rise significantly in 2020. For example, Italy's gross government debt is projected to rise from 134.8 percent to 155.5 percent of its GDP in 2020, while Belgium's and Greece's debts are projected to rise, respectively, from 99.0 percent to 114.8 percent and from 179.2 percent to 200.8 percent.<sup>39</sup> These numbers are once

<sup>34</sup> See, for example, Reuters, "Factbox: Spain's \$4.2 Billion Aid Plan to Support the Auto Industry," Reuters, June 15, 2020; UK Government, "Get a Discount with the Eat Out to Help Out Scheme," updated September 1, 2020; Elisa Miebach and Stefan Nicola, "Electric-Car Subsidies Make Renaults Free in Germany," Bloomberg Green, July 15, 2020.

<sup>35</sup> Mindful of the broader consequences of a sovereign debt default and likely aware of the fact that more than 40 percent of all states defaulted on their sovereign loans during the Great Depression (see Carmen M. Reinhart, "Another Nail in the Coffin of Globalization," *Foreign Policy*, April 15, 2020)—and thus deepened it—former UK Prime Minister Gordon Brown and former U.S. Secretary of the Treasury Lawrence Summers have recommended that lenders offer deeply indebted nations a two-year moratorium on payments for any emerging or developing economy that needs help. See Gordon Brown and Lawrence H. Summers, "Debt Relief Is the Most Effective Pandemic Aid," Project Syndicate, April 15, 2020. See also Mo Ibrahim, "No Recovery without Debt Relief," Project Syndicate, July 10, 2020; Joseph E. Stiglitz and Hamid Rashid, "How to Prevent the Looming Sovereign-Debt Crisis," Project Syndicate, July 31, 2020. And global lending institutions, such as the IMF and the World Bank, have joined the chorus. See the IMF, *Fiscal Monitor: Policies for the Recovery* (Washington, DC: IMF, 2020); Vitor Gaspar, Paulo Medas, John Ralyea, and Elif Ture, "Fiscal Policy for an Unprecedented Crisis," IMF Blog, October 14, 2020; but also Tobias Adrian, "A Bridge to Economic Recovery: Be Aware of Financial Stability Risks," IMF Blog, October 13, 2020. For a radical perspective on reforming the global finance system, see Katharina Pistor, "The Debt Predators," Project Syndicate, July 20, 2020.

<sup>36</sup> Zambia announced on September 22, 2020, that it would ask its private bondholders to defer debt service payments for six months. See Joseph Cotterill and Tommy Stubbington, "Zambia Headed for Africa's First Covid-Related Debt Default," *Financial Times*, September 22, 2020.

<sup>37</sup> Presentation by Phill Swagel, Director of the U.S. Congressional Budget Office, to the House of Representatives, Committee on the Budget, "CBO's Current Economic Projections and a Preliminary Look at Federal Deficits and Debt for 2020 and 2021," April 27, 2020.

<sup>38</sup> See Kate Davidson, "U.S. Debt Is Set to Exceed Size of the Economy Next Year, a First Since World War II," Wall Street Journal, September 2, 2020; Jim Tankersley, "Federal Borrowing amid Pandemic Puts U.S. Debt on Path to Exceed World War II," New York Times, September 2, 2020.

<sup>39</sup> IMF, "Methodological and Statistical Appendix—Table A7. Advanced Economies: General Government Gross Debt, 2011-21," in *IMF Fiscal Monitor* (Washington, DC: IMF, 2020).

more raising the specter of another debt crisis in the euro area<sup>40</sup> that, together with the lags in consumer demand and (un)employment crises outlined above, will certainly preoccupy the European Union and its Member States for years to come. They will also likely interfere with the bloc's ability to invest at pre-crisis levels in Africa and other regions around the world—with the many humanitarian, economic, and unwanted migration implications such retrenchment entails. But crushing business and personal debt<sup>41</sup>—and bankruptcies—will also lead to massive, if more targeted, economic damage. Taken together, these effects guarantee that the virus' economic, social, and political pain will be both profound and long.

# 3 COVID-19's Impact on Key Components of Migration and Mobility Systems

When it comes to migration and its close relative, mobility,<sup>42</sup> the evidence during the crisis' first phase (March to May 2020) was clear: COVID-19 stopped almost all movement in its tracks. North American, Australian, and New Zealand borders were shut to nonessential travel, with apprehensions at the U.S. southwest border falling by half between March and April (though rising again by 33 percent in May, 42 percent in June, 25 percent in July, 23 percent in August, and 16 percent in September; see Figure 3).<sup>43</sup> Meanwhile, European external borders all along the Mediterranean, as well as land borders, were also locked down. Frontex and IOM data indicate that illegal border crossings across the Mediterranean dropped by 49 percent between February and March 2020 and were even lower in April, as did land border crossings from Turkey into Greece and Bulgaria.<sup>44</sup> In fact, arrivals of migrants travelling from Turkey to Greece, and from Libya to Italy and Malta, were dramatically lower in March and April, with the latter reduction primarily due to active interventions by the Libyan Coast Guard and the closing of Maltese and Italian ports due to the

<sup>40</sup> Sensitive to the last decade's experience with a debt crisis, the July EU Council agreed to a 750-billion-euro, multi-year COVID-19 recovery fund to be raised from capital markets but guaranteed by EU Member States. Of that, approximately 390 billion euros will be offered to Member States that need it in the form of grants, and 360 billion euros in the form of longer-term loans. (The EU Parliament has not yet approved the Council's Decision.) The effort was spearheaded by German Chancellor Merkel (Germany currently holds the EU rotating presidency) and French President Macron. Significantly, Merkel strenuously and successfully objected to fiscal transfers and the "mutualizing" of legacy debts during the European Union's last debacle over sovereign debts. See *The Economist*, "The EU's Leaders Have Agreed on a €750bn Covid-19 Recovery Package," *The Economist*, July 21, 2020; Matina Stevis-Gridneff, "E.U. Adopts Groundbreaking Stimulus to Fight Coronavirus Recession," *New York Times*, July 22, 2020.

<sup>41</sup> So far, such debt is concentrated on missed payments of home mortgages, at least in the United States.

<sup>42</sup> This reflection uses "migration" to denote movement that is "permanent," or at least longer term, and is regulated by an extensive and highly articulated set of rules. Mobility, on the other hand, can be for varying lengths of time and is typically defined by the person's intended activity, such as temporary work or study/language training, the pursuit of social or cultural interests, and brief business activity or tourism. Some mobility is reciprocity based, but all of it is regulated by laws that focus on its purpose and temporariness (these visitors are termed "nonimmigrants" in U.S. law). Although some of the categories within migration and mobility systems bleed into each other (e.g., when temporary entrants transition to permanent categories, such as through certain types of work or study, or when permanent migrants move to another country (most often back to their countries of origin), the distinction is useful for analytical and regulatory purposes.

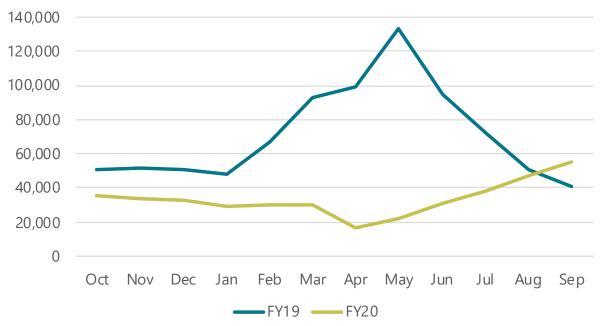
<sup>43</sup> MPI compilation based on U.S. Border Patrol, "Total Illegal Alien Apprehensions by Month," accessed May 20, 2020; U.S. Customs and Border Protection, "Southwest Border Migration FY 2020," updated October 14, 2020. The composition of apprehensions has again become overwhelmingly Mexican in part because of Mexico's cooperation in shutting down Central American migration to the U.S.-Mexico border and the dire economic circumstances Mexico is experiencing.

<sup>44</sup> Frontex, "Detections of Illegal Border-Crossing Statistics," accessed September 4, 2020.

health emergency. April marked an all-time low in illegal border crossings since Frontex began collecting data in 2009.<sup>45</sup>

Crossings, however, have since rebounded and along certain corridors (e.g., the Central Mediterranean) have even exceeded those for January through June 2019,<sup>46</sup> while illegal crossings of the English Channel are increasingly robust. Arrivals in Europe from elsewhere along the Mediterranean, such as Tunisia, Algeria, and Morocco (since March 20, when Morocco instituted strict anti-pandemic measures) were practically halted by the second half of March and through April, although crossings once again picked up in May, and data from IOM and EASO indicate that they have continued to grow through the summer months (see Figure 4), apparently with a notable "twist": in the most recent flows, Libyans and Tunisians have become a dominant group.<sup>47</sup>





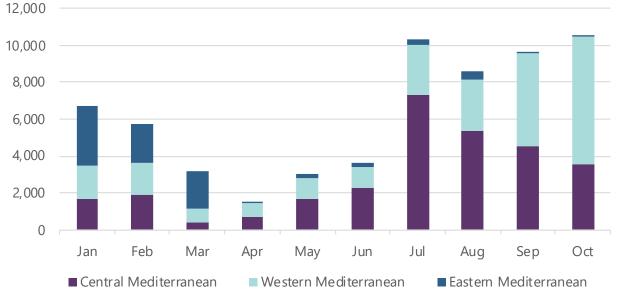
### U.S. Southwest Border Apprehensions, FY19 to FY20

Sources: U.S. Customs and Border Protection, "Southwest Border Migration FY2020," updated October 14, 2020; U.S. Customs and Border Protection, "Southwest Border Migration FY2019," updated November 14, 2020.

<sup>45</sup> Crossings from Turkey to Greece were generally minimal in this period, with the exception of the first two days of March (with respectively 1,011 and 504 crossings), when Turkey was still jostling with and testing the border control resolve of Greece (and, indirectly, the European Union). See Frontex, "Detections of Illegal Border-Crossing Statistics." Greek Government resolve not to allow migrants to cross into Greece has continued (note the miniscule crossings in the Eastern Mediterranean from April to September; see Figure 4), leading to charges by activists and the many nongovernmental organizations that operate in Greece that Greek actions violate the country's international legal obligations. See Patrick Kingsley and Karam Shoumali, "Taking Hard Line, Greece Turns back Migrants by Abandoning Them at Sea," *New York Times*, August 14, 2020.

<sup>46</sup> Frontex, "Detections of Illegal Border-Crossing Statistics."

<sup>47</sup> Predictably, perhaps, the virtual shutting down of cross-Mediterranean flows led to significantly increased activity toward Spain's Canary Islands, which by late August had received more than 4,000 maritime migrants in 2020. See Renata Brito, "Migrants Try to Reach Europe Pushed to Deadly Atlantic," AP News, September 2, 2020.



## FIGURE 4 Recorded Sea Arrivals into the European Union, by Major Migratory Route, January–October 2020

Source: International Organization for Migration (IOM), "Missing Migrants: Tracking Deaths along Migratory Routes—Arrivals by Month," accessed November 2, 2020.

Not surprisingly, travel to and across Europe was also almost entirely suspended; visa and immigration case processing were dramatically curtailed, even paused; refugee resettlement systems froze in place; and only handfuls of asylum adjudications continued in a few countries. Key components of immigration enforcement, such as deportations/returns, also virtually ground to a halt in many countries, though not in the United States, which has continued to return unauthorized immigrants, especially to Mexico, Central America, Haiti, and a few other countries, and has continued to use visa sanctions against most countries that are not cooperating in taking back their nationals.<sup>48</sup>

There is no mystery to the resurgence of illegal crossings and arrivals to Europe. External border pressures were beginning to build again in late April and May 2020, and certainly in June, in parallel with policy conversations about reopening the economy and enacting economic stimuli to jumpstart its demand side. And without a change in policy on illegal crossings, it is not a surprise that flows across the Mediterranean resumed their pre-pandemic patterns, starting with the rescue of migrants in the Central Mediterranean and their delivery to Italian and Maltese ports. Also unsurprisingly—and once more, in the absence of a new (*or any*) policy that is implemented consistently and across the board<sup>49</sup>—so has the unseemly bickering among EU Member States about how to distribute those rescued across the bloc, and the resort to ad hoc agreements among pretty much the same small subset of Member States.

<sup>48</sup> There are 13 countries that the United States classifies as "recalcitrant," but only seven of them are currently being sanctioned: Eritrea, Vietnam, Sierra Leone, Burma, Laos, Burundi, and Pakistan. See Jill H. Wilson, *Immigration: "Recalcitrant" Countries and the Use of Visa Sanctions to Encourage Cooperation with Alien Removals* (Washington, DC: Congressional Research Service, 2020).

<sup>49</sup> The European Commission's long-awaited "migration pact" was released on September 23, but it will not amount to a policy until EU Member States debate it and the Council adopts it—and the EU Parliament, which tilts much more in favor of protecting rights almost above all else, will play a major role in all this. All this probably spells an extended impasse. How close the final pact will be to what has been proposed is anyone's guess, but as with all politically very difficult issues, the end product will likely skew toward harder borders and stronger enforcement of rules. And implementation will be another thing altogether.

In the meantime, the European Union will continue to reveal itself as incapable of agreeing on a policy that balances values with interests and thus begin, to paraphrase the great French philosopher of the Enlightenment, Voltaire, to say (more of) what it means and mean (more of) what is says. Even the most sympathetic observers of the European Project are forced to wonder again whether Brussels will ever get to the point of appreciating how damaging to the Union's self-image and reputation as a well-governed entity (with aspirations of "exporting" its governance model to other world regions) it is to constantly fail to find a way to put Europe's interests at its center while also observing the letter of the rule of law, and finding the will to right-size its rhetoric about values and solidarity. Considering the entry into office of a new Commission in November 2019, and the remarkable budgetary and COVID-19 recovery fund agreements at the July EU Council, it is time to also address the real issue in this policy area: namely, that as long as migrants and their smugglers are "assured" that Europe will open its ports and find case-by-case solutions to the distribution of those rescued, the crossings, the smuggling, and the deaths will continue, and considering the pandemic's effect on livelihoods in Europe's "neighborhood," they are likely to intensify. Predictability of outcomes is a key ingredient of successful—but dignified and rights-respecting—border controls. Accordingly, for the status quo to begin to change at Europe's borders, Europe must demonstrate clearly that the only outcome of illegal crossings is that claims will be adjudicated expeditiously, and that those whose applications are rejected will be removed. Period. The Commission has done what it had to do by proposing the migration pact. And Council President Germany has indicated its willingness to use its political capital and start the necessary conversations. It is now time for the rest of the EU Member States to get serious about the difficult negotiations ahead.

As this reflection goes to print, much of Europe is gradually reopening some of its other immigration channels. Resettlement is restarting, if at a small scale; internal borders have opened up, though with rolling checks and restrictions (reflecting the reality of the very large resurgence of infections in most European countries); visas are beginning to be issued again; and modest international travel from countries with decreasing COVID-19 infection profiles is commencing, if haltingly so. Moreover, persons seeking protection are slowly being admitted and their claims adjudicated. These are rather remarkable milestones, which are not being matched at this time by most of the English-speaking, "traditional" immigration countries of the United States, Canada, Australia, and New Zealand. In fact, the United States has suspended the issuance of several visa classes through the end of 2020, its borders are essentially closed, and U.S. visa processing abroad continues to be mostly suspended.<sup>50</sup>

## A. Reopening Family and Labor Migration Channels?

The relative speed with which some countries rushed to open borders during the summer and early fall whether internal (in the EU case) or external—is remarkable, and both the decision-making procedures and policy "wisdom" deserve (and will inevitably receive) careful study by analysts everywhere. At this point, one must ask whether these decisions were made deliberately, taking all factors into account (most of the Nordic countries and Germany are good examples here), or whether they prioritized the booting up of economies and projection of an image of self-assuredness and openness over other considerations.

<sup>50</sup> For more on U.S. travel and visa restrictions in response to the pandemic, see Sarah Pierce and Jessica Bolter, *Dismantling and Reconstructing the U.S. Immigration System: A Catalog of Changes under the Trump Presidency* (Washington, DC: MPI, 2020), 7–24.

These considerations would presumably have emphasized maintaining the smartest and most effective health protection policies possible and taking into account the effect that lockdown weariness will have on people's behavior. (U.S. President Donald Trump and some U.S. state governors have been preaching from a similar economic recovery hymnal, if only quite irresponsibly so, as persistently high rates of infections and deaths across many U.S. states continue to demonstrate.)

Even when "normality" returns, some components of migration systems in at least a few countries are likely to have been transformed, if somewhat at the margins. It is now clear that many of the countries that opened their economies up quickly are also harvesting untoward pandemic consequences; the new phase of large-scale infection surges in most advanced industrial countries is making this point crystal clear.

And although reopening migration channels will take time and, in most cases, will occur incrementally, policymakers must keep a sharp eye on the broader consequences of restarting migration, and particularly returning to pre-crisis policies on this issue. But even when "normality" returns, some components of migration systems in at least a few countries are likely to have been transformed, if somewhat at the margins.

### **Family Migration**

The reasons some components of family migration may be curtailed, at least for the short-to-medium term (one to four years), will vary across states but are mostly obvious. Many families will worry that they might not be able to afford being financially responsible for relatives they might sponsor. That understandable anxiety will likely be reinforced by concerns that many newcomers may not be able to find jobs, possibly for extended periods, and will thus add to the economic stress that many would-be sponsors already face. The United States, for example, is thought to have experienced a slight drop in overall immigration *petitions* (focused primarily but not exclusively on economic/labor market categories)<sup>51</sup> and measurable emigration (particularly among Mexican nationals)<sup>52</sup> during the height of the Great Recession. And emigration rates from countries that were hit worst by the fiscal and youth unemployment crises during the Great Recession, such as Portugal, Spain, Greece, and Ireland, experienced significant and long-term increases.<sup>53</sup> Moreover,

<sup>51</sup> With the exception of petitions for higher-skilled temporary workers, which are published, the U.S. government did not start to report *petitions* for family reunification until 2017. As a result, the only available data are for *admissions*—which do not indicate a dip, not even during the Great Recession. The most likely reasons for the absence of such a numerical dip appear to be the deep backlogs in family categories and typical administrative delays in completing admission applications.

<sup>52</sup> Once more, the U.S. government does not keep statistics on immigrants who leave the United States by country of origin. However, there are some indirect estimates that use residual methods of estimation and data from various Mexican studies and censuses. See the results from the 2014 Mexico National Survey of Demographic Dynamics (ENADID), which found that 61 percent of respondents cited family reunification as the reason for their return. Nonetheless, such estimates are not really capable of distinguishing among the various reasons for returning to Mexico. (The majority of returns were, and are, directly or indirectly the result of various forms of enforcement actions by U.S. authorities.) See Ana Gonzalez-Barrera, "More Mexicans Leaving than Coming to the U.S.," Pew Research Center, November 19, 2015; Mark Leach and Eric Jensen, "Estimating Foreign-Born Emigration from the United States Using Data from the American Community Survey" (paper presented at the Federal Committee on Statistical Methodology Research Conference, Washington, DC, November 4–6, 2013).

<sup>53</sup> For a discussion, see Demetrios G. Papademetriou, *Rethinking Emigration: Turning Challenges into Opportunities* (Washington, DC: MPI, 2015); David Justino, *Emigration from Portugal: Old Wine in New Bottles?* (Washington, DC: MPI, 2016); Jennifer Cavounidis, *The Changing Face of Emigration: Harnessing the Potential of the New Greek Diaspora* (Washington, DC: MPI, 2015); Irial Glynn, Tomás Kelly, and Piaras Mac Éinrí, *The Re-Emergence of Emigration from Ireland: New Trends in an Old Story* (Washington, DC: MPI, 2015); Joaquín Arango, *Spain: New Emigration Policies Needed for an Emerging Diaspora* (Washington, DC: MPI, 2015).

concerns about the cost of health and welfare services' use by newcomers in the midst of a fiscal crisis may lead some governments to delay or even suspend reunification for all but the closest relatives of their citizens and permanent residents, *and* to enforce more vigorously the requirement that exists in many immigration systems that sponsors both demonstrate their ability to support the family members they sponsor and, in fact, be financially responsible for them if they access certain public benefits.

