

GLOBAL AND REGIONAL ORDER

# TIME FOR A POST-CORONAVIRUS SOCIAL CONTRACT!

**Henrik Maihack and Manfred Öhm**  
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The crisis of multilateralism accelerated by the coronavirus pandemic and a trend of de-globalisation are causing economic shifts. Many countries on the African continent in particular are adversely affected by this development.



Political and economic stimuli are needed to link regional value creation with a socio-ecological transformation in Africa. Strengthening multilateralism within the scope of a post-coronavirus social contract is necessary to carry out this transformation.



The operationalisation of such a post-coronavirus social contract would be a task for the ongoing regional negotiation processes between the EU and the AU.



*Translation from German original version.*

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## WHAT ARE AFRICA'S PROSPECTS FOR DEVELOPMENT IN THE POST-CORONAVIRUS WORLD?

The economic and social consequences of the COVID-19 pandemic necessitate a coordinated global response. While some countries in the Global North are combatting the impacts of the crisis with large economic stimulus packages and by leveraging social protection systems, many countries in the Global South lack the resources to take similar actions. Additionally, the pandemic coincides with the crisis of multilateral cooperation, characterised by an increasing loss of trust in international regulations and organisations, and challenging a coordinated global response. Leading up to this year's 75<sup>th</sup> anniversary of the United Nations (UN), UN Secretary General António Guterres initially spoke about an increasingly chaotic world. On 18 July 2020, Guterres called for a new social contract that would have to reduce inequality and strengthen capabilities and opportunities for people to fulfil their potential. Implementing such a social contract when faced with an increasingly chaotic multilateral order is a particular challenge, for which new approaches, innovative forms and regional impetus for global collaboration, are needed. This cooperation is particularly pressing against the backdrop of the mutually reinforcing dynamics of crises.

The crisis of multilateralism, driven by conflicts between the US and China, has thus far primarily changed the form of international cooperation; it is leading to an increase in transactional agreements of a bilateral rather than multilateral nature. This is coupled with a phase of de-globalisation, where the dependency of value creation along complex global supply chains is challenged by growing protectionism and is losing public acceptance. De-globalisation – accelerated by the coronavirus pandemic – is thus causing a shift in economic strategies and prospects, resulting in winners and losers. The global recession as a consequence of the pandemic is jeopardising poverty reduction in the Global South which has been a remarkable achievement over the past three decades. One case in point: according to the International Labour Organisation (ILO), half of the working-age population could lose their access to income due to the coronavirus crisis. This is particularly pressing for the two billion informal workers primarily located in Africa and South Asia without an employment contract nor access to a social security scheme. This in turn leads to a looming global justice crisis which will manifest itself not only in increasing social and economic inequalities, but will defer achievement of the UN's *Agenda 2030* and its 17 sustainable development goals. The *Agenda 2030*, declared by the UN in 2015 as the international community's joint task, is a good compass to evaluate international cooperation and political action in the post-coronavirus world.

With strong dependence on imports and exports, a high population employed in the informal economy, and lack of resources to finance social security, African states find themselves in an especially difficult starting position to respond to the socio-economic consequences of the coronavirus cri-

sis. The informal sector comprises more than 80 per cent of the workforce in many African countries. A key barrier to transitioning out of the informal sector on the continent is the lack of structural transformation of many African economies. In the medium and long term, however, it will be important to negotiate the prospects for such a structural transformation of an entire continent post-pandemic, when the multilateral regimes and global division of labour of the past three decades, that have primarily benefitted other continents, will probably no longer be available. This constitutes both an opportunity and a challenge: for many African countries, the stakes are no less than exploring new development pathways and simultaneously positioning themselves in an increasingly chaotic post-coronavirus world.

Against this backdrop, a joint strategic and normative response is required. The strategic response includes exploring prospects for development on the African continent that link establishing labour-intensive industries with a socio-ecological transformation. The normative, political response comprises a defence and at the same time a renegotiation of stronger, more sustainable and equitable international cooperation on the basis of a global, post-coronavirus social contract. When calling for a renewed social contract, UN Secretary-General Guterres explicitly appealed to human dignity, basic human needs and liberties, and gender equality. The prerequisite for this would be linking the support for legitimate and inclusion-oriented multilateral fora with setting up sustainable value creation in those countries that thus far benefitted the least from the global division of labour and have to cope with particular economic losses due to the coronavirus. Revitalising the *Agenda 2030* can serve as an ambitious compass. Considering the worsening crisis of multilateralism, however, concrete political starting points for such a social contract currently lie mainly at the regional level.