## Health and Other Highly Trained Workers

The time lag between restarting economies and working through the long lines of un- and underemployed workers virtually guarantees that there will be a re-examination of the "need" for certain categories of foreign workers, at least until unemployment rates become more manageable and concerns about backlash from citizens and permanent residents abate. In the United States, for example, the Trump administration issued a proclamation suspending the entry of certain categories of temporary foreign workers and their families until the end of 2020, citing concerns about competition for jobs during the economic downturn.<sup>54</sup> The ban includes entrants in several higher-skilled categories, creating a boon for Canada, which has been offering visas to many of them, as well as to those who might be in danger of not having their work visas renewed, even if they are unable to travel to Canada at this time.<sup>55</sup>

However, considering the scale of the health emergency and the vital importance of high-quality medical and related research—and despite economic pain the crisis has inflicted—one might expect exemptions for doctors and other specialized health workers,<sup>56</sup> as well as other highly educated and trained research professionals, especially in the STEM fields. And indeed, the Trump administration's pause in the admission of certain foreign-born professionals may be even more notable for the large number of exemptions from the ban, including all of the categories identified here as well as a very broad reference to "waivers in the national interest."<sup>57</sup> This provision includes foreign workers entering the country to work in defense and national security, law enforcement, medical research and services, workers who are essential to the food industry, and those deemed necessary for the economic recovery.

<sup>54</sup> MPI estimates that this policy could prevent the admission of approximately 167,000 temporary foreign workers and their dependents who would have entered the United States for the first time between July and December 2020. (This number is based on the relevant categories that were admitted in the same period in 2019.) See Post by Michelle Mittelstadt, MPI Director of Communications, on Twitter, June 22, 2020. Unsurprisingly, the move was opposed by business leaders, the tech sector, and proimmigration advocacy groups. See Michael D. Shear and Miriam Jordan, "Trump Suspends Visas Allowing Hundreds of Thousands of Foreigners to Work in the U.S.," New York Times, June 22, 2020; The Economist, "More Bricks in the Wall: Highly Skilled Migrants Are No Longer Welcome in America. Maybe," The Economist, June 23, 2020.

<sup>55</sup> Andrew Edgecliffe-Johnson, "US Companies Say Visa Rules Are Jobs Boon for Canada," *Financial Times*, June 26, 2020; The Editorial Board, "Globe Editorial: Dear Donald: Thanks for the New Immigration Wall. Love, Canada," *The Globe and Mail*, June 29, 2020; author's regular conversations with Canadian government officials, 2020.

<sup>56</sup> A bill that would have allocated up to 40,000 visas for foreign-born and trained doctors, well-qualified nurses, and related medical personnel was introduced in the U.S. Senate in April but has not been acted upon. See *Healthcare Workforce Resilience Act*, S 3599 116th Cong., 2nd sess., April 2020. Moreover, the U.S. Department of Homeland Security has loosened some of the requirements for foreign doctors on temporary work visas assigned to specified "medically underserved" rural communities so that they may practice telemedicine and even provide care outside their approved locations during the health emergency. See memorandum from USCIS, *Temporary Policy Changes for Certain Foreign Medical Graduates During the COVID-19 National Emergency*, May 11, 2020.

<sup>57</sup> The reaction to the executive order *and* the White House's massive exemptions are evidence of the Trump administration's attempt to walk the finest of lines between the president's many supporters who have been demanding that he honor his promise to cut immigration and those in the administration who wanted the proclamation to have enough "wiggle room" to admit needed workers.

## **Foreign Students**

Inevitably, foreign students will also be exempt on the grounds that they are an economic lifeline for higher education systems throughout the world. In the largest part, this is because many of them are exceptional enough to meet the admissions criteria of some of the world's best universities, but even more so because they and/or their governments pay full tuition and board,<sup>58</sup> in some ways subsidizing the tuition costs of

domestic students; local economies also benefit greatly from their living expenditures. Foreign students are also highly valued as prospective permanent immigrants because they meet, *prima facie*, the education *and integration* requirements (e.g., language skills and presumably cultural adaptability) of the receiving society.

Foreign students are also highly valued as prospective permanent immigrants because they meet, prima facie, the education and integration requirements.

On the other side of the same coin, however, foreign students studying at and graduating from universities in advanced economies offer powerful "cultural diplomacy" benefits by being important transmitters of social, cultural, and political remittances from the society where they studied to their origin countries, should they return. These benefits have received far less attention as foreign graduates have become the "lowest-hanging fruit" in immigration systems seeking to attract skilled workers. Simultaneously, students who have studied abroad and have been recruited as immigrants there serve as "insurance" for their immediate family should the political circumstances at home change and they need a quick access to "refuge"; the changed circumstances in Hong Kong are a case in point.

Once more, the Trump administration's pandemic response has somewhat bucked this trend by attempting to require foreign students to attend a minimum of one in-person class in the Fall 2020 semester (rather than a fully virtual course load) or lose their visa status and be forced to return to their origin countries. However, some of the country's best-known universities sued the administration, and it rescinded the order.<sup>59</sup> And once more, Canada has stepped in to present prospective international students with a lifeline by offering them online study opportunities *and* a promise to count this period of study toward post-graduation work permits if half of their program is completed in Canada.<sup>60</sup>

## **Agricultural Workers**

Concerns about securing an adequate supply of food during and after the pandemic have prompted many countries to make exemptions to migration restrictions for seasonal (and probably some year-round, albeit still temporary) foreign workers in such vital and time-sensitive food production sectors as perishable-crop

<sup>58</sup> The business of attracting foreign students has been flourishing everywhere, with lower ranked schools (and for-profit "diploma mills") increasing their outreach to, and matriculation, of such students.

<sup>59</sup> This decision appears to have had little other basis than to pressure U.S. universities to open and offer some in-person classes as part of Mr. Trump's predictably determined push to force school systems at all levels to open up to in-person instruction.

<sup>60</sup> See Julie Gordon, "Canada Tweaks Rules to Help Foreign Students Enroll amid COVID-19 Restrictions," Reuters, July 14, 2020. This policy adjustment contrasts sharply with the direction of U.S. policy, which is considering discouraging and might even restrict the access foreign graduates from U.S. schools have to the U.S. Optional Practical Training (OPT) program, which allows graduates to work in the United States for between one and three years.

agriculture,<sup>61</sup> as well as the livestock and dairy sectors. These are industries that have long been abandoned by local residents because the jobs they offer are overwhelmingly seasonal, often require workers to "follow the crops" as they mature at different times across states and regions, entail a substantial amount of training and skill (despite their typical designation as low or unskilled jobs), and are physically very taxing. They are also socially unattractive and poorly paid. As a result, in virtually all wealthy *and* many middle-income countries, most jobs in these sectors are simply not done by local workers.

It is interesting to note, however, that there is some emerging, though still mostly anecdotal, evidence in several wealthy countries—from France and the United Kingdom, to Italy and Spain—that the gravity of the current economic pain may be encouraging some unemployed local workers to try their hand at agricultural work. And the longer the economic pain, the stronger that "incentive" may become. It is too early to tell whether these initial examples will take root, especially in light of the failure of earlier efforts (e.g., during the height of the Great Recession) to draw local workers to such positions. However, given the extent of the economic damage and its likely long duration, and if governments and employers design smart incentive programs,<sup>62</sup> it is a development worth watching<sup>63</sup>—although skepticism is certainly warranted.<sup>64</sup> Other factors are also likely to be at play here, especially the fact that large numbers of lower-wage and undesirable jobs in other sectors will simply not return, possibly spurring some of these workers to turn to agricultural work.

Government policy can also help here, both by providing disincentives for people to remain on unemployment assistance longer than necessary (by reviewing such assistance very regularly) and by offering financial inducements to people who take *and retain* such jobs. And from the side of the employer, their worker needs may even lead some to gradually recalibrate the "quality," and hence attractiveness, of some of these jobs, their compensation (which will depend in large part on the willingness and ability of consumers to pay more, a double-edged sword in the post-pandemic economic environment), and the often fraught power relationship between farmers and their workers.

<sup>61</sup> The importance of this sector is recognized by governments across the board—from the Nordic countries and the rest of Europe to the United States, Australia, and Canada. And policy responses have been imaginative. For instance, Australia extended work visas for temporary workers whose permission to remain in the country is expiring—a simple solution that has been widely emulated. German farmers have been allowed to airlift farmworkers from Romania and Bulgaria, two traditional recruitment areas, to Germany. And the Canadian government is reimbursing its farmers 1,500 Canadian dollars for each foreign worker under quarantine. (Quarantines have become fairly common for such new workers across the board, but COVID-19 infections have nonetheless bedeviled the sector in North America, especially Florida and Ontario but in other locations as well.) See Australian Department of Home Affairs, "Coronavirus and Temporary Visa Holders" (news release, April 4, 2020); Agriculture and Agri-Food Canada, "Mandatory Isolation Support for Temporary Foreign Workers Program: Step 1. What This Program Offers," updated August 31, 2020; Melissa Eddy, "Farm Workers Airlifted into Germany Provide Solutions and Pose New Risks," *New York Times*, May 18, 2020.

<sup>62</sup> These might include bonuses and benefit packages not regularly available to seasonal workers, greater productivity, job retention and profit-sharing incentives, health insurance, deeply subsidized housing, and similar inducements. See also AgAmerica, "Agricultural Resources," accessed June 30, 2020.

<sup>63</sup> Rethinking which jobs must be done by workers rather than machines will also help. For instance, some weeding, a back-breaking task that requires both skill and dexterity (in distinguishing weeds from the emerging seeds), can now be done by programmable machines that use wireless sensors, AI, and advanced robotics. The machines are very expensive, but manufacturers offer short leases that may make their use more affordable. See AgAmerica, "Agricultural Resources."

<sup>64</sup> There are occasional reports of Italian, Spanish, French, German, or British workers applying for such jobs. How many will show up at the farm and, more important, how long they will stay, however, is very unclear. See *Financial Times* Editorial Board, "How to Move Workers on to the Land," *Financial Times*, May 4, 2020.

## **B.** Reopening Humanitarian Migration Channels?

Family and various forms of labor migration are not the only migration channels affected by the COVID-19 pandemic and its economic consequences. Of concern to many will be the crisis' immediate and longerterm impact on humanitarian protection systems. Although some modest refugee resettlement is restarting, however slowly, it will take time for operations to fully gear up, especially in a scenario of a large second and subsequent waves of the virus during the fall and winter months and a lengthy suspension of protection opportunities that weakens the infrastructure required to vet, select, admit, and help integrate refugees. (This is particularly relevant in countries where some of these functions are carried out by nonprofit community service providers and resettlement agencies, some of which may have had to release some of their workers.) Moreover, accepting substantial numbers of refugees, almost regardless of whether it is the government or "private" sponsors<sup>65</sup> that are initially responsible for supporting them, will require resources that are likely to be scarce in the midst of a severe fiscal crisis and persistently high unemployment. Such admissions may also prove unpopular among the broader public.<sup>66</sup>

An even more difficult and contentious issue, however, may be the protection of non-Convention refugees. Lifting restrictions on access to a country's territory for "spontaneous"<sup>67</sup> migrants, and resuming the processing of their asylum claims, is likely to be contentious for many publics.<sup>68</sup> In fact, many countries

<sup>65</sup> Private sponsorship typically requires sponsors to bear some level of financial responsibility for the sponsored refugee, although typically only during their first year in the destination country. The post-first-year "socialization" of costs, whereby the costs of refugee settlement shift from individual or community sponsors to the public purse, may become an unexpected (and unwelcome) political issue in an environment of severe budget cuts, increasing tax burdens, and slow and protracted recoveries. It is important to note, however, that some well-constructed evaluations, admittedly undertaken during vastly different times, suggest that while some financial responsibility for sponsored refugees may eventually transfer to the state, sponsored refugees on the whole tend to experience relatively fast labor market integration. Research from Canada, for example, has found that privately sponsored refugees have higher employment rates and earnings than those resettled by the government, both immediately after arrival and over time. As one might expect, the benefits are highest for those without a secondary degree. See Lisa Kaida, Feng Hou, and Max Stick, "The Long-Term Economic Outcomes of Refugee Private Sponsorship" (Analytical Studies Branch Research Papers Series, Statistics Canada, Ottawa, January 13, 2020). See also the body of work of MPI's Susan Fratzke, particularly Susan Fratzke et al., *Refugee Sponsorship Programs: A Global State of Play and Opportunities for Investment* (Brussels: MPI Europe, 2019).

<sup>66</sup> Many progressive activists are unlikely to be daunted by the costs to the public purse associated with refugee resettlement and generous asylum policies during the depth of the economic and fiscal abyss. For them, values, international obligations, and a treasured vision of a caring and compassionate society—a vision shared by most of society during normal times—are likely to continue to be of utmost importance. Economic and certain other policy considerations, such as maintaining support for such policies among the broader public, are likely to be of secondary consideration.

<sup>67</sup> This is a commonly used euphemism to refer to the mixed flows of persons who reach a territory and ask for asylum. Large proportions of the claimants have unfounded claims, yet states have an obligation to examine every claim—an obligation that is increasingly questioned by many publics and that is spilling over to the broader refugee protection regime. See Nicolas Boyon and Kate Silverstein, "World Refugee Day 2020: How Attitudes toward Refugees Have Changed Since the COVID-19 Outbreak," Ipsos, June 18, 2020.

<sup>68</sup> Asylum applicants can generate greater skepticism among the general public because of the manner in which they (attempt to) enter a country. As a result, much of the public's sympathy ebbs and flows with the volume of entries, and particularly the perception of a loss of control. The EU Member States that refuse to participate in the various relocation schemes for rescued migrants proposed by the Commission or ad hoc groupings of Member States certainly are concerned about this sense of loss of control, although broader "illiberal" ideas that focus on the changes that immigration across the board brings are at the forefront in some states. See Demetrios G. Papademetriou, Kate Hooper, and Meghan Benton, *In Search of a New Equilibrium: Immigration Policymaking in the Newest Age of Nativist Populism* (Washington, DC: MPI, 2018). Across the Atlantic, a 2018 *More in Common* report found that 51 percent of Americans believed immigration was good for the country, though many also worry about the United States being able to control its borders. See Stephen Hawkins, Daniel Yudkin, Míriam Juan-Torres, and Tim Dixon, *Hidden Tribes: A Study of America's Polarized Landscape* (New York: More In Common, 2018), 60–61.

have curtailed asylum, whether by enacting policies to directly block or turn back asylum seekers,<sup>69</sup> or by imposing broad travel bans that, together with border restrictions that many transit countries impose, produce similar results.<sup>70</sup> And as the brutal economic consequences of the pandemic settle in, and the effects become more obvious, it is unclear when restrictions on asylum will be rolled back fully. Indeed, more than 70 countries still had their borders closed as of early October 2020. Nonetheless, several European countries have begun to resume some asylum determination operations, though they handle claims somewhat differently. Sweden, Norway, and the Netherlands, among others, started interviewing some asylum applicants remotely by April. Other countries are allowing initial applications to be made in writing only or by appointment (e.g., Belgium) and have added extra safety measures to their facilities, such as plexiglass partitions. And although some in-person interviewing has resumed in some countries, many asylum agencies are also using videoconferencing technology to do remote interviews when possible (e.g., Germany, Belgium, the Netherlands).<sup>71</sup>

# 4 Peering around the Corner: Radical Transformation or a Continuation of Pre-Pandemic Migration Practices?

Even prior to the COVID-19 pandemic, there were obvious fissures in public support for certain forms of immigration in some countries. Specifically, immigration debates had been distorted by the extreme political polarization and contentiousness that characterizes many politically thorny issues, with activists on both sides of the subject becoming increasingly unyielding, even militant, in their positions.<sup>72</sup> The resulting discord had been making common-sense policies on immigration increasingly difficult, thus leaving both governments and publics deeply divided on how best to proceed.

<sup>69</sup> In the United States, for instance, the Trump administration has invoked health protocols that allow it to return swiftly people crossing the border from Mexico (or Canada) without authorization (a presidential power that dates back to 1944), and postponing asylum hearings. See Muzaffar Chishti and Jessica Bolter, "Interlocking Set of Trump Administration Policies at the U.S.-Mexico Border Bars Virtually All from Asylum," *Migration Information Source*, February 27, 2020; Demetrios G. Papademetriou, "Sovereignty and Deep Bilateral and Regional Cooperation as Two Sides of the Same Coin: Navigating the New Realities in the U.S.-Mexico Relationship to Mutual Advantage," in Axel Cabrera, ed., *Mexico and Central America: A Delayed Encounter* (Mexico City: Consejo Mexicano de Asuntos Internacionales, 2020); CDC, "Notice of Order under Sections 362 and 365 of the Public Health Service Act Suspending Introduction of Certain Persons from Countries Where a Communicable Disease Exists," Federal Register 85, no. 59 (March 26, 2020): 17060. Several EU Member States did likewise during the height of the health emergency, while Greece, with the overt support of the heads of all three of Brussel's EU institutions, turned back migrants attempting to enter the country in late February and early March 2020 (and by many accounts continues to do so), and Australia has long operated a policy of intercepting and turning back unauthorized migrants' boats. See Erol Yayboke and Joseph S. Bermudez Jr., "Seeking a Path to Europe, Refugees and Migrants Ultimately Turned Back by Covid-19" (commentary, Center for Strategic and International Studies, April 2, 2020); Patrick Kingsley and Karam Shoumali, "Taking Hard Line, Greece Turns Back Migrants by Abandoning Them at Sea," *New York Times*, August 14, 2020.

<sup>70</sup> The European Asylum Support Office (EASO) reported that EU and EFTA states received the lowest number of asylum applications since 2008 in April 2020, reflecting the widespread travel restrictions and border closures enacted across the bloc. As Europe reopens, EASO correctly anticipated renewed arrivals of asylum seekers, especially as COVID-19 takes hold in low-income countries. In fact, several boats with rescued migrants were allowed to land in Italy in June, and the flows have increased, leading Italy and an ad hoc group of EU Member States to return to the pre-pandemic de facto policy of distributing rescued migrants among themselves. See EASO, "Record Low Number of Asylum Applications Lodged in EU" (news release, June 11, 2020).

<sup>71</sup> EASO, "COVID-19 Emergency Measures in Asylum and Reception Systems" (issue brief no. 2, EASO, Valletta, July 15, 2020).

<sup>72</sup> For a discussion on how this very inflexibility played out with regard to the challenges the United States faced at its southern border with Mexico in 2018 and 2019, see Papademetriou, "Sovereignty and Deep Bilateral and Regional Cooperation"; Pierce and Bolter, *Dismantling and Reconstructing the U.S. Immigration System*.

On border enforcement, for instance, the conversation even prior to pandemic-related restrictions was often hollowed out into two stylized camps—"open" versus "closed" borders—making it far harder to achieve consensus on how to manage who should be allowed to enter and stay in a country, or the importance of treating would-be migrants in a fair and dignified manner that constantly balances values and principles, on one hand, with national interests on the other (such as social order, the promotion of labor market opportunities and protection of the wages and working conditions of existing workers, and domestic security broadly defined)—as it were, the Wilsonian ideal with the realism of Theodore Roosevelt.<sup>73</sup> Broader commitments to openness (on issues ranging from investing in commercial and production activities across borders and free but fair trade, to human rights and respect for various forms of legal immigration, such as immediate family [re-]unification and citizenship rights and rules), as well as legal commitments to protection, were also becoming enfeebled.

With many governments having to tackle often large-scale and persistent mixed-migration flows in recent years, these tensions and the arguments about governments' commitment to, and effectiveness in, controlling illegal immigration and maintaining the integrity of immigration systems gained in political prominence and made already complex policy decisions even more so. A telling example of how quickly and thoroughly persistent illegal border crossings can swing public opinion and

These tensions and the arguments about governments' commitment to, and effectiveness in, controlling illegal immigration and maintaining the integrity of immigration systems gained in political prominence and made already complex policy decisions even more so.

elicit a sweeping public policy response can be seen in the response of Canada, which arguably has one of the most immigration- and protection-friendly governments (and societies) in the world, to the sharp rise in fraudulent asylum seekers (many of them Nigerians who in 2017 and 2018 were entering the United States on tourist visas and then crossing into Canada and applying for asylum).<sup>74</sup> Specifically, on July 18, 2018, the Canadian government appointed former Toronto police chief Bill Blair to the newly created role of Minister of Border Security and Organized Crime Reduction, with a mandate to tackle illegal immigration across the U.S.-Canadian border.<sup>75</sup> Sweden, another exemplar of a country committed to international protection principles, also adopted a much tougher stance, at least rhetorically, when it received more than 160,000 asylum seekers in 2015<sup>76</sup> and is once more engaged in a political row involving the tightening of asylum laws.<sup>77</sup>

<sup>73</sup> The equilibrium point between the two is always dynamic, as both challenges and opportunities typically change with the context of each incident or occasion. See also Henry Kissinger, *World Order* (New York: Penguin Books, 2014).

<sup>74</sup> Selena Ross, "Nigerians Are Walking into Canada, Prompting Request for U.S. to Take Action," Washington Post, April 28, 2018; Immigration and Refugee Board of Canada, "Refugee Protection Claims Made by Irregular Border Crossers, Top 10 Countries of Alleged Persecution – February 2017 to June 2020," accessed October 6, 2020.

<sup>75</sup> Since the 2019 election, this role has laid dormant, in large part because the numbers and composition of border crossers have changed dramatically. Bill Blair now serves as Minister of Public Safety and Emergency Preparedness (where responsibility for border security has long resided). See Michelle Carbert, "Former Toronto Police Chief Bill Blair Takes Charge of Canada's Borders," *The Globe and Mail*, July 18, 2018; Anna Mehler Paperny, "Canada's Trudeau, Facing Criticism, Appoints Border Security Minister," Reuters, July 18, 2018. Also see Papademetriou, Hooper, and Benton, *In Search of a New Equilibrium*, 21.

<sup>76</sup> Swedish Migration Agency, "Applications for Asylum Received, 2015" (dataset, January 1, 2016).

<sup>77</sup> Charlie Duxbury, "Government Divisions Add to Corona-Ravaged Sweden's Woes," Politico, July 5, 2020; Jesper Bengtsson, "Sweden's Never-Ending Debate on Migration," *International Politics and Society*, September 10, 2020.

# Balancing Acts: Managing Both COVID-19 and Its Economic Consequences

These fissures, which already made immigration policymaking a fraught task in many countries, will likely only be deepened by the current crisis as the economic, job, and fiscal challenges that are already upon most countries gradually replace the health crisis as the prime policy and political target (see Box 3). And indeed, the overwhelming majority of states and subnational jurisdictions have already shifted their attention from an exclusive focus on saving lives to managing health risks *and* preserving livelihoods. However, in some countries, such as the United States and many of its subnational jurisdictions, the emphasis seems to have become simply restarting the economy at all costs, with completely predictable results.<sup>78</sup> With more countries unlocking their economies, the colossal scale of the task is coming into full relief: trying to *safely* get businesses back on line, people back to work, children back to school, health systems primed for the inevitable (and indeed occurring) resurgences of the virus (possibly even the much feared "second wave"), and budgets and public spending into some semblance of order.

## BOX 3

Countries' Use of Fiscal and Monetary Policy in Response to the Crisis

The United States has committed about than U.S. \$6 trillion to shoring up businesses, jobs, and the broader economy, almost half of that through its central bank, the Federal Reserve, which ensures liquidity by pumping ever more money into the economy and even dramatically revising its inflation targets. The European Central Bank has also doubled its stimulus package to 1.5 trillion euros and has indicated its willingness to do more. It has also strongly urged the Union to use fiscal policy to assist efforts to pull out of the COVID-19 recession—which the July EU Council did. The chairman of the U.S. Federal Reserve is making similar pleas, although, so far, they seem to be falling on deaf ears. Wealthy and not-so-wealthy countries everywhere have also enacted massive emergency rescue packages. Japan, for example, has committed nearly U.S. \$1.4 trillion to the effort, while Germany, France, and other wealthy EU Member States have committed trillions more, both individually and through the European Union. The United Kingdom, non-EU European states, Canada, and many other countries have also dedicated massive amounts to the fight against the virus and its economic consequences.

And more emergency funding is constantly being made available, focusing increasingly on stimulating the economy by subsidizing consumer demand. China, Spain, Germany, France, the United Kingdom, Canada, and others have already committed large sums toward this goal. In the United States, the Democratic Party proposed allocating an additional U.S. \$3 trillion to the effort (now trimmed to a bit more than U.S. \$2 trillion), but the Republican-controlled Senate and, to a more limited extent, the Trump administration disagree both with the amount and, more to the point, the proposed allocation of the

<sup>78</sup> In the United States, some subnational jurisdictions were so eager to restart their economies, typically without requiring that people take the necessary precautions, that large-scale surges in infections, rates of hospitalizations, and deaths predictably ensued. Most U.S. states experienced strong surges in infections, and a number of southern and western states became the virus' new epicenters in late June and July, forcing their governors, many of whom had been almost defiant in their refusal to mandate common-sense personal protective measures, to put such measures in place, in addition to rolling back in targeted ways the evidently premature opening of many economic activities. Predictably, new virus hot spots are emerging all the time, most recently in the Midwest.

## BOX 3 (cont.) Countries' Use of Fiscal and Monetary Policy in Response to the Crisis

funds. Particular sticking points are how much federal aid states should get, and for which purposes, as well as how much and for how long to extend the weekly augmentation of unemployment benefits,

which expired at the end of July—a policy that many Republicans consider a disincentive for returning to work. Unsurprisingly, the president partially extended benefits unilaterally, though the legality of his action appears to be questionable.

Across the wealthy north, substantial shares of emergency rescue funds have gone to protecting wages *and* jobs. In the United States, this goal is pursued through the Paycheck Protection Program, or PPP, while in Europe and Canada, the funds support jobs by subsidizing wages directly. This policy is based on Germany's *Kurzarbeit* initiative, which is thought to have worked well in Europe during the height of the Great Recession and, so far, during the current crisis. In most European states, such subsidies typically stand at 60 percent of wages, though Ireland has supported up to 80 percent. And many countries are already extending wage subsidies, and their small business protection programs, to the end of 2020.

But many workers are not eligible for such support. In much of Europe, workers on short-term contracts and other contingent workers, most of whom are young, and those working in the underground economy are typically not protected. (It took the better part of a decade for the EU Member States hardest hit by the bank and sovereign debt crises that followed the Great Recession—Portugal, Spain, Ireland, and Greece—to tame youth unemployment.) In the United States, unprotected groups include unauthorized immigrant workers, some part-time and gig economy workers (a group that was not initially but has now been mostly made eligible for support), and workers for whom employers are not required to contribute to unemployment insurance (e.g., most farmers) or otherwise do not do so (e.g., those that employ workers "off-the-books" and/or are otherwise engaged in underground economic activities).

The precise policy targets aside, the amounts that governments have committed to tackle COVID-19 and its economic effects are huge. So are the resulting fiscal deficits, which will have enormous consequences in the years ahead—particularly in terms of extended periods of unemployment, especially for younger workers who have not had a chance to secure a permanent job and older workers, who will find it difficult to re-enter the labor market—two groups that suffered for extended periods of time following the Great Recession of the late 2000s. Deficits may also affect the ability of some governments to invest in their broader social (including health) and physical infrastructure, as well as in reducing the prospects for and incidence of social unrest. This will be particularly problematic for countries that have barely had a chance to catch their breath after the last fiscal and economic crisis.

Sources: James Mackintosh, "A Flexible Fed Means Higher Inflation," *Wall Street Journal*, August 31, 2020; Nick Timiraos, "Fed Weighs Abandoning Pre-Emptive Rate Moves to Curb Inflation," *Wall Street Journal*, August 2, 2020; European Central Bank Governing Council, "Review of Financial, Economic and Monetary Developments and Policy Options" (account from a monetary policy meeting, Frankfurt am Main, July 15–16, 2020); *Japan Times*, "Japan's Emergency Stimulus Reaches 1.17 Trillion as Virus Crisis Deepens," *Japan Times*, April 20, 2020; Reuters, "Japan Set to Announce Coronavirus Emergency, Finalise \$1.4 Trillion Stimulus," *The Straits Times*, April 7, 2020; AFP, "German Government to Guarantee 100 Percent of Loans to Smaller Firms in Coronavirus Aid Package," The Local, April 6, 2020; Robin Emmott and Jan Strupczewski, "EU Lays out Trillion Euro Escape Route from Coronavirus Pandemic," Reuters, April 23, 2020; Matina Stevis-Gridneff, "E.U. Adopts Groundbreaking Stimulus to Fight Coronavirus Recession," *New York Times*, July 20, 2020; Benoît Morenne, "In France, the Young Lose Their Jobs to Coronavirus," *Wall Street Journal*, August 31, 2020; Eurostat, "Youth Unemployment," updated May 25, 2020; Jonathan Cheng, "China's Attempts to Spur Consumption Show Signs of Working," *Wall Street Journal*, August 31, 2020.

Jobs, public finances, and ballooning business and family debt, however, are not the only casualties of the current crisis. Of great concern is also how to protect the bonds of social solidarity the pandemic seems to have cultivated in many places. And perhaps the biggest question from a societal perspective is whether, as the crises that COVID-19 has created drag on, we will have the bouts of "beggar-thy-neighbor" public and personal behaviors that contributed to making the Great Depression of the late 1920s and early 1930s such a deep and long-lasting one.

Most of us have only a general sense of that period. Very few experienced it first hand, and reading about or seeing pictures of it is not nearly enough to give a real sense of the economic pain and disorientation, let alone the breadth and depth of the personal and family devastation, it generated. And for many of us, some of the socio- and geopolitical lessons from that era, particularly its political byproducts in Europe, Asia, and elsewhere—in the form of the rise of Hitler's viral national socialism and Japan's resurgent and brutal imperialism, the march of fascism in so many countries, and the consequent conflagration of the Second World War—may be something from another time with no obvious applications to our reality. And it may well be so. But given that nearly a century has passed, it is understandable that many of us will not have focused on the extraordinary amounts of political imagination, will, leadership, *and collective effort* it took to enact and implement the New Deal and associated policies in the United States, including the massive public works program, and pull the country out of the Great Depression—or how it was done and the fact that it took nearly a decade (*and arguably a world war*) to do so.

It is impossible to overstate, or calculate with precision, the scale of the economic retrenchment and the widespread scarcities the pandemic has already created as the full effect of the economic damage is still unfolding. The devastation is already affecting access to credit, particularly for smaller and minority-owned businesses, and possibly even the global food supply,<sup>79</sup> while its effects on jobs and demand for products and services are already evident, if at times seemingly contradictory. And concerns will continue to pile on. They will likely include the availability of and access to public benefits—and goods—of many kinds at levels similar to those before the crisis; the fiscal consequences of indebtedness resulting from the mammoth

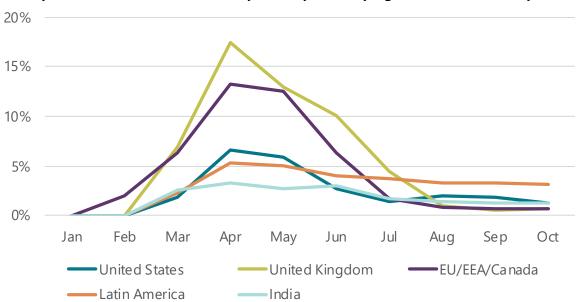
It is impossible to overstate, or calculate with precision, the scale of the economic retrenchment and the widespread scarcities the pandemic has already created as the full effect of the economic damage is still unfolding. emergency allocations during the pandemic's first and subsequent phases;<sup>80</sup> whether and for how long the emergency rescue packages will continue; the cost and effectiveness of the economic stimulus measures most countries have been enacting; and perhaps most consequentially, the effects of subsequent phases of the crisis on social solidarity and community cohesion.

<sup>79</sup> On April 22, the World Food Programme released its 2020 annual report and issued a warning about growing food insecurity and the risk of famine of "biblical proportions" in 2021. Yemen, South Sudan, and Afghanistan were identified as having the highest proportions of food insecure people, but East Africa, which faces an enormous locust infestation in addition to the effects of the pandemic, could also plunge into famine. See World Food Programme, "WFP Chief Warns of Hunger Pandemic as COVID-19 Spreads (Statement to UN Security Council)" (news release, April 21, 2020).

<sup>80</sup> At least the level of coordination between the fiscal and monetary sides of government has been exemplary, possibly as a result of lessons learned from previous crises.

How realistic these apprehensions prove to be will begin to be tested in real time as the number of new infections continue to rise briskly, although deaths have been rising at lower rates than earlier in the year across much of the wealthy world (see Figure 1).<sup>81</sup> The reasons for this include the fact that most new infections in these countries are among younger (and thus generally healthier) people, treatments and anti-viral drugs that reduce the intensity of the infection are coming on line, hospitals have had a chance to resupply themselves, and understanding of which prophylactic measures work better (e.g., self-isolation and quarantines, personal hygiene, face coverings, and social distancing) and which do not (e.g., temperature taking) is constantly improving.<sup>82</sup> These "gains" among the wealthier countries contrast starkly with the only slightly reduced death rates in such states as India and the many Latin American countries that were responsible for the bulk of the deaths worldwide in recent months (see Figure 5). And infection rates have been rising once again in many places, particularly as lockdowns are lifted, many students of all ages return to schools (see Box 4), and travel, however limited, resumes.

#### FIGURE 5

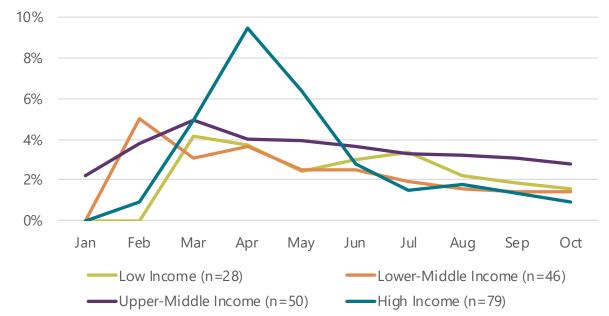


Monthly Death Rates from COVID-19, by Country or Grouping of Countries, January–October 2020

Notes: Latin America includes Mexico and Central and South American countries, but excludes the Caribbean. The death rates shown in this figure describe the ratio between confirmed deaths and confirmed cases of COVID-19. Source: Our World in Data, "Coronavirus Pandemic (COVID-19)."

<sup>81</sup> This is an important point in that the ability to make such distinctions relies on robust data systems *and* the accurate reporting of COVID-19 infections and deaths. Of course, the more successful COVID-19 responses are clearly the result of early and comprehensive measures of containment, mostly disciplined publics with high levels of social trust, steady and trusted political leadership, and strong and well-equipped health infrastructures.

<sup>82</sup> See CDC, "Federal Government Adjusts COVID-19 Entry Strategy for International Air Passengers" (media statement, September 9, 2020); CDC, "Coronavirus Disease: FAQs for Businesses," updated September 14, 2020; Roni Caryn Rabin, "Fever Checks Are No Safeguard against Covid-19," *New York Times*, September 14, 2020.



## FIGURE 6 Monthly Death Rates from COVID-19, by Income-Level Groupings of Countries, January–October 2020

Notes: Countries are grouped by income level based on the World Bank's categorization, as described in World Bank, "World Bank Country and Lending Groups," accessed September 24, 2020. The death rates shown in this figure describe the ratio between confirmed deaths and confirmed cases of COVID-19.

Source: Our World in Data, "Coronavirus Pandemic (COVID-19)."

The loosening of lockdowns, however, does not give a sense of what the shape of the economic recovery will be or how long it will take for things to return to a semblance of normalcy, let alone reach economic "cruising speed." But one thing is clear: to use the words of the IMF's managing director, Kristalina Georgieva, in addressing the organization's annual meeting, this will be a "long ascent," a difficult climb that will be "long, uneven, uncertain, and prone to setbacks."<sup>83</sup> Nor can we predict with reasonable confidence how governments and, more to the point, people, will handle the inevitable (and already evident) new large waves of infections and the unpredictability of the virus' spread and effects, including on younger adults and children.<sup>84</sup>

<sup>83</sup> See Kristalina Georgieva, "The Long Ascent: Overcoming the Crisis and Building a More Resilient Economy" (address to the IMF annual meeting, October 6, 2020); Gopinarth, "A Long, Uneven, and Uncertain Ascent."

<sup>84</sup> Increasingly robust research evidence suggests that COVID-19 affects many internal organs, from the lungs and kidneys, to the heart, the vascular and digestive systems, and even the brain—and can even cause strokes in otherwise healthy young adults. Many of these health problems linger well after patients have recovered from the virus. And younger children are not exempt from contracting and getting sick from the coronavirus, with specialists having identified many cases of "pediatric multisymptom inflammatory syndrome" (which inflames blood vessels and the heart). See Roni Caryn Rabin, "Coronavirus May Pose a New Risk to Younger Patients: Strokes," *New York Times*, May 14, 2020; Betsy McKay and Daniela Hernandez, "Coronavirus Hijacks the Body from Head to Toe, Perplexing Doctors," *Wall Street Journal*, May 21, 2020; Melinda Wenner Moyer, "What We Know about the Covid-Related Syndrome Affecting Children," *New York Times*, May 19, 2020; Lauren Leatherby and Lisa Waananen Jones, "U.S. Coronavirus Rates Are Rising Fast among Children," *New York Times*, August 31, 2020.

#### BOX 4 The Decision to Reopen Schools

The relationship between returning to work and opening (particularly lower level) schools is obvious. Many parents, especially single parents or households in which both parents hold jobs, cannot go back to work unless children go back to school. The Brookings Institute estimates that about one-quarter of all working parents in the United States (33.5 million adults) have children under 14 years old, and of those, about 23 million do not have an available caregiver. The share of parents without access to caregivers becomes higher as one moves down the occupational scale to sectors requiring less formal education and typically paying lower wages, such as retail and food preparation and delivery, as well as personal services and certain components of the construction sector.

For parents, of course, safety concerns remain paramount, especially since children may be rather efficient carriers of the virus (raising the real possibility that children may infect other family members), and in view of increasing evidence that some (if still a very small share of) children are affected by a health syndrome associated with COVID-19. These concerns are compounded by the fact that the practical and financial burdens of making schools *much* safer are massive and seem beyond reach in many states.

Nonetheless, many countries have already reopened their schools, starting with the lower levels. For example, Denmark reopened its nurseries and primary schools in early May and the rest of its schools later that month, and France opened all schools by the latter part of June. But reopening has come with many precautions. France has mandated that older pupils wear masks. Likewise, some schools in Germany have introduced on-site COVID-19 testing alongside new social-distancing and mask-wearing requirements, and Canada's province of Quebec reopened schools for children up to Year 9 in June, but with reduced class sizes and other protective measures in place. New Zealand and most of Australia reopened schools by late May and early June, but initial data suggested that many children were staying home. And in the United States, most schools have been delaying their opening and are offering only online instruction at least for the first part of the fall.

The opening of U.S. schools has been turned into a political football, with President Trump insisting that schools open and offer in-person instruction—and threatening to withhold federal funding for school systems that do not do so—and most large school jurisdictions defying him because they are convinced that the health crisis is not yet under control. Moreover, many teachers are resigning, and some teachers' unions (e.g., in Florida) are suing or preparing to sue governors on this matter. Ontario's teachers are considering similar action.

All this is taking place in the context of a consensus that there is no substitute for in-person learning and that schools must find ways to open in a safe manner or expect much worse educational outcomes for students *and* much greater inequality. In fact, a chorus is forming around schools being opened. *The Economist* recently devoted its leader to it, and two former U.S. secretaries of education and a former director for the CDC have pointed to eight steps for reopening schools safely, most of which are already part of the conversation among school administrators as classes and learning are being rethought. Masks will have to be worn by adults and older students, handwashing and sanitizing stations will have to be ubiquitous, and class sizes should become much smaller. Moreover, social distancing and even physical

#### BOX 4 (cont.) The Decision to Reopen Schools

separation between teachers and students, and even among students, will have to be observed (once more, a policy that translates into smaller classes), and whole-school activities (such as assemblies, recess, lunches, and school yard play) will have to be suspended. Furthermore, starting and ending times will need to be staggered and, in some instances, children will have to attend school on alternate days and/or for half-days. Instruction will probably have to become hybridized—alternating between in-person and virtual components. Finally, protocols will have to be developed about how to keep the most vulnerable (including teachers, support personnel, and administrators) safe *and* for isolating those infected and even closing a school for a time if an outbreak occurs. The Boston school system has done just that.

Some of the radical rethinking school systems are doing simply reflects the fact that school buildings, *and instruction itself*, were not conceived with the idea of keeping pupils apart. And of course, as evidence mounts that the virus indeed spreads more efficiently in closed environments, many of these ideas will also have to be rethought. And all of this, including the possible reconfiguring of school spaces, will cost enormous sums of money.