## DE-GLOBALISATION: A DEVELOPMENT MODEL HAS REACHED ITS END

It is clear the coronavirus pandemic is a threat for workers across the world beyond its significant health consequences. It is already evident that the pandemic will lead to a diversification of global supply chains with the aim of reducing dependencies and bottlenecks. In many industrialised countries, especially in Europe, there is growing pressure to increase the security of supply chains, reduce dependencies, and increase national or regional production capacities. The discussion about reshoring supply chains to Europe from China has gained momentum. According to a poll conducted by DHL and the Business Continuity Institute, as a consequence of the pandemic, among 350 globally active companies, 57 per cent of companies plan to reevaluate their supply chain dependence, almost 30 per cent plan to reduce dependence on East Asian markets, and 13 per cent to reduce imports from China. Such plans for reshoring, if implemented, would accelerate the emergent de-globalisation trend which began with the deceleration in global trade since the 2008 economic and financial crisis.

With the exception of a few digital companies, most countries and societies will lose out in the short and medium term due to the coronavirus crisis; countries and workers in the Global South could be the primary long-term losers as they either depend on exporting processed goods (mainly in Asia) or will be waiting in vain for new industries to be established at the beginning of the supply chain (mainly in Africa). Additionally, disadvantages of de-globalisation are also felt by those that, until now, have been able to increase their profit margins based on low labour costs in low-wage countries. Countries benefitting from de-globalisation are those able to rely on well-integrated regional markets, regional access to strategically important goods and highly skilled workers as well as jobs with a low dependence on export.

This distribution of losses coincides with a phase during which there is hardly any global support for an alternative development path that would be less dependent on these supply chains – or on international demand along such supply chains. Global agreements and resources are needed to create a new, more sustainable development pathway. A long-term objective for a post-coronavirus era consists of ensuring access to a prospect for development for countries that thus far have not benefitted from the globalisation of supply chains. These countries are located primarily in Africa.

The global conditions for precisely this type of trade on which many developing countries are dependent are also changing in a dynamic way. The United Nations Conference on Trade and Development (UNCTAD) speaks of a »transformation« of global production in its *World Investment Report*. In an analysis of global trade and investment relations in the wake of the coronavirus crisis, UNCTAD expresses concern that demand for export goods, the planned enhanced integration of the African continent into global supply chains and the investments into an economic diversification of African countries will in the long run drastically decrease. UNCTAD argues that creating jobs in Africa will become even more difficult as losses of export revenues coincide with a further decline in foreign investments as a consequence of the pandemic. For many countries on the continent, this means that the window to leverage rising labour costs in parts of Asia is likely to close. Even though African governments anticipated the rising labour costs in Asia would be a temporary gateway to catch up on industrialisation, they still intended to seize this opportunity to strengthen regional and continental value chains before digitalisation and automation would take root. Such opportunities have now dwindled significantly.

Even before the pandemic, it was becoming clear that physical and digital capital with its home base primarily in the OECD world, especially the US and in China, would become more valuable over time. Digitalisation and automation enable reshoring entire productions more easily back to OECD countries, which in the past were dependent on low labour costs in Asia. Demand for manufacturing and processing by a human workforce will thus drop even further in the future. This situation threatened to make an economic rise difficult in countries of the Global South even before the coronavirus crisis. In light of the pandemic, what had until now been a

temporary disruption to global supply chains is likely to be a permanent one. Demand will recover in specific industries when the pandemic is under control, but this recovery will not encompass all industries and regions.

The magnifying glass of the coronavirus crisis has thus exposed a fundamental problem in the debate on globalisation, supply chains and prospects for development: the possibilities are limited and conflicting. The model of supply chain globalisation in place up until the coronavirus broke out was a paradox. It reduced poverty but was simultaneously very lopsided and inequitable, often based on poor working conditions and low wages in the Global South. In a nutshell, the model was: people in the Global South without higher education sold their manual labour, found jobs in export sectors that were integrated into »just in time« production in global supply chains. Despite low wages, often poor working conditions, and a lack of ecological sustainability, this development path oriented around international demand meant a reduction in poverty in many countries, primarily in East Asia. One reason was that simultaneously structural transformations of these economies were politically initiated, another reason was trade unions becoming stronger which resulted in better working conditions. In some other cases, local value creation was also improved, but the greatest value creation continued to take place in industrialised countries where high profit margins provided economic prosperity focused in the Global North.