Sources: BBC News, "Coronavirus: France Mandates Masks for Schools and Transport," BBC News, April 28, 2020; France 24, "Back to School for Millions in France as More Covid-19 Restrictions Lifted," France 24, June 22, 2020; Alex Ward, "Germany, Vietnam, and New Zealand Have Reopened Schools. Here's What the US Can Learn," Vox, May 27, 2020; Allison Lampert, "In Canada's COVID-19 Capital, Younger Students Return to Class in 'Bubbles," Reuters, June 16, 2020; Claire Porter Robbins, "Ontario's Four Major Teachers' Unions to File Labour Board Complaint over School Reopening Plan," Global News, August 31, 2020; Paul Karp, "Are Schools Open or Closed for Term 2 as Coronavirus Spread Slows in Australia? State-by-State Guide," *The Guardian*, April 23, 2020; Simon Collins, "Covid 19 Coronavirus: Schools Reopen after Lockdown - but One in Six Don't Expect Any Students," *NZ Herald*, April 28, 2020; Andrew Jack, "Ending the Lockdowns: Experts Are Divided on School Reopenings," *Financial Times*, April 22, 2020; Thomas R. Frieden, Arne Duncan, and Margaret Spellings, "These 8 Basic Steps Will Let Us Reopen Schools," *The Atlantic*, July 9, 2020; *The Economist*, "The Risks of Keeping Schools Closed Far Outweigh the Benefits," *The Economist*, July 18, 2020; Meg Woolhouse, "Boston Schools Will Go Fully Remote, Walsh Says," GBH News, October 21, 2020.

But when the second round of job losses by large employers (e.g., the airline and associated industries, manufacturing of many types, commercial real estate and the microcosm of services that support it, and large professional services firms) begins to be felt, and unless government relief packages are extended until the virus is defeated, substantial segments of the workforce will not have a job to go back to, and many of those who do return will experience long-term economic scarring.<sup>85</sup> In fact, the extensive research literature studying the effects of earlier crises on long-term employment and earnings points to many workers never catching up with cohorts of similar age and education who were able to find a job commensurate with their education and experience/skills during the crisis *or* who did not lose their job simply because their sector, industry, or employer was able to weather it.

With enormous uncertainty about the economy and jobs, and in a time of understandable austerities of many kinds, the shape of future international migration is uncertain. Will government give priority to the admission of *new* immigrants (other than those required by statute or other legal obligations) or will they

<sup>85</sup> See, for example, Jose Maria Barrero, Nick Bloom, and Steven J. Davis, "COVID-19 Is Also a Reallocation Shock" (working paper no. 2020-59, University of Chicago Becker Friedman Institute, Chicago, May 2020); Papademetriou, Sumption, and Terrazas, eds., *Migration and the Great Recession*; Christopher Huckfeldt, "Understanding the Scarring Effect of Recessions" (working paper, Cornell University, March 23, 2016); Fix et al., *Migration and the Global Recession*.

focus first and foremost on preserving the livelihoods of existing residents? Moreover, unless the economic recovery is much faster and stronger than most analysts expect, will migration return to pre-crisis levels anytime soon? Only time will tell.

# 5 Realigning Economic Relationships in the Post-Pandemic Era

The likely economic readjustments discussed earlier in this reflection focused primarily on the domestic demand for labor and its implications for migration. An additional, and perhaps much more wide-ranging and consequential, effect of the pandemic may be thinking hard about a careful recalibration and realignment of the global trading system. Some governments are indeed trying to figure out how to navigate between the Scylla of far-flung supply chains controlled by China—a country with enormous and increasingly heavy-handed geopolitical ambitions that is also exhibiting increasingly combative behavior—and the Charybdis of reflex protectionism. Even a modest realignment of that system, however, could also affect the international migration system, particularly in such areas as the recruitment and employment of foreign workers, and possibly even the involuntary returns of failed asylum seekers and unauthorized immigrants.

## A. Increasing Economic Self-Reliance While...

This process will take time, and its depth and reach are unclear at this moment, but it is likely to feature at least two interrelated components. The first, more likely, and in some ways easier realignment might take the form of a gradual rise in economic self-reliance. Countries becoming more economically self-reliant—especially in the production of more higher value-added and *strategically important* goods that use advanced and sensitive technologies (from vital health equipment and medicines<sup>86</sup> to robotics) at home—makes immense sense both economically and, given recent experience, geopolitically.<sup>87</sup> But in order for such efforts to bear the desired fruit without major economic disruption or the serious rattling of markets,

<sup>86</sup> Chuin-Wei Yap, "Pandemic Lays Bare U.S. Reliance on China for Drugs," Wall Street Journal, August 5, 2020.

<sup>87</sup> There is nothing idle about discussing the importance of increasing economic self-reliance. Many mainstream economists and international relations experts, as well as some conservative thinkers—two groups that, as a rule, have been advocates for economic openness and globalization (mostly on economic efficiency and global leadership grounds, respectively)—have been questioning the broader logic of the current state of globalization, and particularly the wisdom of relying on China to the current degree. See John Lee, "Decoupling the US Economy from China after COVID-19," Hudson Institute, May 7, 2020; John Lee, "Down Under Doubles Down on Checking China," Wall Street Journal, July 27, 2020; Joseph E. Stiglitz et al., "How the Economy Will Look after the Coronavirus Pandemic," Foreign Policy, April 15, 2020; Robert E. Lighthizer, "How to Make Trade Work for Workers," Foreign Affairs, July/August 2020; The Economist, "Has COVID-19 Killed Globalization?" The Economist, May 14, 2020. And Joseph S. Nye has argued for devising a new template for global cooperation and rules-based management of "international threats" by replacing the liberal international order with bespoke international institutions, fit for different purposes. Nye also calls for revising trade rules because China's "mercantilist" model systematically distorts the World Trade Organization trade rules, an observation with which few non-ideology-bound analysts would disagree. See Joseph S. Nye, "After the Liberal International Order," Project Syndicate, July 12, 2020. Most granular research evidence that China's industrial subsidies have measurable and direct effects on similar industries—and employment—in the United States (and presumably other advanced economies) is robust. For instance, a recent Social Science Research Network (SSRN) study using a "Value at Risk" framework finds that "...high birth rates of Chinese firms predict same-industry firm exits and lowered employment in the U.S., particularly in export-intensive industries." See Xiao Cen, Vyacheslav Fos, and Wei Jiang, "A Race to Lead: How Chinese Government Interventions Shape the Sino-US Production Competition," SSRN, March 30, 2020. But the reaction to doing so is also robust. See Henry Farrell and Abraham Newman, "The Folly of Decoupling from China," Foreign Affairs, June 3, 2020; Chad P. Brown, "COVID-19 Could Bring down the Trading System: How to Stop Protectionism from Running Amok," Foreign Affairs, April 28, 2020.

they must be pursued with extreme care *and* be part of a strategy that accurately evaluates national strengths and interests and commits to building the physical and human-capital infrastructure that can both enable and benefit most from such a realignment. The jury will be out for quite a while as to whether such an effort will be pursued thoughtfully and diligently, and whether it will meet the objectives suggested here.

### B. ... Avoiding the Protectionism Trap

The second possible realignment would be much more complex, and unless done judiciously, it may succumb to the siren song of protectionism. Resisting the trap of protectionism and maintaining economic and associated forms of openness that policy prudence requires will demand uncharacteristic wisdom—and a surgeon's fine scalpel, rather than a butcher's cleaver—so as not to lead to a repeat of the 1930s and countries' complete retreat from the global economy.<sup>88</sup> The temptation to overreach will certainly be there—witness the Trump administration's repeated (though often rhetorical and used as a means to gain a negotiating advantage, a tactic that has an uneven record at best) forays into various "trade wars." But even measured and gradual reshoring will be an extremely complex and lengthy process that has many more moving parts than any president or political leader can imagine *or control*. And many of the countries (such as China or Canada) and regions (the European Union) that will be most affected by it will not simply "heel."

The impetus for a careful and orderly repatriation of certain components of key industries will come from two forces that have already become ever more difficult to resist, let alone ignore. The first one is the need to find jobs for the masses of unemployed resident workers following the retreat of COVID-19 that will result from widespread vaccinations. The second stems from a sense that

The impetus for a careful and orderly repatriation of certain components of key industries will come from two forces that have already become ever more difficult to resist, let alone ignore.

the coronavirus may be offering an opportunity, perhaps even forcing countries to question and rethink their reliance, if mostly by default, on global supply chains controlled by China<sup>89</sup>—a state no

See Kevin H. O'Rourke and Jeffrey G. Williamson, *Globalization and History: The Evolution of a Nineteenth-Century Atlantic Economy* (Cambridge, MA: MIT Press, 1999) for a learned and detailed study of the last globalization era and the lessons today's politicians should draw from the past—particularly about the need to worry about "who gains and who loses... [that is] the distributional effects of globalization." The authors' warning is clear: in failing to learn from the past, the electorate could force politicians to "dismantle" global economic links (p. 287). The importance of being judicious about navigating what is coming to be known as "deglobalization," however, cannot be overemphasized. The concept is now being discussed with some regularity by otherwise "mainstream" economists and thinkers. See Mohamed A. El-Erian, "Navigating Deglobalization," Project Syndicate, May 11, 2020, in which he worries about a "prolonged delinking of trade and investment" and recommends that globalization," rather than fight an "unwinnable" war. See also Ely Ratner, Elizabeth Rosenberg, and Paul Scharre, "Beyond the Trade War: A Competitive Approach to Countering China," Foreign Affairs, December 12, 2019; Richard Haass, "Deglobalization and Its Discontents," Project Syndicate, May 12, 2020, who notes that "a growing number of governments and people around the world have come to view [globalization] as a net risk," though he offers little beyond the usual words that globalization "cannot be ignored or wished away... [and] the only choice is "how best to respond."

<sup>89</sup> The Economist suggests that diversifying supply chains can address many of these concerns. See The Economist, "Has COVID-19 Killed Globalization?"

longer reluctant to flex its muscles and whose values and disregard for treaties and international norms are clearly inconsistent with those of almost all Western states, as well as the legitimate interests of many of its neighbors in the broader East and South Asian region.<sup>90</sup> Indeed, China has made its strategic ambitions perfectly clear and has outlined its economic policy (and implicitly, its political goals) plainly in its *Made in China 2025* strategy.<sup>91</sup> Not surprisingly, most geopolitical thinkers are coming to the realization that the path of economic interdependence between China and both its neighborhood and the rest of the wealthy countries<sup>92</sup> is deeply asymmetric and thus might not be the smartest way forward, or viable in the longer term, in an ever more complicated global environment.<sup>93</sup>

In the U.S. case, while the goals are clear, the orderly repatriation of critical industries will require massive amounts of discipline, patience, and imagination. This line of thinking is anything but radical. It essentially envisions the gradual and cautious decoupling of parts of important sectors of the U.S. or other advanced economies, such as Australia, Japan, and several European countries, from their dependence on Chinese supply chains. Similarly, the European Union's interest in identifying and supporting "European Champions," what EU officials call "strategic

autonomy,"<sup>94</sup> stems from a somewhat similar set of concerns, although its focus is more about creating globally super-competitive economic sectors, rather than reshoring *per se*—thus it does not target only Chinese companies. But in the U.S. case, while the goals are clear, the orderly repatriation of critical industries will require massive amounts of discipline, patience, and imagination. If done right, however, it could lead to the gradual seeding of "North American Production Zones" in ways that the renegotiated Free Trade Agreement between the United States, Mexico, and Canada (USMCA), which went into effect on July 1, 2020, could make politically tempting for all three countries.

<sup>90</sup> Prime Minister of India Narendra Modi is telling Indians that a new era of economic self-reliance has begun. See *The Economist,* "Has COVID-19 Killed Globalization?; Shashi Tharoor, "India's China Strategy is Changing," Project Syndicate, July 12, 2020.

<sup>91</sup> For an overview of this policy, see Scott Kennedy, "Made in China 2025," Center for Strategic and International Studies, June 1, 2015.

<sup>92</sup> This interdependence works best when the relationship offers all "partner" countries substantial benefits. Chinese President Xi's fluency in presenting his country as a champion of multilateralism and of "the international system with the U.N. at its core," as he did during the United Nations' 75th Birthday in September, 2020, together with China's massive investments across the globe, strengthen its global standing and make it easier to "overlook" some of its misbehaviors. See Somini Sengupta, "China, in Pointed Message to U.S., Tightens Its Climate Targets," *New York Times*, September 22, 2020.

<sup>93</sup> See Minxin Pei, "The Political Logic of China's Strategic Mistakes," Project Syndicate, July 12, 2020.

<sup>94</sup> Dani Rodrik correctly points out that China already does what many EU leaders propose: it targets certain economic sectors, subsidizes them deeply, and directs other state companies to produce key inputs for those sectors and to buy their products. These processes are at the very heart of "industrial policy," and the behavior is not totally unlike the manner in which the United States and the European Union support their defense and aviation industries. See Dani Rodrik, "China as Economic Boogeyman," Project Syndicate, July 9, 2020; Cen, Fos, and Jiang, "A Race to Lead."

#### BOX 5 A Turning Point in China's Relationship with the World?

China's behavior across a large number of important issues has shaken the foundations of its relationships within its region, with other advanced economies, as well as with Africa, which has been the recipient of massive Chinese investments. It is also encouraging conversations among some countries about actions they might take to protect their interests better and call out China's aggressive behavior and persistent and gross violations of human rights. Chinese diplomats' recent overplaying of their hand in many capitals simply adds fuel to the reaction. In fact, a May 2020 Reuters report described an internal study by the China Institutes of Contemporary International Relations, which is affiliated with China's top intelligence agency, that reportedly concluded that "global anti-China sentiment is at its highest since the 1989 Tiananmen Square crackdown."

Among the litany of notable behaviors that China's interlocutors now find objectionable enough to take a harder look at and possibly recast their policy toward China are:

- ▶ its casual and routine violation of international protections, laws, and norms toward its minorities;
- the persistent flouting of international laws protecting intellectual property and its "acquisition" of foreign technology by any means necessary, including military and industrial espionage;
- the coordinated campaign of economic and diplomatic intimidation toward any government that criticizes China, including its "health emergency diplomacy" (targets have ranged from Canada and the Netherlands, to the United Kingdom, Germany, several Scandinavian countries, and Australia);
- its apparent delay in informing the World Health Organization (WHO) about COVID-19;
- its aggressive maritime behavior that undermines the principle of freedom of navigation in the South China Sea and the bullying of states in its immediate neighborhood; and
- the resolution passed by the National People's Congress on May 28, 2020, and enacted on June 30, approving new national security legislation intended to silence dissent by Hong Kong individuals and organizations—effectively negating the special status of Hong Kong guaranteed under the UK-China agreement of 1997 that transferred the territory to China and created the "One Country, Two Systems" stipulation (the special autonomous status was to last until 2047).

Only time will tell whether China's action on Hong Kong, and the not-so-veiled threat it implies for Taiwan's independence, will be the proverbial straw that breaks the camel's back and steels the West's determination to begin the gradual (though careful) rebalancing of the global trading system. If the past is any guide, China will ignore most of the U.S. government's policy tirades and grandstanding, although it also understands that President Trump is willing to "share" the mutual pain of tariffs—setting the stage for some modest accommodations on trade. And China clearly thinks that it can count on the Europeans simply engaging in just another series of half-hearted and ultimately meaningless verbiage that is quietly abandoned in favor of the pre-pandemic norm, whereby China reneges on its international obligations

#### BOX 5 (cont.) A Turning Point in China's Relationship with the World?

and continues to force the transfer of western technology as a condition for European firms operating in China—and European policymakers turning a blind eye to that in return for continued access to China's vast market. (The EU declared China a "systemic rival" in 2019 yet has no strategy to check Chinese economic or political influence.) A perfect example of China's intransigence in negotiations is the breakdown of the annual EU-China trade summit on June 22, 2020, which ended without even a joint statement, and the equally inconclusive summit of September 14. It is worth noting, however, that the leaders of the three EU institutions held a press conference following the June meeting in which they accused the Chinese negotiators of being unwilling to address the key issues of state subsidies, technology "transfers," and the equal treatment of European firms—prompting some veteran EU observers to wonder whether, perhaps, Europe may finally be willing to stand its ground with China.

Sources: Reuters, "Exclusive: Internal Chinese Report Warns Beijing Faces Tiananmen-Like Global Backlash over Virus," Reuters, May 4, 2020; Kent M. Campbell and Mike Rapp-Hooper, "China Is Done Biding Its Time: The End of Beijing's Foreign Policy Restraint?" *Foreign Affairs*, July 15, 2020; Jessica Chen Weiss, "China's Self-Defeating Nationalism: Brazen Diplomacy and Rhetorical Bluster Undercut Beijing's Influence," *Foreign Affairs*, July 16, 2020; David M. Herszenhorn and Jacopo Barigazzi, "EU Leaders Face Tough Time Getting Tough on China," Politico, June 23, 2020; Tom Fairless, "China, Once Germany's Partner in Growth, Turns into a Rival," *Wall Street Journal*, September 17, 2020; Jakob Hanke Vela, "Europe's China Weak Spot: Germany," Politico, September 13, 2020; Matthew Karnitschnig, "How Germany Opened the Door to China – and Threw Away the Key," Politico, September 11, 2020; Cornelius Hirsch, "China's Influence in Europe – by the Numbers," Politico, September 14, 2020; Steven Erlanger, "Global Backlash Builds against China over Coronavirus," *New York Times*, May 3, 2020; Kat Devlin, Laura Silver, and Christine Huang, "U.S. Views of China Increasingly Negative amid Coronavirus Outbreak," Pew Research Center, April 21, 2020; Judy Dempsey, "Hong Kong Calls. Can Europe Respond?" Carnegie Europe, May 28, 2020; Thomas Wright, *Europe Changes Its Mind on China* (Washington, DC: Brookings Institution, 2020).

In fact, one of the missed opportunities of the North American Free Trade Agreement (NAFTA), the USMCA's predecessor, was leveraging human and investment capital in North America, starting with the three NAFTA Member States, to create a globally competitive region—an opportunity that might become timely once more. Moreover, USMCA could give new life to "old" but always relevant ideas, such as the value of thinking harder and investing wisely in creating regional trading regimes that can be more achievable and better managed, and offer more direct and visible benefits to the publics of its Member States, than global trade agreements.<sup>95</sup> And in areas where differences and disagreements have defined how some neighbors relate to each other, such as the United States' relationship with its neighbors to the south, promoting a culture that values deeper investments in education across the region—and building *and harnessing* a more human-capital intensive growth policy—can seed economic growth and productivity as key byproducts of greater cooperation. In that line of thinking, and managed thoughtfully, migration can become a strategic resource for the region, rather than the constant source of arguments and recriminations.

<sup>95</sup> Demetrios G. Papademetriou, Doris Meissner, and Eleanor Sohnen, *Thinking Regionally to Compete Globally: Leveraging Migration & Human Capital in the U.S., Mexico, and Central America* (Washington, DC: MPI, 2013). Shining the spotlight on the substance (rather than the rhetoric) of greater intra-regional cooperation—one that focuses on common interests pursued jointly—may well become a political and economic priority in many parts of the world beyond Europe and North America, and could lead to what it has always had the potential to be: the building blocks toward greater *global* cooperation. The relative decline of the World Trade Organization and other "top down" initiatives creates an opportunity for the post-pandemic world to be built more incrementally and coherently, and with less ideological fervor, than parts of the present system. See also Roberta Jacobsen and Tom Wyler, "To Counter China, Look to Canada and Mexico: An Integrated North America Is the Solution to Supply Chain Insecurity," *Foreign Affairs*, July 31, 2020.

In this context, the essence of the concept of "thinking regionally" builds on the assumption that working together across a region creates virtuous cycles that bring benefits to *each* participating country, *and* to the region, that are "much larger than the sum of individual efforts."<sup>96</sup> But for regionalism to reach its highest potential, each member country must think hard about what *it* can "contribute to the region's economic attractiveness and build complementary physical and human-capital infrastructures that can contribute to that goal."<sup>97</sup>

# 6 "Opportunities": From Protecting Lives at All Costs to Managing Both the Pandemic and the Economic Devastation

This reflection began by positing that life-altering crises pose massive challenges but may also offer opportunities. So far, the analysis has focused on the colossal challenges COVID-19 has and continues to visit upon the world. Seeing the opportunities, however, is more difficult, and seizing them, rather than squandering them, requires both wisdom and its own kind of discipline. It also demands that the right people be in charge, that missteps be kept to a minimum,<sup>98</sup> and that political courage be constantly tempered by the right amount of policy introspection and humility.

These tried and true governance prescriptions for managing crises were of critical importance during the pandemic's first phase, the extreme health emergency, but are even more relevant today as human nature has entered the picture and emotional exhaustion and "lockdown fatigue" have set in.<sup>99</sup> They offer lessons that can prove instructive as countries confront the resurgent virus' newest mass outbreaks—typically the result of a combination of complacency, miscalculation, simple carelessness, rebelliousness and obstinacy, and eagerness to "unlock" the economy—*and* when it comes time to confront the next pandemic.

The subsections that follow outline some of the opportunities the crisis offers, focusing especially, though not exclusively, on international migration and adjacent policy issues. And although some of these opportunities may appear at times to have a tenuous relationship to selected and particularly legally protected migration to wealthy societies, their connection to large-scale, unselected, and uncontrolled migration of all types is beyond dispute.

<sup>96</sup> Papademetriou, Meissner, and Sohnen, Thinking Regionally to Compete Globally, 50.

<sup>97</sup> Papademetriou, Meissner, and Sohnen, *Thinking Regionally to Compete Globally*, 54. See also John J. Audley et al., *NAFTA's Promise and Reality: Lessons from Mexico for the Hemisphere* (Washington, DC: Carnegie Endowment for International Peace, 2004); see especially Chapter 2 by Demetrios G. Papademetriou, "The Shifting Expectations of Free Trade and Migration," 39–59.

<sup>98</sup> Specifically, inconsistent messaging and politically motivated miscommunications about the virus, as seen in Brazil, the United States, and elsewhere, or about when and how to end lockdowns are the very antithesis of what is needed. Moreover, the political leadership must always demonstrate that it has thought through and is ready to implement an enforceable plan for what employers, employees, and customers must do *and* how to respond when the inevitable surges materialize—as they have already.

<sup>99</sup> This fatigue, in combination with the anxiety and depression that persistent stress can cause, takes the form of such expressions as "it won't affect us," "we have done enough," "life must go on," and "we need to work," as well as the typical share of conspiracy theories, references to freedom, and anti-government narratives.

### A. Beginning to Rethink Migration Systems

There is much that we still do not know or understand about COVID-19. But as the first phase of the health crisis in most of the countries and subnational jurisdictions that bore the virus' early brunt is now a memory, and most of them are once more contending with massive flare-ups and new infection clusters, the policy focus has shifted to addressing the economic devastation the pandemic has left in its wake while stopping COVID-19's spread by observing common-sense precautions and following multilayer response strategies designed to identify the infection early,<sup>100</sup> mitigate its health effects, and develop and distribute widely a safe and effective vaccine. These strategies have understandably attracted massive public investments. The calculus is simple: managing the continuing health crisis is government's highest responsibility, but the damage to the economy, and particularly to jobs, is also extremely important in that it will last a long time and its effects on peoples' livelihoods will be both widespread and intense.<sup>101</sup>

In this context, any discussion about what the near- to medium-term future (one to four years) may hold for migration and mobility has to start by pointing out that, in addition to foreign students, "selected" and "essential worker" migration all along the skills continuum will become even more important and will favor categories

"Selected" and "essential worker" migration all along the skills continuum will become even more important and will favor categories of immigrants and migrants that help with the health crisis and the economic recovery effort.

of immigrants and migrants<sup>102</sup> that help with the health crisis and the economic recovery effort, meet skill shortfalls, and fill identifiable and hard-to-fill job gaps. And, as noted earlier, governments have indeed been making the necessary accommodations toward the entry of such (im)migrants. Moreover, and primarily for advanced democracies, the (re)unification of immediate families (spouses and minor children) will both remain enshrined in law and be politically untouchable.

But here is where the "easy" part of peering into the future ends, although the logic of reforming some of the policy areas proposed below is strong. For instance, the virtual shutdown of immigration systems everywhere during the pandemic's first phase, and the slow and mostly careful reopening to travel, offer a policy opportunity to become serious about addressing various components of unfinished business.

<sup>100</sup> Abbott Diagnostics' test is said to produce reliable results in 13 minutes. See *The Globe and Mail*, "Health Canada Approves First Rapid COVID-19 Test," *The Globe and Mail*, September 30, 2020.

<sup>101</sup> It is instructive in this regard that in early October the Irish government rejected the advice of its own health team that it shutter once more the country for a full month in favor of restrictions of movement, curfews, and limits on restaurant and bar capacity. The British government has done likewise. (Ireland has since entered a six-week lockdown closing most nonessential businesses and restricting movement to a three-mile radius around one's home.) See Lisa O'Carroll, "Irish Government Rejects Return to Full Coronavirus Lockdown," *The Guardian*, October 6, 2020; Mark Landler, "Boris Johnson Ignored Scientists' Advice for a Brief National Lockdown," *New York Times*, October 13, 2020; Karla Adam, "Ireland Is First European Country to Reimpose a Lockdown Amid a Coronavirus Resurgence," *The Washington Post*, October 21, 2020. And with the resurgence of the virus throughout much of Europe, state and local governments are facing similar dilemmas and are making similarly narrowly targeted decisions—at least so far. But with the dramatic resurgence of the virus throughout much of Europe, central, subnational, and local governments face a true Hobson's choice: continue with somewhat targeted decisions and take a chance on infections getting out of control or opt for much broader, possibly even total, shutdowns and absorb the economic pain.

<sup>102</sup> This reflection uses the term migrants for short-term and typically seasonal workers.

A good starting point for many immigrant-receiving countries might be shifting additional legal and administrative (including judicial) resources to adjudicating the backlogs of asylum claims—a policy area ripe for reform because it diverts and wastes valuable resources (when claims are unfounded yet must be processed), delays protection for applicants with legitimate claims, and distorts the integrity of the entire protection and border management systems.<sup>103</sup>

#### While these programs serve important, even critical, economic ... purposes, streamlining them has become a policy necessity.

But the asylum system backlog is not the only backlog that demands attention. Some countries have large and growing backlogs in their temporary migration systems. In some cases, the numbers are staggering. Australia, for instance, has almost 2.2 million persons on temporary visas of various types.<sup>104</sup> And although the U.S. numbers

are more difficult to count with precision, the number is very large if the same kinds of visa categories as those in Australia are counted. If one were to focus only on employment visas, particularly those under the "professional specialty" class of H-1B<sup>105</sup> and other professional categories (such as F, J, L, O, and P visas<sup>106</sup>) that confer, directly and indirectly,<sup>107</sup> employment rights, the number approaches 1 million. Canada, for its part, must figure out the most efficient way of incorporating into its permanent system the sizeable population of Provincial Nominees, whose number and tenure have been growing strongly since the program started about 25 years ago.<sup>108</sup> While these programs serve important, even critical, economic— and for Canada and Australia, explicitly demographic—purposes, streamlining them has become a policy necessity. And while these issues are not as essential in Europe, which has different traditions and laws regarding temporary workers, and immigration systems that are far less articulated, similar choices will have to be confronted as European states become more "immigrant dense."<sup>109</sup>

<sup>103</sup> For a discussion of these issues in the U.S. context, see Doris Meissner, Faye Hipsman, and T. Alexander Aleinikoff, *The U.S. Asylum System in Crisis: Charting a Way Forward* (Washington, DC: MPI, 2018).

<sup>104</sup> Australian Department of Home Affairs, "Coronavirus and Temporary Visa Holders."

<sup>105</sup> The H-1B visa is the only temporary U.S. work visa with an explicit "bridging" component that allows its holder to convert it to a permanent visa. The U.S. government estimates that there are nearly 600,000 H-1B holders and that backlogs in the appropriate employment-based visas (designated as EB-2 and EB-3) stand at about 450,000 principals. When dependents are included, the number grows to about 920,000. The H-1B visa is valid for up to two three-year terms, but employers can continue to employ holders of H-1B visas beyond these limits if they sponsor them for a permanent visa. This takes a long time because of the U.S. law's "funnel effect," whereby the number of H-1Bs grows nearly 150,000 each year but the legal channel for converting even some of these visas to green cards is much narrower. See U.S. Citizen and Immigration Services (USCIS), Office of Policy and Strategy, Policy Research Division, *H-1B Authorized-to-Work Population Estimate* (Washington, DC: USCIS, 2020); USCIS, "Forms I-140, I-360, I-526 Approved Employment-Based Petitions Awaiting Visa Availability by Preference Category and Country of Birth as of April 20, 2020" (data table, April 2020).

<sup>106</sup> Respectively, these visas are for students; cultural exchange visitors; intra-company transferees; "outstanding" professionals; and athletes, artists, and entertainers who have achieved "significant international recognition" in their profession.

<sup>107</sup> In some of these categories, employment is either ancillary to or simply a byproduct of the visa's primary intent. Student and cultural exchange visas are classic examples of this dual nature.

<sup>108</sup> Quebec has had its own immigration program much longer than that, an acknowledgment of the bicultural essence of Canada. For more on Canada's Provincial Nominee Programs, see Demetrios G. Papademetriou and Kate Hooper, *Competing Approaches to Selecting Economic Immigrants: Points-Based vs. Demand-Driven Systems* (Washington, DC: MPI, 2019).

<sup>109</sup> A big difference in this regard is that EU law allows temporary workers to shift to long-term status after five years, thus reducing the incentive to create explicitly similar temporary-to-permanent pathways (unless a state is trying to expedite this process for select categories of workers who are simply too valuable to lose to a competitor).

### B. Managing Borders in the Post-Pandemic World

The pandemic can also become an opportunity to reimagine how borders are managed.<sup>110</sup> Arguments among advocates on behalf of specific constituencies and various principles will not go away simply because of COVID-19. But they will have to adapt to the new normal the health emergency and its economic aftermath have already created and will continue to shape. Starting perhaps with the most obvious point: addressing concerns about travelers who may be asymptomatic will require an effort similar in scope but more intrusive than the measures instituted by the United States post-September 11, 2001, and more or less quickly adopted by the rest of the world.<sup>111</sup> And states will have to make large investments in reconfiguring facilities, building new airport infrastructure to accommodate new agencies (focused on disease control), create space for additional testing and short-term "quarantining," set up virtual check-in stations and passport controls at both ends of a journey, and of course, to facilitate social distancing at both departure and arrival terminals. And in all this, international cooperation will be of the upmost importance if a new framework that is both strategic (i.e., long term) and operationally viable is to emerge, especially since the United States may be abandoning its leadership role in setting safe travel standards. In the absence of such a framework, borders will continue to open and close in an ad hoc, erratic—even chaotic—manner and the desired outcome of rational border policies that responsibly employ thoughtful risk-management strategies will take much longer than necessary.

The post-September 11, 2001, measures standardized the concept of employing controls before a traveler even boards an airplane or other means of mass transport that would enter another country's territory. Post-COVID-19, one would expect nothing less, starting with the vast expansion of remote and completely contactless check-in and baggage handling procedures, and health screenings both before embarkation and, ever more so, upon disembarkation. In fact, such screenings have made great progress, with several European airports, such as Vienna, Brussels, Rome, and others setting up rapid COVID-19 test centers intended to re-energize travel—and Germany has done likewise in many train stations.<sup>112</sup> Such measures include forms of surveillance if a passenger exhibits detectable flu-like symptoms, filling out health questionnaires, and quarantining persons attempting to travel from or, if screeners at some origin or intermediate stops are known to be inattentive, arriving through known virus hot spots.<sup>113</sup> It is also highly likely that some countries will ban travel from places that are struggling to contain the virus, as

<sup>110</sup> The author wishes to acknowledge Brendan Dowling, a senior Australian immigration and borders official, and Malcolm Brown, a senior Canadian official (now retired), whose insightful observations have helped shape some of his views on borders and regional cooperation.

<sup>111</sup> See Susan Ginsberg, Securing Human Mobility in the Age of Risk: New Challenges for Travel, Migration, and Borders (Washington, DC: MPI, 2010); Demetrios G. Papademetriou and Elizabeth Collett, A New Architecture for Border Management (Washington, DC: MPI, 2011). For a former U.S. border security insider's deep dive on whether the post-9/11 immigration system is able to address "continually evolving security treats," see Amy Pope, Immigration and National Security: The State of Play Since 9/11 (Washington, DC: MPI, 2020). See also the extremely thoughtful reflections on this issue by Malcolm Brown, "Five Lessons on Managing Migration: Commentary" (paper prepared for a meeting of the Transatlantic Council on Migration, Spring 2020).

<sup>112</sup> Of course, a number of things will still have to be worked out, such as the reliability of tests and who will absorb the costs. The former seems to be on the right track (the first tests for home use with results within 15 minutes are likely to come to the market quickly) and the costs will gradually shift to air carriers and, over time, be passed along to passengers' ticket costs.

<sup>113</sup> Travelers from, or who have spent any time in, virus hot spots will presumably not be allowed to board a plane, or if they do, they will have to be under a strict quarantine regime upon arrival

the European Union has done with its recommended travel restrictions for nonessential travelers who are residents of the United States and the vast majority of other countries as of early July.<sup>114</sup>

Of course, none of these measures are foolproof. Asymptomatic passengers cannot be detected without testing, and self-reporting will *always* be unreliable.<sup>115</sup> And COVID-19 tests, the most reliable measure, are only now *beginning* to yield reliable and timely results, although that is being addressed as the medical research community turns more of its attention to it and government—and private-sector—funding begins to flow toward finding ways to facilitate *safe* travel.

More to the point, not everyone that attempts to enter a country does so via an airplane or ship. Countries with extensive land borders, especially borders between countries with vastly different economic circumstances and infection profiles, such as some U.S. states and Mexico, will have to devise arrangements to reassure border control agents that prospective entrants are not carriers of the virus. Here, technology and, even more so, organic cooperation between countries that share common borders—and the desire to continue robust economic relationships and exchanges—will be key. One has only to look at the electronic "sealing" of cargo at origin and the massive x-ray machines through which trucks pass before they can enter the United States in order to imagine how technology might be applied to foot and vehicular traffic. Among the likely contenders are thermal imaging machines to check temperatures (however unreliable this is in that it cannot detect asymptomatic carriers of the virus), *much greater* use of facial recognition technology for frequent travelers, and the testing of persons with outward signs of illness, as well as a sample of all travelers.

It will take time, but these are the areas in which technological innovation can make a dramatic impact. And ideology temporarily aside, in order for borders to begin to open wider again, they will have to be able to perform two functions much, much better than ever before: controlling against illegal and hence unchecked immigration; and solving early *and to an acceptable level of risk*,<sup>116</sup> the inevitable health security conundrums opening and keeping borders open during a pandemic involves.<sup>117</sup>

<sup>114</sup> Council of the European Union, "Council Recommendation on the Temporary Restriction on Non-Essential Travel into the EU and the Possible Lifting of Such Restriction" (9208/20, Brussels, June 30, 2020). These restrictions are constantly reviewed, but there is still not a single set of rules that apply across the European Union. And considering the different infection surges across the continent, a single set of rules may well be still out of reach, though protocols on how to handle travelers from areas of high infection rates should be possible.

<sup>115</sup> Reassuring the public about travel safety is an absolutely critical component of "opening" economies up. See Demetrios G. Papademetriou and Kate Hooper, "How Is COVID-19 Reshaping Labor Migration?" International Migration 58, no. 4 (2020).

<sup>116</sup> Zero risk of infection from travelers, though understandable as an aspirational goal, is not anywhere near realistic as a policy objective (in reality, it is primarily a rhetorical aim). As a result, the focus must be the best possible measurement of risk and addressing it to a satisfactory level. The old adage of "not making the perfect the enemy of the good" certainly applies here.

<sup>117</sup> These issues can only be addressed to a reasonable level through an organic international surveillance and cooperation system.

### C. Reexamining the Dependence on Foreign Workers

The staggering and ongoing jobs devastation that COVID-19 has and will continue to fuel, and the "global depression" that many expect,<sup>118</sup> may also create an opportunity for some countries and their publics to revisit assumptions about how many foreign workers, and with what experience and skills, each economy needs. Such reconsideration, if it were to happen, would come about in large part as a result of the reality that the deeper and longer-lasting the economic contraction, the more likely it may become that some employers will invest in hiring and training resident workers they may have ignored in the pre-COVID-19 world, particularly those with very little useful training or experience and limited education or language skills (see Box 6). In the United States at least, if the scenario outlined here is to have a chance to succeed, public policy will have to give it a big assist. This might include crafting carefully thought-out incentives for workers to return to work, and minding the unintended but predictable consequences of providing enhanced unemployment benefits to those who lose their jobs if those benefits are too open-ended in length and substantially larger than the recipients' previous wages.<sup>119</sup> But employers will also need inducements. These might include offering them access to new foreign workers only when the need is thoroughly, and perhaps independently, "validated" *and* by subsidizing the training and, for a time, even the salaries of less-well-prepared resident workers.

But workforce policy dilemmas go beyond whether and how many foreign workers to admit, when to do so, in which economic sectors, and with what skill profiles. The pandemic may also become a natural experiment for testing certain pre-pandemic assumptions about advanced economies, particularly that their need for immigrant workers is virtually insatiable.

In another classic case of unintended consequences, denying employers easy access to new foreign workers for reasons that include the fear of political backlash, may act as an incentive for firms to make greater investments in technology and robotics (a rather standard, if initially expensive, response to prolonged periods of labor supply uncertainties<sup>120</sup>), thus turning artificial intelligence into the massive job predator

<sup>118</sup> See the well-considered essay by two noted economists that closely tracks this reflection's main thrust, namely, that "the pandemic has created a massive economic contraction that will be followed by a financial crisis in many parts of the globe... [with] sovereign defaults in the developing world... poised to spike." See Carmen Reinhart and Vincent Reinhart, "The Pandemic Depression: The Global Economy Will Never Be the Same," Foreign Affairs, September/October 2020. See also Jeremy Bulow, Carmen Reinhart, Kenneth Rogoff, and Christoph Trebesch, "The Debt Pandemic," Finance and Development (Fall 2020). The authors caution policymakers not to confuse "...the short-term rebound with a lasting recovery."

<sup>119</sup> Policymaking must always take human nature into account. In the absence of robust treatments for the virus (an area in which substantial progress is being made with safe anti-inflammatory and anti-viral drugs); amid fears of becoming infected, realistic or not; *and* in light of government-provided wage supports and unemployment benefits that, in the United States at least had been, until the end of July, higher than many workers' pre-pandemic compensation, some workers may be tempted to not return to work until it is absolutely necessary (in this case, until the benefits lapse and/or there is a vaccine). Of course, calibrating benefits and/or salary support so they rachet down as specific economic sectors recover is one policy response to this issue—and any response must incorporate the provable assumption that workplaces will have become much safer for both workers and customers.

<sup>120</sup> Fresh fruits and vegetables agriculture is a good example here. The last time U.S. farmers confronted severe labor supply disruptions was in the early 1960s, when the program that had supplied them with ample Mexican labor for more than 20 years was ended. The response included a certain degree of mechanization as well as hiring workers illegally. In the intervening years, additional technology has been introduced (most farmers now use various types of machines) in addition to rethinking which crops to produce, expanding holdings into Mexico, and other strategies. Advanced technology has in fact made enormous advances in recent years, although it is still very expensive and, as a result, underused. See Philip Martin, *Immigration and Farm Labor: From Unauthorized to H-2A for Some*? (Washington, DC: MPI, 2017).

many have been worrying about. The fiscal cliff part of the crisis may also lead to revisiting retirement age laws and the pension benefits that retirees have come to expect—issues that are always politically toxic, if more so in some countries (such as France) than others.

#### BOX 6 Understanding the Impacts of COVID-19 on Immigrant Populations

This reflection focuses primarily on the effects of the pandemic on immigration policy in large part by examining COVID-19's impact on the economy and jobs. The pandemic's effects on existing immigrant populations, however, must not be overlooked. As issues of racial, ethnic, and gender discrimination and disparities—and the behavior of some law enforcement officers toward racial minorities—take on renewed urgency, policymakers should take into account the social and economic costs of sidelining substantial segments of a population and embrace the opportunity to rethink the treatment of immigrants living in our communities.