The prospect of economic ascent using this form of development pathway was nevertheless largely closed off to Sub-Saharan Africa. A number of countries, such as Ethiopia, attempted to attract manufacturing industries by establishing special economic zones, vying for integration into the global supply chains. However, this »race to the bottom« in labour costs, coupled with relatively low productivity, have so far not produced any sustainable prospects for development, and little impetus for economic transformation.

In the wake of the coronavirus crisis, there were calls from the African Union (AU) to create better market conditions so as to benefit from a possible relocation of production sites from Asia to the continent within the scope of international diversification of supply chains. A number of factors will determine whether the African continent can indeed benefit, from such reshoring: local investments, more scope for countries to design their own industrial policies, improved accountability of governments vis-a-vis their citizens, and new impetus for sustainability are needed. Such a relocation of production to Africa would also be at best a temporary arrangement and require it to be regionally embedded into economic and social policies. Digitalisation and automation will not be halted by the coronavirus, but will rather result, in the long term, in a decline of available jobs in low cost manufacturing. In the best of cases, any reshoring to Africa would thus bring about only short-term positive effects, which would only have a longer-term impact if they were translated into improved regional value creation in an interplay between regionally embedded industrial production with an increasing share of services. Faced with a global

economic environment that will become more and more difficult, such regional value creation should be the long-term focus.

In recent years, attempts have been made on the African continent to develop regional market integration as an alternative. This aim has been pursued more concretely since 2018 with the founding of the African Continental Free Trade Area (AfCFTA), which is intended to reduce foreign dependencies and establish regionally integrated value chains within Africa. Though the project has been developing more dynamically than some observers expected, some hurdles remain: rather than agreeing on a cooperative and worker-friendly process which would increase regional purchasing power, a »race to the bottom« drawing on low labour costs and competing special economic zones is currently the chosen strategy. The pandemic could also prove counterproductive in setting up the AfCFTA, as many African countries are at risk of incurring new sovereign debt. Consequently, the motivation to forego substantial income from customs for the sake of building a continental market is likely to decrease. It is why a sustainable, economic transformation, on the basis of regional market integration, tends to be more promising over the long term. Additionally, without exports or other foreign income, it will be initially difficult to finance such complex market integration and to shape it in an ecologically sustainable manner, while at the same time investing in social protection for a population who have been hit particularly hard by the coronavirus crisis.

## MULTILATERALISM: NEW ALLIANCES IN THE CRISIS?

Faced with the momentous challenge to create new development pathways for the post-coronavirus era, a broad, multilateral discussion, and strategic cooperation with different players is necessary to bring about sustainable and strategic integration of the African continent. Success will be predicated on an honest commitment to socio-ecological transformation on the continent. For such a transformation to become a reality, regionalisation of trading areas, fair inclusion in diversified global supply chains, and international financing options to set them up, will be required.

The COVID-19 pandemic calls for reliable international cooperation. But, in addition, global efforts to overcome its economic and social consequences are necessary. The challenge is, that the current multilateral system is in a deep crisis when its reliability and efforts would be needed most. Trans-Pacific conflicts between the US and China are increasingly fought within multilateral institutions. Rather than jointly searching for solutions to the life-threatening coronavirus crisis, the geopolitical competition over trade routes and spheres of influence is threatening to turn into growing competition between two different systems, comprising a spectrum that ranges from access to information technologies to a dominant position in specific multilateral organisations. This competition is making the impact of de-globalisation in the coronavirus crisis even greater.