Many countries have laws and conventions that treat native-born workers and legally resident immigrants equally, the result of long-standing social solidarity agreements among employers, labor organizations, and governments. (Of course, even long-established laws do not necessarily translate into equal treatment on the ground). In some other countries, including the United States, many nonpermanent foreign workers do not have clear access to such protections. And in the upside-down world of so many broken political systems, the health emergency has turned the precariousness of some of these workers, particularly those who are unauthorized, into another politically polarizing issue between advocates for all immigrants and advocates for creating better conditions for "local" workers, including legally resident immigrants. Immigrant advocates may have the stronger political hand in this regard, however, as it has become part of the social and cultural narrative in many countries that large proportions of frontline and essential workers—in food production and processing, delivery services of all kinds, seasonal agriculture, many low-level services (including lower-skilled health-care aides)—are legal *and unauthorized* immigrants, and that many of them are bearing a disproportionate share of the pandemic's ravages.

Considering how quickly attitudes about fairness, justice, and equality appear to be evolving, it is not beyond the realm of possibility that a government could be persuaded to offer many unauthorized immigrants legal status and residency and, at least in the United States, that protesters might organize themselves to prevent the government from proceeding with large-scale enforcement actions and removals against unauthorized immigrants. In a discussion about opportunities, the silver lining of the crisis—if there is one—may well be that immigrants of all statuses may be included, and accepted, as equal shareholders in the efforts to dig out of the economic chasm and advance the movement for equality.

Sources: Julia Gelatt, Immigrant Workers: Vital to the U.S. COVID-19 Response, Disproportionately Vulnerable (Washington, DC: Migration Policy Institute, 2020); Joseph Losavio, "What Racism Costs Us All: Addressing Systemic Racism Is a Moral Imperative; It Can Also Make Economies Stronger," Finance and Development (Fall 2020).

### D. Reforming Immigrant-Dense, Low-Wage Labor Markets

The smartest governments and most caring societies could also take advantage of the post-pandemic period to fix another badly broken policy area in which immigration and immigrants are inevitably, if reluctantly, protagonists. This is the reform of low-wage labor markets, such as meat-processing and the needle trades, as well as non-tradeable or personally delivered<sup>121</sup> services of most types—from cleaning homes and private businesses to providing child care and elder care, the latter both to private households and in nursing-care facilities. These are the "forever" essential jobs that middle-income households in many countries take for granted, making those who perform them the lifeblood of communities across the board, even as these industries breed and perpetuate exploitation and fuel inequality.

Meat-processing plants in particular, with their combination of low-wage, intense, and dangerous work, are a perfect example of this phenomenon. And the fact that most of them are located in communities that the evangelists of globalization have ignored has created and constantly reinforces a classic anomaly, at least in the United States: as entire industries move abroad, the social and economic fortunes of the immediate and surrounding communities they abandon atrophy. This process leads to two predictable outcomes: (1) depopulation, especially by younger residents leaving to seek opportunity elsewhere, and thus creating a demographic imbalance in favor of older (and generally poorer) households; and (2) the introduction of low-wage industries, such as meat-processing, that thrive on a workforce mostly composed of newly arrived immigrants and refugees—most of whom have poor receiving-country language skills and education. The rest is easy to understand. More immigrants, legal and unauthorized, move in, attracted by the prospect of jobs and easily available and reasonably priced housing, and seemingly overnight the ethnic and nationality profile of small towns and cities changes dramatically, followed by a period in which the normal processes and difficulties associated with rapid, large-scale change play out.

In almost all instances, the process of two-way adjustment gradually wins out. But for the cycle to be completed and community renewal to be nurtured and grow, government, the private sector, and civil society must come together to invest in improving the socioeconomic and health infrastructure<sup>122</sup> of these very same smaller towns and cities. Such investments, if systematic and longer term, can allow such areas to reclaim some of the dynamism that might persuade more of their younger residents to stay and build their lives there, as well as to convince others, including settled immigrants, perhaps to move there. In fact, some U.S. cities now offer incentives to those willing to move there, ranging from paying for moving expenses, tax abatement, and mortgage assistance, to outright home ownership after a certain number of years.<sup>123</sup> The

<sup>121</sup> Alan S. Blinder, "How Many U.S. Jobs Might Be Offshorable?" (Center for Economic Policy Studies Working Paper No. 142, Princeton University, March 2007).

<sup>122</sup> Health inequities across the board are most dramatic in rural areas and districts in which minorities and lower- and low-skilled, foreign-born newcomers have tended to concentrate in recent decades. This is particularly true in the meat-processing industry, where COVID-19 infection rates have been very high everywhere. See the CDC, "COVID-19 among Workers in Meat and Poultry Processing Facilities, April–May 2020," *Morbidity and Mortality Weekly Report* 69, no. 27 (July 2020): 887–92, which finds that among 23 states reporting, there were 16,233 cases in 239 facilities. See also Sky Chadde, "Graphic: We Have Been Tracking Meatpacking Plant Outbreaks. Not All Are Accounted For," Midwest Center for Investigative Reporting, August 19, 2020. Canada and Germany have also had large COVID-19 meat-processing plants outbreaks. See Brooklyn Neustaeter, "These Are the Meat Plants in Canada Affected by the Coronavirus Outbreak," CTV News, updated May 12, 2020; Loveday Morris and Luisa Beck, "Coronavirus Outbreak at a Meatpacking Plant Exposes Weakness in Germany's COVID-19 Response," *Washington Post*, September 1, 2020.

<sup>123</sup> Papademetriou, Hooper, and Benton, *In Search of a New Equilibrium*, 23; *The Economist*, "How Immigrants Are Helping Detroit's Recovery," *The Economist*, February 16, 2017; Sarah Berger, "These Towns Will Help Pay off Your Student Loan Debt If You Move There," CNBC, January 4, 2018.

relationship of such improvements to the revitalization of "forgotten" communities should receive greater policy attention in the post-pandemic world.

The ethical and political lesson of all this is clear: unless rich countries are content with the extant circumstances of such left-behind places, and the politics of resentment this breeds, this seems a good time to begin to address them.

#### E. Immigrant Integration

At a time when political divisions over immigration, and particularly the manner and rate at which many newcomers have been entering many societies, have become embedded in most advanced democracies (in the form of nativist populism), it is crucial that we understand better the roots of the reaction<sup>124</sup> and develop and pursue practical strategies to address them by doubling down on immigrant integration. The rationale for doing so is as simple as it is compelling: immigration makes its greatest contribution to receiving societies, but also to immigrants and their families at origin and destination, when newcomers integrate successfully. This entails their adaptation—and contribution in ways commensurate with their human capital and experience—to the communities in which they settle. Such socioeconomic (and over time, cultural) adaptation in turn makes it easier for and facilitates the counteradaptation by receiving communities to newcomers, an inevitable though at times quarrelsome process whose outcome, *mutual accommodation*, is the hallmark of successful immigration. Viewed in this way, investing in the socioeconomic integration of newcomers is, really, an investment in building and reinforcing the sense of community so essential to successful societies, as much as in increasing the economic benefits of migration across the board. Success in this regard also strengthens the social bonds and stimulates the virtuous cycles that make us all stronger.

### F. All Hands on Deck for the Recovery Effort

It is probably clear to everyone that in the economic recovery that must share policy attention with managing the continuing health emergency, pursuing and achieving shared goals will require that all hands be on deck. Allowing any group of people—native- and foreign-born residents alike—to sit on the sidelines instead of contributing to the best of their ability to the social and economic recovery and renewal effort is an unforgivable waste of human capital that no country can afford.<sup>125</sup> This includes not just those

<sup>124</sup> Reaction often starts with discomfort with difference, but if the extent and rate of change is fast, as it often is, it can quickly morph into questions about identity. In many European countries, religion claims "pride of place" in this regard, but ethnicity, country of origin, and race, among others, are also deeply implicated. And unsurprisingly, left unattended, the result is a series of mutual grievances that further poison the air. The only "antidote" to this scenario is honing our "listening skills," thoughtful interventions by government and civil society, and investments in newcomer integration—particularly language learning and education. See particularly Demetrios G. Papademetriou, Richard Alba, Nancy Foner, and Natalia Banulescu-Bogdan, *Managing Religious Difference in North America and Europe in an Era of Mass Migration* (Washington, DC: MPI, 2016); Demetrios G. Papademetriou and Natalia Banulescu-Bogdan, *Understanding and Addressing Public Anxiety About Immigration (Transatlantic Council Statement)* (Washington, DC: MPI, 2016).

<sup>125</sup> This is particularly the case with immigrants who have skills, and especially health-care skills, that are not recognized because of well-reasoned but in some ways unnecessary bureaucratic obstacles. One way to benefit from their skills without endangering patients is to work directly under the supervision of a U.S.-trained and -licensed health-care professional while receiving credit toward certification and a license to practice. See Jeanne Batalova and Michael Fix, "As U.S. Health-Care System Buckles under Pandemic, Immigrant & Refugee Professionals Could Represent a Critical Resource" (commentary, MPI, Washington, DC, April 2020); Jeanne Batalova, Michael Fix, and Sarah Pierce, *Brain Waste among U.S. Immigrants with Health Degrees: A Multi-State Profile* (Washington, DC: MPI, 2020).

receiving primarily U.S.-style enhanced unemployment benefits, or European-style wage subsidies (see Box 7), but also temporary workers whose work visas may have or are about to expire, immigrants without work authorization,<sup>126</sup> and workers engaged in the underground (though not "illegal") economy.<sup>127</sup> The hoped-for economic resilience so essential to any recovery effort can simply not happen as effectively without everyone pursuing common objectives *together*.<sup>128</sup>

#### BOX 7 Rescuing Both Jobs *and* Businesses

Programs designed to rescue jobs and those designed to rescue businesses are ideal types that partly reflect fundamental differences in politico-economic systems and Europe's, and to a certain degree Canada's, much greater state involvement in the economy. In fact, the differences between these two types of programs are not as large as they were during the Great Recession, with many European governments also offering subsidies and loans to small firms and the hybridization of the U.S. rescue package, the Paycheck Protection Program (PPP), which explicitly attempts to save both businesses and jobs.

A painstaking analysis of the PPP by the *Wall Street Journal* found that more than 10,000 firms had received loans, with restaurants topping the list, followed by personal-care services; management, science, and technology consultants; and legal services. Altogether, recipients of the loans claimed that they were able to retain more than 51 million workers (more than 5.5 million in the restaurant sector alone), though independent analysts find that claim highly suspect. The simple fact remains that both program types have borrowed substantial elements from each other. The United States' PPP specifically converts loans offered to businesses to grants as an incentive to employers to retain their workers. In another data point, a July 2020 survey by Goldman Sachs among the firm's 10,000 Small Businesses program participants found that 91 percent of them had applied for PPP loans; and 77 percent of the 1,511 respondents were able to maintain between 75 percent and 100 percent of their payroll. The PPP expired on June 30, but there are efforts underway to extend it.

Sources: Yuka Hayashi, Anthony DeBarros, and Ryan Tracy, "Federal Aid Helped Wide Swath of Small Businesses, Needy or Not," *Wall Street Journal*, July 7, 2020; Goldman Sachs, "Survey: If Congress CARES, Round Two Must Go Through," July 14, 2020. See also Michael Hirsh and Keith Johnson, "A Tale of Two Rescue Plans," *Foreign Policy*, April 24, 2020.

Now may also be a good time to rethink other components of immigration systems. As noted earlier, the best immigration policy constantly balances values with interests and is always recalibrated accordingly. Yet in too many countries, policy has been on autopilot—with more immigrants of all types seemingly the

<sup>126</sup> Canada, for instance, offered in mid-August permanent residency to asylum seekers and their families *even if their claim had been denied* if they worked in direct health-care jobs during the crisis. See Immigration, Refugees, and Citizenship Canada, "Pathway to Permanent Residency Recognizes Exceptional Service of Asylum Claimants on Front Lines of COVID-19 Pandemic" (news release, August 14, 2020).

<sup>127</sup> There is certain to be political opposition to this part of who should be allowed to contribute to the post-pandemic recovery effort, and the preferential treatment of citizens and legal residents will certainly be a priority for most governments. But a balance between self-interest, on one hand, and fairness, generosity, and a different sort of self-interest, on the other, can certainly be found and it should lead to allowing all foreign workers who are already in a country to join the effort. Anything else will simply invite completely avoidable political storms and exacerbate the many divisions—and distinctions based on "difference"—that immigration already fuels in far too many countries. See also Box 6.

<sup>128</sup> The IMF's *Finance and Development* magazine devotes its Fall 2020 issue to the topic of resilience. See IMF, "Resilience: Healing the Fractures," *Finance and Development* 57, no. 3 (September 2020).

only option. (The United States has not really updated its permanent immigration system since the 1960s.) These almost-default options are supported by a powerful elite consensus that includes central bankers, finance ministries, and most macroeconomists, in and out of government, employer groups, well-organized and -funded immigrant advocates, television pundits and "expert" commentators, and large majorities of the professoriate. Yet that consensus is not nearly as well considered as one might infer from the number and credentials of most supporters of higher levels of migration.

Some of that support is easy to explain: immigrant advocates do what they are supposed to do (defending the whole panoply of rights and trying to create better opportunities for all immigrants regardless of their legal status) and have become particularly good at it; central bankers, finance (treasury) ministries, and most macroeconomists focus primarily on large-scale and longer trends and, of course, GDP growth—and more immigrants are consistent with their priorities; most of the professoriate is supportive of the values of openness, diversity, and international cooperation—values that are also consistent with, by and large, those of their students; employers have an obvious interest in more immigration both because tighter labor markets imply higher labor costs (and presumably less globally competitive products) and because talented foreign workers can make them more successful nationally and particularly globally; and pundits and commentators are "expert" on just about every topic.

With the exception of pundits, each of these groups behaves according to its own understanding of the best interests of its "constituency." This leaves the government to evaluate the merits of and navigate the various claims and demands—and to make decisions that reflect the broader society's interest while minding the needs and wants of those who are left behind or otherwise lose out both as a result of rampant globalization and too much immigration. A good part of the political argument about both policies is what has put so much wind in the sails of the nativist populist reaction against these policies.

Nor is the consensus for large-scale immigration as old as some may think. Even in the United States, a country that talks seemingly all the time about being a "nation of immigrants" and the Statue of Liberty, while simultaneously thriving on arguments about certain forms of immigration and types of immigrants, this view goes back less than two generations, in some ways about the same length of time as in Canada. And the relative quieting of European skepticism and arguments about immigration among *governing* elites in several countries is mostly a mid-1990s to early-21st-century phenomenon.<sup>129</sup> In fact, as late as a decade ago, the leaders of two of Europe's most populous and rather immigrant-dense countries, German Chancellor Angela Merkel and UK Prime Minister David Cameron, separately suggested that multiculturalism had "failed" and called for a greater emphasis on immigrant integration—while simultaneously signaling their skepticism about large-scale openings to immigration.<sup>130</sup> Incidentally, multiculturalism as part of a country's official "religion," that is as a concept enshrined in law and even the constitution (as in Canada,

<sup>129</sup> Of course, there are several exceptions to this general statement, especially in the easternmost and southern parts of the European Union, and particularly as a result of the migration crisis of 2015–16. Nor should the current support of immigration among most European governments be understood as *public* support for any and all forms—and any amount—of immigration. The rise, growth, and establishment of nativist populism across most of Europe makes that point clear.

<sup>130</sup> BBC News, "Merkel Says German Multicultural Society Has Failed," BBC News, October 17, 2010; BBC News, "State Multiculturalism Has Failed, Says David Cameron," BBC News, February 5, 2011.

when it "repatriated" its constitution in 1982<sup>131</sup>), or simply practiced in everyday life as in Australia, the United States (despite repeated arguments over it), and elsewhere, is now a mostly uncontroversial concept in most countries.

A frequent, if perverse, result of this consensus is that in several countries, but particularly in the United States, even small policy changes in the direction of modest reductions in immigration numbers have become the "third rail" of politics—touching it virtually guarantees political suicide. In fact, any attempts to recalibrate the composition or relative shares of immigration categories, or for that matter, tightening borders and the requirements for asylum, are resisted strongly by activists and pro-immigration coalitions. And in many parliamentary democracies, such as Australia, some European countries, and even Canada, governments find it hard to resist employer demand for ever more foreign workers or, all too often, anything but the most general regulatory "scrutiny" regarding wages and working conditions, let alone efforts to offer proper opportunities for local workers to compete for these jobs.<sup>132</sup> (Nothing seemingly motivates [or paralyses] some governments faster than organized employer complaints about "over-regulation.") And equally well-organized family migration coalitions have successfully converted what for most countries is by definition a discretionary policy area into an absolute political, if not legal, right and always advocate for increasing the numbers allocated to family reunification categories.<sup>133</sup> The simple fact that in several countries certain immigrant groups are now approaching or have already reached a critical mass, electorally speaking, makes ignoring their demands a political high-wire act and, in most instances, a politically reckless one.

#### G. "Doing Well by Doing Good"<sup>134</sup>

Reshaping immigration systems to better reflect national priorities and addressing backlogs and inefficiencies in these systems are not the only public policy "opportunities" the pandemic presents. More consequential in the longer term, and in many ways much more essential, is continuing and deepening the engagement with states and people in conditions of urgent privation and helping to create opportunity and hope among them<sup>135</sup>—and for no population is this more urgent than people in refugee and refugee-

<sup>131</sup> Multiculturalism or, perhaps more accurately, the recognition of biculturalism, has been Canadian law since the late 1960s, when then Prime Minister Pierre Trudeau instituted it to recognize officially the special standing of Quebec and quell that era's arguments about separatism.

<sup>132</sup> This is much less common in societies that are organized around a solidarity-based model, whereby the "social partners"—worker organizations, employers, and the government—agree on the numbers and the terms and conditions under which foreign workers can enter, work, and live in a given country.

<sup>133</sup> This reference excludes immediate families (spouses and children), whose rights to (re)unification are legally protected in almost all democracies.

<sup>134</sup> This expression is borrowed from the title of the final report of the U.S. Select Commission on Immigration and Refugee Policy. The Commission was impaneled by President Jimmy Carter in 1978 but delivered its report in 1981, under President Reagan. See U.S. Select Commission on Immigration and Refugee Policy, U.S. Immigration and the National Interest. The Final Report and Recommendations of the Select Commission on Immigration and Refugee Policy (Washington, DC: U.S. Government Printing Office, 1981).

<sup>135</sup> The World Bank projects global poverty to increase for the first time in more than two decades. See World Bank, *Global Economic Prospects, June 2020* (Washington, DC: World Bank, 2020). There is correspondingly little doubt that as the coronavirus has spread to countries with much weaker health systems and social safety nets, and with large proportions of their workforces engaged in the informal economy, disparities within and between poorer and wealthier countries will grow profoundly.

like situations, including the vast numbers of internally displaced persons (IDPs).<sup>136</sup> Once more, in addition to displaying human solidarity with those most in need, enlightened self-interest—"self-interest rightly understood,"<sup>137</sup> in de Tocqueville's unforgettable words—might be a good guide to the best policies and actions in that regard.

Self-interest has two components, both of which are the epitome of practicality. The first is most vividly articulated by an expression the UN Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Mark Lowcock, used on May 7, 2020, when he warned that COVID-19 could have a "boomerang" effect, whereby citizens of low-income countries reinfect those of more advanced economies.<sup>138</sup> While the danger of such an effect can be mitigated with screenings and quarantines, not all immigrants and visitors come in through legal ports of entry and, in any event, it only takes a few asymptomatic persons to contaminate the large numbers of people who come into contact with them.

The second component is also compelling. If countries do not want to continue to see large-scale flows of mixed migrants attempting to enter their territory by any means, they will need to become much more serious about investing in creating economic opportunities for people "over there" *and* protecting people in place. This effort must include committing serious amounts of foreign policy capital well before a conflict reaches crisis dimensions (at which point the only option is dealing with its consequences) and doing so in coordination with other relevant government ministries, both domestically and externally focused—such as interior/home affairs, economic and trade policy, and foreign assistance and development among others— as well as with other like-minded governments. It may well be a bad time to do so, considering the massive effort in terms of both financial outlays and policy preoccupation required to climb out of the economic and fiscal abyss the coronavirus has produced. Such government investments, however, made *in cooperation* with other donors that share similar priorities and *managed responsibly*, can make a critical difference in protecting the lives and livelihoods of the most vulnerable and in seeding the roots of more organic cooperation by (and future political influence with) countries and regions that matter to various groups of destination societies.