Competing superpowers are nothing new on the continent, countries in Africa have been confronted with the weaknesses of international cooperation for a long period of time. They have nonetheless found a pragmatic way of dealing with it. For several decades now, after being exploited by colonialism and subsequent proxy wars in the wake of the Cold War, the African continent has found itself in a world that is increasingly chaotic and foreseeably multi-polar, which is now being accelerated by the coronavirus crisis. At a governmental level, Africa is taking a pragmatic approach. The fact that many governments have turned to China, the largest trading partner and funding source for African infrastructure, does not really challenge the well-established cooperation with European states. Even the increased involvement of Turkey, Russia and other players has been received pragmatically by many African governments. However, it is more difficult to deal with »club formats« such as the G20 and the BRICS states, where South Africa's exclusive access to these clubs has given rise to conflicts of interest among African states. As of now South Africa's continental initiatives have borne only few fruits. Despite this pragmatism in dealing with a multipolar international community, a clear tendency has emerged in the meanwhile towards increased inner-African cooperation within the AU, and there is a clear will to gain influence in global and multilateral fora and to co-shape their work.

The most recent dispute about the World Health Organization (WHO) has shown that multilateralism in its current form, seen as legitimate also in the Global South, is under pressure. The controversies about the WHO highlight the significance of the ongoing loss of trust for African governments: the appointment of the Ethiopian diplomat Tedros Adhanom Ghebreyesus as WHO's Secretary General was seen in Africa as a win in the continent's struggle for inclusion and recognition in global governance structures. From the perspective of the governments in the Global South, this has increased legitimacy of multilateralism. The WHO also gained legitimacy through its advice and successful fight against the Ebola virus jointly with the African countries affected by it. The public attack launched by the US against Tedros and its withdrawal from the WHO are more than just an attack on a global health authority. In this context, the form and symbolism in which the criticism was delivered are more important than its content: the coronavirus pandemic made it clear that multilateralism primarily derives its legitimacy due to its equitable distribution of global public goods. It is such public goods, accessible beyond borders, that best illustrate the direct link between equitable distribution, cooperative global collaboration, and the values of multilateralism. When multilateralism can no longer effectively deliver these public goods, its legitimacy is increasingly what is at stake.

Global multilateralism in Africa has increasingly gained legitimacy over the past decades as the best path towards a cooperative and economically prosperous co-existence of our global community. One that, despite inequalities in its governance structures and participation, is getting closer. This was supported by continuously closer collaboration between the UN and the AU, and an increase in the global networking of civil society organisations. The *Agenda 2030* also contrib-

uted, as it distanced itself from paternalistic poverty alleviation approaches where problems were largely seen to lie with the Global South, and for the first time leveraged benchmarks on Global North countries as well. Many African countries subsequently developed concrete – oftentimes, overly ambitious – implementation plans to achieve the *Agenda 2030*. The strengths of multilateralism become apparent when legitimacy is won, and multilateral action becomes credible through corresponding programmes and approaches such as a unified and cooperative joint plan of work. The *Agenda 2030* offered starting points for an enhanced participation of civil society in view of the lopsided focus of multilateral cooperation on the executive branch of government.

The question remains, what needs to be done to strengthen multilateralism in the post-coronavirus world despite crises depicted in its development? As the conflict between old and new superpowers currently thwarts multilateral fora, it will largely fall on regional cooperation or islands of cooperation to revive multilateralism in the short and medium term. This can strengthen multilateral confidence, demonstrate a capacity for action, deepen civil society participation, and drive implementation of the *Agenda 2030* forward. Starting points can be seen, for example, in new alliances of multilateralists. Such alliances are not only a counterreaction to Indo-Pacific competitive battles, but are also based on the understanding that the various G-formats (G20, G7, BRICS) as shortcuts of international cooperation do not produce reliable results, and are losing legitimacy for global action as it restricts access for countries of the Global South.

These alliances of multilateralists should more strongly involve African countries in order to defend this very multilateralism, and at the same time commit themselves to a more equitable and broader multilateral participation of the Global South, which is not limited to governments. Against this backdrop, the current crisis provides new niches and opportunities, but above all demonstrates the urgent need to reshape international cooperation. This could begin, for example, with the ongoing regional negotiation processes between the EU and the AU. These negotiations could be used to build new trust in multilateral processes to implement a post-coronavirus social contract not only at the regional level, but also to provide an important impetus for fair actions based on solidarity in the broader international space. Before looking at these specific starting points in detail, however, it is worthwhile to take a look at the normative bases for such a social contract.