Finally, and from a primarily humanitarian perspective, cooperation is particularly important as refugee and IDP populations can easily become "prime targets" for COVID-19 and similar public-health risks. Simply containing these populations by cordoning camps off with totally inadequate living conditions and health services, or adequate support for starting and sustaining economic livelihoods, risks fostering instability and spiraling death tolls that will become a permanent stain on the conscience of societies everywhere. Considering the remarkable activation of civil society against past and present systemic and institutionalized injustice, as well as wrongdoings of all types across the world, it is not beyond imagination that such activism might also turn its attention to how states that have benefited mightily from exploitative

 <sup>136</sup> The number of internally displaced persons is much larger than those who have sought shelter and protection outside their countries. At the end of 2019, there were 79.5 million forcibly displaced persons worldwide, of whom 26.0 million were refugees, 4.2 million were asylum seekers, and 45.7 million were internally displaced. See United Nations High Commissioner for Refugees (UNHCR), *Global Trends: Forced Displacement in 2019* (Geneva: UNHCR, 2020).

<sup>137</sup> Alexis de Tocqueville, Democracy in America (New York and London: Saunders and Otley, 1838).

<sup>138</sup> Deidre Shesgreen and Kim Hjelmgaard, "'No One's Safe until Everybody's Safe': UN Official Warns of Global Coronavirus 'Boomerang," USA Today, May 7, 2020.

and unequal relationships with other states should behave towards them.<sup>139</sup> More to the point, this may also be the time for replacing high-minded statements with a new normal of actions that bring about measurable change.

## 7 Reflections and Interim Lessons Learned

COVID-19 is already the deadliest pandemic since the 1918–19 Spanish Flu (see Box 1), and by a significant margin. And it has already had an unimaginable number of enormous costs beyond the large and constantly rising number of deaths. These include the deep economic scarring across workforces everywhere, particularly among younger workers; the mounting economic uncertainties and poverty that many older workers and retirees will face; the massive increases in inequality both *within* states, particularly those with weak social protection systems, and *between* states as the costs to poorer countries that for a period seemed to be evading the virus' worst blow become obvious; the profound trauma that families who lost loved ones or were otherwise "terrorized" by this coronavirus will endure; the "pandemic" of mental-health illness that will unfold over time; and unless we are particularly vigilant, and are governed responsibly, longer-term harm to community cohesion, solidarity, and more broadly, public trust.

#### Effective governance, especially in times of crisis, is always about understanding well and weighing as accurately as possible each policy's multiple tradeoffs.

Battling<sup>140</sup> the virus and its economic devastation has sidelined many other functions of government—and will force numerous difficult choices. But effective governance, especially in times of crisis, is always about understanding well and weighing as accurately as possible each

policy's multiple tradeoffs. The war on COVID-19 is no exception. The balancing acts required to address the crisis necessitate near Solomonic wisdom, particularly as it becomes evident that we will have to continue to contend with both its health impacts and the economic wreckage it is bequeathing.<sup>141</sup> Among others, the response requires balancing respect for privacy and individual rights on the one hand, both truly foundational elements of thriving democracies, and public-health and safety priorities on the other, which require the wise exercise of social control. It also demands better balance between solidarity and the natural tendency to look after your own first and foremost;<sup>142</sup> between continuing to rely on the art of persuasion and a more heavy-handed approach to enforcing compliance with safety measures (including imposing hefty fines for gatherings that violate gathering-size rules repeatedly and blatantly or ignoring capacity and distancing regulations in bars and restaurants, two venues where the virus spreads efficiently); between fear

<sup>139</sup> One may be tempted to compare some of this activism with the early stages of the Arab Spring. Doing so, however, requires a lot of cautions, not only because the Arab Spring proved to be far less consequential (as an agent of change) than many thought at the time, but also because the broader the aims of such social movements, the easier it is for their energy to dissipate.

<sup>140</sup> Wartime analogies abound because most countries have indeed organized themselves in ways not seen since the Second World War.

<sup>141</sup> High intensity wars and, in the case of the United States, the September 11, 2001 attacks, as well as Europe's many terrorist incidents in the last years, give a sense of the kinds of decisions governments have to make and the balancing acts each decision requires.

<sup>142</sup> It is much easier to share benefits *and* sacrifices with fellow citizens (and particularly with members of one's community) than with those who are in other countries or across the globe.

and hope; and, as the mass health emergency continues in so many countries, between saving lives and protecting livelihoods.<sup>143</sup>

There are no definitive answers about the coronavirus' behavior and course beyond its initial ebb by the late spring in most wealthy countries and its aggressive resurgence in the same group of countries, as well as its

Effective governance during the current and the next stages will require caution and wisdom about when and especially how to unlock economies; it will also require the active cooperation of the public. rise in countries that had initially appeared to have escaped the brunt of its wrath.<sup>144</sup> But some lessons are obvious nonetheless. Independent of how well countries did during the pandemic's first phase, effective governance during the current and the next stages will require caution and wisdom about when and especially *how* to unlock

economies; it will also require the active cooperation of the public. This is particularly critical in light of ample evidence that the disease is not anywhere near its peak.<sup>145</sup>

Under the circumstances, tackling the virus successfully entails many challenges. They include persuading residents of the pathogen's continuing virulence; that although fewer of those infected might die, they could infect other family members and friends; and that many of those who get really sick from the virus but survive experience serious post-hospitalization ailments. As a result, government's (and the business community's) greatest challenge is understanding and communicating effectively to the public that "flattening" the epidemiological curve during the spring months was not enough—in fact, it may have been the easy part. *Keeping it flat* is the real challenge, in that it requires even greater discipline and the management of both expectations and the complacency that has already set in in far too many places. In fact, it is this challenge that is making managing well the current phase of the pandemic such a "treacherous" one.<sup>146</sup>

In view of the repeated and continuing surges, the best course of action is intensive though matter-offact public education, the preparation of health systems (especially hospitals)<sup>147</sup> to respond to multiple resurgences of the virus, especially as the late fall and winter months approach, and the willingness to slow down the opening of the economy or to even reverse course—though in targeted ways—when necessary. Many countries and subnational jurisdictions (from U.S. states and Canadian provinces, to Israel and Iarge

<sup>144</sup> The virus' resurgence is almost global, with large-scale flare-ups recorded in parts of Europe, North and South America, Asia, Africa, and the Pacific. See, for example, Mathew Dalton, Ruth Bender, and Margherita Stancati, "COVID-19 Appeared to Be under Control in Europe. Now It's Surging Again," *Wall Street Journal*, August 19, 2020; the *New York Times* daily coronavirus briefing available at: www.nytimes.com/newsletters/coronavirus-briefing.

<sup>145</sup> See *The Economist*, "One Million and Counting: The Covid-19 Pandemic Is Worse Than Official Figures Show," *The Economist*, September 25, 2020.

<sup>146</sup> See Barry Eichengreen, "The Pandemic's Most Treacherous Phase," Project Syndicate, September 9, 2020.

<sup>147</sup> The reasonable stockpiling of medical supplies (particularly protective gear and ventilators) is essential if hospitals are to avoid facing the shortfalls they were confronted with during the pandemic's early phase.

swathes of Latin America, and parts of countries including Spain, Germany, India, Australia, the United Kingdom, Ireland, Czechia, Belgium, Italy, and others) have already had to contend with these realities.<sup>148</sup>

The following are a few of the more obvious policy observations as governments and publics dig in for the many difficult months ahead. They are offered primarily as conversation starters:

- The development of a vaccine is the cornerstone of full recovery. Only a vaccine that is safe,<sup>149</sup> effective, and readily available across the globe—that is, it can be produced with unparalleled speed and in unprecedented quantities (many billions of doses), and be distributed fairly and efficiently—will defeat COVID-19.<sup>150</sup> Interim steps, however, are also extremely important. These include easily available tests that produce reliable near-instant results and treatments that use a variety of existing drugs and drug "cocktails," and other anti-viral and anti-inflammatory palliatives.
- All countries will continue to grapple with the critical questions of how to contain new outbreaks while limiting economic damage and when to draw down stimulus programs. Reopening economies and reviving demand for goods and services are essential to recovery. A fundamental question, however, remains: when will workers and consumers be confident enough to buy the products and services needed for the economy to take off again? This question cannot be answered in the abstract. People will need assurances that the health emergency phase of the crisis is over and/or that, should one become infected, there is an effective treatment *and* a well-thought-out plan for containing the outbreak from spreading further. And moving in that direction will have to include substantial incentives for people to go back to work. They must also include fallback provisions for wage subsidies should lockdowns, however narrow, become necessary once more (as they are

<sup>148</sup> See, for example, Dalton, Bender, and Stancati, "COVID-19 Appeared to Be under Control"; the daily *New York Times* coronavirus briefing: www.nytimes.com/newsletters/coronavirus-briefing. The nature of the surges, their "targets," and the responses to them, however, are quite different than earlier in the year. The flare-ups tend to be highly localized and resulting from a few main sources: large gatherings where attendees do not observe rules about social distancing and protective gear, bars, and travelers. And, understandably perhaps, the virus' targets are younger adults, who make up the overwhelming majority of participants in large gatherings, and children and young adults, whose infections primarily result from the return to school. (As noted earlier, both groups do not get as sick as older people, and as a result, hospitalization and death rates among these cohorts are considerably lower than earlier cohorts of COVID-19 patients.) And the authorities' responses to such flare-ups are also different: the lockdowns have been much narrower and targeted, and as a result, the economic damage has been much more limited. But with infectious rates rising relentlessly in October, all bets may be off as to how targeted lockdowns will continue to be.

<sup>149</sup> Considering the skepticism and the endless conspiracy theories about vaccines around the world, a COVID-19 vaccine must *first and foremost* be shown to be safe, not just effective.

<sup>150</sup> The feverish quest for a COVID-19 vaccine appears to be progressing at unprecedented speed, with 23 vaccines in advanced clinical testing and several showing very promising results. The extreme priority the effort commands is evident in the enormous funds governments everywhere are investing and the unusual equity partnerships between government and private laboratories. The United States, Canada, Germany, and the European Commission, as well as many other countries, have been committing vast sums in supporting promising vaccine development initiatives through clinical trials and making "advance purchases" of billions of doses should one or more of these laboratories produce a vaccine that is judged to be safe and effective. President Trump's "Operation Warp Speed" is at the heart of the U.S. effort. But as the race to a vaccine heats up, one must wonder whether a vaccine will be treated as a global public good and be made available to all, or as a good that gives an investor-government a leg up in a macabre game of nationalist sweepstakes. And of course, accusations of state-sponsored misbehavior (primarily by China and Russia) focusing on hacking vaccine research laboratories have increased apace. See Julian E. Barnes, "U.S. Accuses Hackers of Trying to Steal Coronavirus Vaccine Data for China," New York Times, July 21, 2020; Julian E. Barnes, "Russia Is Trying to Steal Virus Vaccine Data, Western Nations Say," New York Times, updated August 11, 2020.

now in many countries)—notwithstanding the perverse incentives and moral hazards such policies generate.<sup>151</sup>

- The countries that fared best in controlling the spread of the virus during its first and still deadliest phase share certain attributes. They recognized the potential gravity of the public-health threat early. They had highly competent and respected public-health authorities and political leaders who relied on them faithfully throughout the crisis. And they invested deeply and continuously in building and maintaining their public-health infrastructure. Moreover, they were led by presidents, prime ministers, and chancellors who had earned and maintained the trust of their publics and exhibited the necessary discipline and moral authority to impose strict economic lockdowns and to enforce social distancing and associated prophylactic measures (such as face coverings), as well as widespread use of testing and contact tracing. These leaders also spoke frequently, clearly, and with a consistent tone and message to their publics. Taiwan, New Zealand, and Singapore, for instance, may well hold the pole position in that regard, but South Korea,<sup>152</sup> Norway, Denmark, Austria, Germany, Greece, and a few other countries also belong to this elite "club." Of course, countries' geography and, in most cases, size have also played an important role in their success.
- With every passing week, we understand better the factors that shaped how states have been affected by the virus. Though the constellation of factors is complex, and it does not apply equally to all states, it includes the demographic composition of a country—and particularly of the epicenter of the outbreak within it—such as its age distribution and the population's general well-being; cultural factors, such as routine conventions and rituals around physical contact, interpersonal distance in social interactions, and habits of personal hygiene; the quality of a state's health infrastructure and its accessibility to all members of society, but especially its most vulnerable members; a society's attitudes and degree of commitment to such values as solidarity, cooperation, and responsibility; the quality of leadership at all levels of government; and the availability, access to, and reliability of scientific knowledge—and the human ingenuity to put it to work.<sup>153</sup>
- Substantial success in controlling the spread of the virus during the first phase of the pandemic did not allow countries to escape its economic destructiveness. With very few exceptions (such as Taiwan, Singapore, and to a lesser degree, South Korea), countries that successfully contained

<sup>151</sup> There is already a robust debate about the merits and drawbacks of continuing to roll out vast stimulus programs. As noted earlier, some central bankers, such as the head of both the U.S. Federal Reserve and of the European Central Bank, have been strongly in favor of greater fiscal outlays. See Nick Timiraos, "Powell Says Economic Gains Are at Risk if Stimulus Measures End Prematurely," *Wall Street Journal*, June 20, 2020. And so are many economists. Others, however, are increasingly concerned that state intervention in the economy and financial markets will not suddenly "return to normal" once the pandemic passes and unemployment falls. The U.S. Congressional Budget Office has in fact argued that extending more generous jobless aid could hurt the economy. See letter from Phillip L. Swagel, Director of the Congressional Budget Office, to Charles Grassley, Chairman of the Senate Committee on Finance, "Economic Effects of Additional Unemployment Benefits of \$600 per Week," June 4, 2020; *The Economist*, "As the Economy Recovers, Fiscal Policy Has to Shift: Is It Time to Wind Down Emergency Stimulus?" *The Economist*, July 11, 2020.

<sup>152</sup> South Korea did not shut down its economy. Instead, it maintained a strict regime of mass testing and aggressive digital contact tracing—a method that has been used extensively and successfully with other epidemics. These tools are thought to be responsible for the country's low number of infections and deaths during the virus' first phase. See WHO, "Coronavirus Disease (COVID-19) Situation Report - 104" (daily update, May 3, 2020); Choe Sang-Hun, "New Covid-19 Outbreaks Test South Korea's Strategy," New York Times, September 2, 2020.

<sup>153</sup> This bullet relies heavily on the thoughtful work of Joseph Chamie, a former Director of the United Nations Population Division, especially Joseph Chamie, "The Deadliest Nations for COVID-19," Yale Global Online, June 4, 2020.

the virus' spread during its first phase have nonetheless felt its economic blow. As economies have come out of their lockdowns, in many instances carefully and tentatively, but all too often carelessly and in a few cases (such as the United States and Brazil) even impetuously, it is important to watch which prophylactic measures work best in controlling the spread of COVID-19.<sup>154</sup> But perhaps even more important may be to watch whether the discipline certain governments and publics showed in containing the spread of the virus during its first, and most lethal, phase will be duplicated in managing subsequent surges of the virus. With some exceptions, the record so far has been dispiriting as various forms of civil disobedience by certain groups and "revolts" by some local authorities against central government decisions to lockdown their jurisdictions attest.<sup>155</sup>

- Reopening the economy safely requires true diligence and cooperation among the government, the business sector, and the public. This diligence in reopening the economy and relaxing restrictions is essential because doing so increases significantly the rate of the spread of the disease, and if governments have to apply "the economic emergency brake" again (an action that can be psychologically devastating) some among the public will not be as compliant as they were the first time around. This is indeed the experience in most countries so far, ranging from most parts of the United States—the poster child for this problem—but also parts of Germany (Berlin and elsewhere), Spain, France, and many other European and Western Hemisphere countries.<sup>156</sup> This issue will be of paramount importance for the remainder of 2020 and a good part of 2021.
- We now know much more about how COVID-19 affects different segments of the economy and society—and it is crucial that we act on that knowledge. The virus' disproportionate hit on certain sectors, such as retail, hospitality, transportation, arts and entertainment, and personal services, makes clear that workers in those sectors have been and will continue to be affected disproportionately. Across most countries, this translates directly into many minority and immigrant workers. For many in both groups, the impact will be even greater because their economic lives are generally more precarious.<sup>157</sup> The Great Recession of the late 2000s demonstrated well this pattern because of that downturn's focus on the retail and construction sectors, both of which were ravaged by the recession and were staffed disproportionately by immigrants.<sup>158</sup> But there may be a ray of hope here. Counterintuitively, perhaps, many of these workers may benefit from the resumption of economic activity—a recognition both of the "essential" nature of their economic contributions and their

155 See The Economist, "Across the World Central Governments Face Local COVID-19 Revolts," The Economist, October 12, 2020.

<sup>154</sup> In addition to widespread testing and contact tracing and surveillance, the "gold standard" among epidemiologists—and one that also creates non-virus-related virtuous cycles in the form of the perhaps millions of temporary jobs it could create—other tools have proven essential as well. These include highly disciplined social distancing; mandatory face masks when appropriate social distancing is not possible; frequent, free, and reliable testing; staggered work shifts; staged opening of businesses when possible; wide use of quarantines when appropriate; and paying special attention to people at risk, such as residents of nursing homes and many minorities.

<sup>156</sup> See Maïa de la Baume and Paul Dallison, "Anti-Corona Restrictions Protesters Try to Storm German Parliament," Politico, August 29, 2020.

<sup>157</sup> See Marcela Escobari, Natalie Geismar, and Dhruv Gandhi, "Visualizing Vulnerable Jobs across America: A Tool to Understand Your Local Economy and Inform Its Recovery," Brookings Institution, July 28, 2020; Randy Capps, Jeanne Batalova, and Julia Gelatt, COVID-19 and Unemployment: Assessing the Early Fallout for Immigrants and Other U.S. Workers (Washington, DC: MPI, 2020).

<sup>158</sup> See Papademetriou, Sumption, and Terrazas, eds., Migration and the Great Recession; Fix et al., Migration and the Global Recession.

economic marginality,<sup>159</sup> which makes them willing to accept jobs that some citizens and longer-term (and legal) residents, who have been protected by the enormous subsidies governments have been providing may initially eschew.

As advanced economies reel but recover, however slowly, the road to recovery for less developed ones will be much rockier. Constant downward economic growth projections by global and regional organizations make clear that low- and most middle-income countries will fare much worse than initially thought. In fact, no world region appears to have been spared by the economic effects of the pandemic, even if the direct ravages of the virus were relatively modest.<sup>160</sup> Less developed economies and societies will have a much harder time coming back from the ravages of the pandemic considering their much weaker health systems and institutions, much deeper economic damage (in large part because their publics have much less of an economic cushion, such as savings, and their governments may be less able to borrow at reasonable rates), and in many instances, weaker governance structures. Complicating this scenario is the fact that economic strain in immigrantreceiving countries means that remittances—an economic lifeline for countless households and, less directly, broader communities and societies—cannot be counted on to make nearly as much of a difference as they usually do.<sup>161</sup> As we saw during the Great Recession, remittances decreased and remained lower for a period before they started to rise again.<sup>162</sup> This time, with a much deeper and longer economic impact, and migrants even more present in precarious and frontline jobs that have been lost or seem likely to disappear—and notwithstanding migrants' typically remarkable resilience—one must wonder how much available income they are likely to have and be able to share with their families back home. The equation is simple: remittances will fall because many migrants' earnings have been falling precipitously.

<sup>159</sup> As public policy attention has shifted to the economy, there is an enormous emphasis on stimulating demand for products and services. Here, governments have once more exhibited unusual imagination, from Spain's topping off the lowest wages and subsidizing the purchase of cars, to offering tax credits and other, more substantial, inducements to people to take holidays in their countries, visit restaurants, purchase products, and more.

<sup>160</sup> See IMF, *World Economic Outlook, October 2020*; World Bank, *Poverty and Shared Prosperity 2020: Reversals of Fortune* (Washington, DC: World Bank, 2020); Amina Mendez Acosta and David Evans, "Six Takeaways from the New Growth Forecast from the IMF and the World Bank," Center for Global Development, October 16, 2020.

<sup>161</sup> For COVID-19's impact on remittances in Asia, see Aiko Kikkawa Takenaka, James Villafuerte, Raymond Gaspar, and Badri Narayanan, "COVID-19 Impact on International Migration, Remittances, and Recipient Households in Developing Asia" (Asian Development Bank Brief No. 148, Manila, August, 2020). That brief projects remittances to the region to drop by between \$31.4 and \$54.3 million for 2020 and to affect the job security and well-being of more than 91 million migrants from the region—as well as the millions of households that depend on remittances.

<sup>162</sup> In estimates published in April 2020, the World Bank projected that remittance flows to low- and middle-income countries would fall by 20 percent in 2020, or from \$554 billion in 2019 to \$445 billion, due to the economic shutdowns—a projection that may turn out to be optimistic as the virus surges again and again. This average masks significant variation between regions, with remittance flows to East Asia and the Pacific comparatively more insulated (at a 13.0-percent drop) than flows to sub-Saharan Africa (-23.1 percent) or Europe and Central Asia (-27.5 percent). Research on the Great Recession of the late 2000s revealed a similar phenomenon, with remittances to India and China growing even as remittance flows elsewhere fell. The precipitous fall in remittances in several regions will result both from rising unemployment *and* falling incomes due to cuts to hours and pay. (During the last recession, the employment gap between the native born and migrants widened, although the extent of this disadvantage varied by destination country and by immigrant or minority group in some cases.) See World Bank, "COVID-19 Crisis through a Development Lens" (Migration and Development Brief No. 32, World Bank Group, Washington, DC, April 2020); Papademetriou, Sumption, and Terrazas, eds., *Migration and the Great Recession*. The relative employment rebound in the United States in May and June gave a degree of hope that some of the projected remittance drops to several Latin American countries might not be as severe as initially feared. See Luis Noe-Bustamante, "Amid COVID-19, Remittances to Some Latin American Nations Fell Sharply in April, then Rebounded," Pew Research Center, August 31, 2020.

#### > Pandemics respect no borders, but they do make distinctions in who they hit hardest within

states. COVID-19 has had disproportionate effects on the elderly (particularly those in nursing facilities); people with pre-existing conditions that allow the virus to thrive, almost regardless of age; those who live in high-density inner cities and multigenerational households; the most socioeconomically vulnerable, which typically includes racial or ethnic minorities and many immigrant populations; and people who lack routine access to health care. But there are also many exceptions: they include *all* frontline workers and far too many younger persons<sup>163</sup> (mostly those under 35 years of age) who choose to ignore or even dismiss the scientific evidence about the importance of social distancing and wearing masks, and people displaying various forms of apathy toward or selfishly rejecting such measures on the grounds of a misguided ideology about "liberty," "rights," and "freedom." But even when the virus appears to be somewhat indiscriminate in whom it infects, it does not mean that its virulence is felt equally across economic and social classes. In fact, two of the most important lessons from COVID-19's path of destruction so far may be that (1) access to health care needs to be "democratized," where this is not already the case, and (2) international cooperation during pandemics is simply essential—from sharing information about infections; to the development and large-scale production and distribution of testing kits that produce quick but reliable results, therapeutics, and vaccines; to working collaboratively to agree on and implement policies and protocols for opening borders safely. Such cooperation should also be seen as a down payment toward working together on many other crucial matters that affect the global community in the pandemic's aftermath. The inevitable health emergencies that will follow COVID-19 and climate change are on top of such lists.

It may be still too early to judge whether COVID-19 will alter the course of domestic politics—and particularly the extreme ideological polarization that has given rise to the waves of nationalism and nativist populism that have divided so many countries<sup>164</sup>—and whether it will strengthen or poison further cross-national cooperation. Some mainstream analysts believe that it will. Richard Haass, the long-time president of the U.S. Council on Foreign Relations, argues that the virus will double-down and accelerate the disarray

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that has been on the ascent for several years in many parts of the world. In Haass' words, he expects the virus to "accelerate history rather than reshape it."<sup>165</sup> Similarly, Harvard economist Dani Rodrik expects pre-pandemic divisions

<sup>163</sup> The CDC reports that people in their twenties accounted for more than 20 percent of all COVID-19 infections between June and August 2020. These data have brought the median age of coronavirus patients to 37, down from 46 in the spring. See CDC, "Changing Age Distribution of the COVID-19 Pandemic – United States, May–August 2020," Morbidity and Mortality Weekly Report 69, no. 39 (October 2020): 1404–09; Marisa Fernandez, "Young People Accounted for 20% of Coronavirus Cases This Summer," Axios, September 25, 2020. For an interesting if somewhat counterintuitive piece, see *The Economist*, "Young People See Covid-19 as a Bigger Threat Than Their Elders Do," *The Economist*, July 21, 2020.

<sup>164</sup> Many thinkers aver that nativist populism and authoritarianism will continue to march on and even grow and prosper. See Thomas Carothers and Andrew O'Donohue, "Polarization and the Pandemic," Carnegie Endowment for International Peace, April 28, 2020, for a look at how authoritarians around the world are taking advantage of the crisis to stoke polarization.

<sup>165</sup> Richard Haass, "The Pandemic Will Accelerate History Rather Than Reshape It," Foreign Affairs, April 7, 2020.

within societies to become further entrenched.<sup>166</sup> The United States is a perfect example of both variants of such predictions.

Yet, both Haass and Rodrik may be too pessimistic in how they see the future unfolding. What makes their perspectives nonetheless worth noting at this time is that other, often keen, observers of global trends appear to fall into the same camp. Two Nobel Laurates in Economics, Joseph Stiglitz and Robert Schiller, writing for *Foreign Policy*, share part of that pessimism. Characteristically, perhaps, Stiglitz argues for a "better balance between globalization and self-reliance" and notes that COVID-19 has been a "powerful reminder that the basic political and economic unit is still the nation-state."<sup>167</sup> In another piece, for Project Syndicate, he writes that he expects an "anemic" recovery with many more bankruptcies and reductions in both consumption and production. (He also worries about rising deficits and debt levels, and a correspondingly lower reliance on fiscal stimuli.)<sup>168</sup> More interestingly, perhaps, Schiller posits that the virus has "created a wartime atmosphere in which fundamental changes suddenly seem possible."<sup>169</sup> Although such an apparent agreement among some observers, however noted, does not a consensus make, one will do well to recall how scientific revolutions,<sup>170</sup> and the resulting paradigm shifts, start: with the scientific (in this case, elite) consensus being challenged and gradually gaining steam as more and more analysts join the chorus for rethinking the dominant paradigm.

Will this pandemic encourage and accelerate such shifts? It may be too early to tell because tectonic changes take time to develop, though when their time comes, the shift appears sudden. No other policy areas seem to be more ripe for such a shift than the international trading regime, particularly many countries' relationship with China, and the migration regime.

The chorus for "rebalancing" trade relationships is gaining steam all the time, with many committed "internationalists" arguing for a modest "rebalancing" and (the careful) "reshoring" of key production processes.<sup>171</sup> And as noted, countries ranging from Japan and the United States to those in Europe and elsewhere seem to be moving in that direction, initially involving key industries. Of course, China's political calculation is that the West won't risk its access to the vast and growing Chinese market over accumulating grievances about China's many internationally unacceptable behaviors, and more specifically, its treatment

<sup>166</sup> Dani Rodrik, "Will COVID-19 Remake the World?" Project Syndicate, April 6, 2020. See also Dani Rodrik, "Making the Best of a Post-Pandemic World," Project Syndicate, May 12, 2020, in which he argues that the relationship between markets and the state, on the one hand, and hyperglobalization and national autonomy, on the other, will be rebalanced, respectively, in favor of the state and national autonomy—and that "our ambitions for economic growth will need to be scaled down."

<sup>167</sup> Joseph E. Stiglitz, "We Need a Better Balance between Globalization and Self-Reliance," in Joseph E. Stiglitz et al., "How the Economy Will Look after the Coronavirus Pandemic," *Foreign Policy*, April 15, 2020; see also Joseph Stiglitz, "Conquering the Great Divide," *Finance and Development* 57, no. 3 (September 2020): 17–19.

<sup>168</sup> Joseph E. Stiglitz, "Priorities for the COVID-19 Economy," Project Syndicate, July 1, 2020.

<sup>169</sup> Robert J. Shiller, "This Wartime Atmosphere Has Opened a Window for Change," in Joseph E. Stiglitz et al., "How the Economy Will Look after the Coronavirus Pandemic," *Foreign Policy*, April 15, 2020.

<sup>170</sup> See the classic work on this very theme by Thomas S. Kuhn, *The Structure of Scientific Revolutions* (Chicago: University of Chicago Press, 1962).

<sup>171</sup> On July 28, 2020, the U.S. government announced that it would award a loan of \$765 million to Kodak Pharmaceuticals to produce generic drug ingredients so as to compete with China and India. Although the award was later reversed because of irregularities in the award process, the point was clear: the U.S. government wants to move in the direction of greater self-reliance in the domestic production of drug ingredients. See Reuters, "Eastman Kodak to Get \$765 Million U.S. Loan to Make Drug Ingredients," Reuters, July 28, 2020; Zachary Warmbrodt, "Kodak's Federal Loan in Doubt after Agency Cites 'Serious Concerns," Politico, August 10, 2020.

of its minority populations and Hong Kong.<sup>172</sup> Whether the Chinese government's calculation proves to be correct or not depends greatly on whether the European Union shows uncharacteristic resolve on this issue<sup>173</sup> and what the United States' strategy will be going forward.

## 8 Conclusion

Pandemics have played an outsized role in human history. And humanity has survived them, even defeated them, through often at great cost. COVID-19 will not be an exception. Its legacy, measured not only by its eventual death toll, which will greatly exceed those of the Asian and Hong Kong flus of the second half of the last century (see Box 1), but also by its devastation of an untold number of people's livelihoods, will take its place among the most destructive non-war events of the last 100 years.

Other costs will also have to be tallied. They include the enormous damage to the public-health infrastructure across the world and the sacrifices of health workers, more than 7,000 of whom had died by the end of August,<sup>174</sup> but also the vast number of essential workers who have continued to be the lifeblood of economies and societies during the various lockdowns. These range from public safety officers, meat-packing plant employees, agricultural and grocery workers, and workers who deliver food and just about any product imaginable, including employees of Walmart, Amazon, and so many other wholesalers. And of course, the costs will include the until now unimaginable fiscal deficits, and the fiscal reckoning they imply, that the health crisis has spawned.

But there is much more to take into account and think through, including the damage to critical national and global institutions. Among the former is polarization writ large but more significantly the reputational damage and loss of trust in some countries of important institutions that have proven themselves unequal to their stewardship of the rule of law and health emergency management responsibilities. And at least in the United States, there is some evidence that the pandemic has eroded trust in the media.<sup>175</sup> Among global institutions, one can point to the pandemic's toll on the UN system,<sup>176</sup> which with the notable exception of some of its operational agencies (such as the International Organization for Migration, the UN High Commissioner for Refugees, and the World Health Organization) has been sidelined.

<sup>172</sup> This line of thinking may prove to be a colossal miscalculation that threatens the island's future as an international financial center. See Pei, "The Political Logic of China's Strategic Mistakes."

<sup>173</sup> It is instructive in this regard that Michael Roth, the German State Secretary for Europe at the Ministry of Foreign Affairs, published an opinion piece arguing that Europe must become "more resilient" and develop a "clear compass" in its approach toward China. Although it is unlikely that he is articulating a German government policy shift (the Foreign Ministry is in the hands of the Social Democrats), this action is notable in that Germany holds the European Union's rotating presidency. See Michael Roth, "The Security of Our Citizens is at Stake," *Der Spiegel*, August 2, 2020.

<sup>174</sup> According to Amnesty International, more than 7,000 health workers had died from COVID-19 as of the end of August, with Mexico accounting for the largest share, followed closely by the United States—at 1,230 and 1,077, respectively. See Amnesty International, "Global: Amnesty Analysis Reveals Over 7,000 Health Workers Have Died from COVID-19," updated September 3, 2020.

<sup>175</sup> See Marc Hetherington and Jonathan M. Ladd, "Destroying Trust in the Media, Science, and Government Has Left America Vulnerable to Disease," Brookings Institution, May 1, 2020.

<sup>176</sup> The silence of the UN Security Council on all this has been both deafening and a silent cry for deep reform, unless one believes that the Council should only convene on matters of actual war or armed conflict; if fighting the pandemic is akin to fighting global war, engaging the Council should be a "no brainer."

There are far too many truly consequential questions that we do not have the answer to yet. Will we reconsider how we govern ourselves, including the relationship between governors and the governed, and how we relate to each other, both domestically and also regionally/internationally? Will the social movements that Black Lives Matter has seeded across many wealthy states and that extend beyond the critical issues of police brutality and systemic racism—about non-discrimination, equality, confronting our pasts, and more—bear fruit and create better societies? And will we re-evaluate how much, and how, we invest in building up the health, educational, cultural, physical, and economic infrastructure of local communities and their members—especially communities that have been left behind in the galloping globalization?<sup>177</sup>

Such reassessments will be essential in cultivating the social capital necessary in managing the current crisis *and* to confronting the next life-altering one, and thus to enhancing the resilience that is so critical to defeating and emerging strong after the deepest of challenges. But how can countries do so in an environment of profound scarcity not experienced since the end of the last world war? And most critically, can governments around the world secure and maintain the political trust—the "license" that only electors in democratic societies can bestow—necessary to make the tough decisions far too many political leaders around the world have been avoiding, perhaps all too assiduously? These are the issues that will be the ultimate test of leadership in the post-COVID-19 world.

Naturally, on difficult issues that occupy the intersection of values, belief systems, political ideology, and self-interest, differences will always exist and consensus will always be hard won through often difficult compromises. Large-scale, and especially uninvited, immigration is often and is likely to continue to be at or near

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the center of many of these divisions. But when it comes to well-regulated migration, the easiest course for many governments may well be simply picking up where they left off. Even such systems, however, will need to incorporate the reality of the pandemic's toll on jobs and livelihoods—and popular will—into their decisions about immigration flows. At this time, and with the exception of the United States under the Trump administration, there is very little public indication that governments are rethinking their immigration policies and systems—and many of the Trump administration's actions to date exhibit more anti-immigration, and in some instances anti-immigrant, animus than a policy logic that can get the support of those in the political center on this issue.

With very few exceptions, there is, in fact, a political center on immigration. That is despite the best efforts of populists on the left and right to pull it apart in their search for political advantage. The question then becomes whether governments are willing to invest in shoring up this center by acknowledging and addressing the society-wide implications of immigration policies and by investing in the integration of newcomers. Intellectual honesty can help a great deal here—more so, in fact, than most studies could. A

<sup>177</sup> See John C. Austin and Brad Hershbein, "In Many Communities, COVID-19 Will Permanently Kill Jobs. Here's How They Can Respond," Brookings Institute, September 17, 2020.

good starting point is assessing both the benefits and the costs of the policy. Among the former, one must include immigrants' contributions to the global competitiveness of many of a country's most successful firms and to supporting entire economic sectors—ranging from perishable crop agriculture to health and education, but also the construction sector, child and elder care, a host of personal services, and most back-of-the-house food services that typically offer deplorable working conditions and too little compensation.<sup>178</sup> But the costs must also be honestly accounted for *and addressed wisely*. They include the massive language, schooling, training, and other integration services many immigrants require, the flattening of the wages and the stagnation or even deterioration of working conditions in many of the job sectors in which immigrants are overrepresented, and the damage to the very essence of the rule of law that illegal immigration represents.

In the absence of reaching a new consensus on migration, the United States and many of the other countries in which the immigration status quo was deeply divisive before the pandemic are likely to continue to argue about the importance of strong borders; about how many more people to admit and in which configuration (with little to no regard for the effort, commitment, and cost that helping newcomers without the skills or education<sup>179</sup> to aid the post-pandemic economic recovery will require); about how and how much to help people who are destitute, marginalized, and deeply vulnerable regardless of where they come from and where they live; or, and perhaps most importantly, whether to aim higher (in addressing inequality and committing, truly, to inclusiveness) or aim lower and ignore the effects of our "wins" on those who do not share our convictions and values.

These are most unusual times. Not only do societies have to contend with a colossal—and ongoing—health emergency, but also with a level of economic devastation and destruction of livelihoods second only to the Great Depression. But remarkably, these are not the only momentous forces at play. Societies across much of the wealthy world are also attempting to come to terms with systemic inequality and prejudice and to meet citizens' expectations for real social justice and inclusion. And as it has often happened in recent years with other large cultural and social justice issues—especially on marriage equality and LGBTQ rights—public opinion is shifting with astonishing speed and may deliver fundamental change.

Of course, whether fundamental change emerges, or the movements' energy dissipates and the opportunity for another remarkable cultural shift dies a slow death, will not be known for a while. But the cumulative effect of all these seemingly mutually reinforcing forces is unlike any many of us have experienced and requires the steadiest of hands both on the part of government and the leadership of the various social movements.

Change, after all, can either come abruptly, through revolution, or more slowly by people who are committed to it *and* know how to operate the levers of political power. The former is not easy to do in mature societies. And the latter requires the ability to demonstrate that leaders are capable of second-

<sup>178</sup> It is important not to dismiss the economic contribution of even the least-skilled immigrants, most of whom enter via family immigration systems. Many of them fit comfortably under former U.S. President Obama's characterization of immigrants as "strivers."

<sup>179</sup> Recognizing and more honestly addressing the society-wide implications of immigration policies, and more systematically investing in the integration of newcomers, would be a welcome byproduct of COVID-19. This is a prime opportunity to focus on the issues of rights and equity and address them in earnest. Will this be the time to do so?

and third-order thinking and have the skills similar to those needed to manage successfully the health emergency *and* its economic aftermath. At the end of the day, just as the health crisis cannot be separated from the economic crisis, it is impossible to separate the labor market (and jobs) crises from immigration.

That this moment of immense challenge also presents opportunities was captured well in the October 15 plenary speech of the IMF's managing director during the 2020 annual meetings of the Fund and the World Bank Group. In it, Kristalina Georgieva argued that the world faces a "new Bretton Woods moment" amid economic calamity and untold human desperation, but also "a chance to address some persistent problems—low productivity, slow growth, high inequalities, a looming climate crisis. We can do better than build back the pre-pandemic world—we can build forward to a world that is more resilient, sustainable, and inclusive."<sup>180</sup>

COVID-19 is already the greatest global "disruptor" since the Second World War and, in the process, it also has the potential to accelerate the rate of cultural and socioeconomic change. Yet, the dichotomies that many observers posit, in the form of a question as to whether "authoritarians" or "democrats" will emerge as the winners in the post-pandemic world, may represent a false choice—and thus miss a critical point, at least for advanced democracies. The superior construct in this regard is one that hinges on *trust*: trusting one's political leaders (political trust) and trusting one another (social trust). Countries that have ample supplies of both forms of trust are better equipped to handle the difficult policy choices required to cope with COVID-19 *and* manage its economic devastation—and in turn, to make the right choices with regard to equality, social justice, and immigration.

At the end of the day, just as the health crisis cannot be separated from the economic crisis, it is impossible to separate the labor market (and jobs) crises from immigration.

<sup>180</sup> Kristalina Georgieva, "A New Bretton Woods Moment" (address to the annual meeting of the IMF and World Wank, October 15, 2020).

## About the Author



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Demetrios G. Papademetriou is a Distinguished Transatlantic Fellow at the Migration Policy Institute (MPI), which he co-founded and led as its first President until 2014 and where he remains President Emeritus. He served until 2018 as the founding President of MPI Europe and remains on its Administrative Council and chairs its Advisory Board. He is also the convener of the Transatlantic Council on Migration.

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# Acknowledgments

The author wishes to acknowledge the invaluable assistance of Kate Hooper, who provided support throughout this writing project, as well as the research assistance of Aubrey Sharman and Samuel Davidoff-Gore. Finally, he thanks Lauren Shaw for her keen eye and superb editorial skills.

An earlier version of this reflection was written for a virtual meeting of the Transatlantic Council on Migration, an initiative of the Migration Policy Institute (MPI), held in May 2020. The meeting's theme was "International Mobility and Migration in the Age of COVID-19 and Future Pandemics," and this reflection informed the Council's discussions.

The Council is a unique deliberative body that examines vital policy issues and informs migration policymaking processes across Europe, North America, and Australia. The Council's work is generously supported by the following foundations and governments: the Carnegie Corporation of New York, the Calouste Gulbenkian Foundation, and the governments of Australia, Canada, Germany, the Netherlands, Norway, and Sweden.

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Design: Sara Staedicke, MPI Layout: Liz Heimann Photo: Glenn Fawcett/U.S. Customs and Border Protection

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Suggested citation: Papademetriou, Demetrios G. 2020. *Managing the Pandemic and Its Aftermath: Economies, Jobs, and International Migration in the Age of COVID-19*. Washington, DC: Migration Policy Institute.

The Migration Policy Institute is an independent, nonpartisan think tank that seeks to improve immigration and integration policies through authoritative research and analysis, opportunities for learning and dialogue, and the development of new ideas to address complex policy questions.



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