## THE POST-CORONAVIRUS SOCIAL CONTRACT: A NORMATIVE FRAMEWORK OF INTERNATIONAL SOLIDARITY

Against the backdrop of the current crisis, it is time for a post-coronavirus social contract, as the coronavirus pandemic has revealed that hastily abandoning the old development model without multilaterally agreed measures, which are ultimately compensatory in nature, will lead to upheavals in the Global South. These upheavals will particularly af-

fect those countries that until now have not been able to benefit from the old development model – meaning first and foremost countries on the African continent. In addition to questions about costs, benefits and interests, there is also a normative question regarding the impact of de-globalisation, hereto accelerated by COVID-19 and the crisis of multilateralism. Multilateralism in the post-coronavirus world necessitates new legitimacy and trust. Both of these only arise if such multilateralism addresses the consequences of de-globalisation acutely jeopardising prospects for development, and thus the prospects for achieving the *Agenda 2030*. As development paths used up to this point can presumably no longer be used, the beneficiaries of the former global production conditions are now faced with an additional and long-term responsibility. The fact that de-globalisation threatens prospects for development and thus limits people's opportunities to fulfil and use their capabilities constitutes not only a problem in economic and development policy-making but is also a question of global justice. This is exactly the starting point for UN Secretary General Guterres' call for such a social contract. The operationalisation of a post-coronavirus social contract thus becomes a task calling for international solidarity. If there are no such prospects for development, this normative question will ultimately become an issue of political stability in regions left behind.

With this in mind, concrete and global initiatives are urgently necessary to answer the question how employment can be created in Africa if future production is going to be increasingly regional, national or local. How can African states starting from difficult conditions gain access to a promising, sustainable development path when the old model has reached its end; and as trust in multilateral mechanisms has declined? This includes questions about multilateral support mechanisms beyond conventional development funding, and about broader access to national and international resources to ensure that in the future these resources reach those who depend on them most in a targeted manner.

The *Agenda 2030* offers a normatively sustainable and sufficiently concrete target framework. It contains clear objectives for a global development path that creates prospects for developing countries and holds industrialised countries accountable. But even the *Agenda 2030* is only a basis to develop further-reaching prospects. Global efforts are necessary to establish access to concrete prospects of development in changing global production relationships. They need to specify strategic options for action, such as whether investment incentives and development funding will be linked to certain requirements and are conditioned. Another consideration is to what extent consistently pursuing the »sustainability imperative« of the *Agenda 2030* has an influence on prospects of development in the Global South, particularly as governments and citizens in the Global North scrutinise the sustainability of global supply chains. If the aim is to increase regional production and consumption to address climate change, or indeed a desire to reduce the dependence on global supply chains, the question of compensation for developing countries becomes indispensable. As an exam-

ple, almost two million people in Kenya in the low-income category depend on jobs in international tourism or the flower export industry. These jobs constitute a way out of the rural poverty which is increasing due to the effects of climate change. However, both flower exports and tourism are not only dependent on European and US consumption and travel, but are detrimental to the climate. Withdrawing from international supply chains without global re-distribution, leads to fewer economic and employment prospects in the Global South in the short and medium term. International climate action based on solidarity must strongly address every aspect of designing equitable and ecologically sustainable prospects for development, but also consequences as the previous development model ends.

It is important, however, that discussions about options for action are not held by governments alone. Much too often, global discussions are caught up at the executive government level, whose legitimacy is often limited in the eyes of the population. For a discussion and political implementation of a socio-ecological transformation, it is essential, for example, to also involve trade unionists from the Global South, representing workers for whom a job at the beginning of regional and global supply chains are valuable. It is just as important to include representatives of civil society organisations advocating for climate action, for example, by using the international financing mechanisms pledged in the scope of the *Paris Climate Accord*, better taxation of corporations operating globally, and by limiting irregular outflows from developing countries. Herein lies a potential for resources that can be tapped into to advance a socio-ecological transformation in Africa beyond conventional development funding. The utilisation of this potential will then also draw attention to the responsibility of governments for their countries and populations, because ruling elites frequently continue to profit from extractive economies and show little interest in a sustainable economic transformation. Domestic political pressure on these elites therefore needs to increase in order to be able to embark on paths of socio-ecological transformation. Issues of international distribution are therefore also always linked to issues of distribution within states.

The impacts of de-globalisation and the crisis in multilateralism thus lead to questions of justice that can only be answered multilaterally and with broad participation. In view of the profound consequences of the coronavirus pandemic, however, it will not be possible to decouple the necessary international debate from domestic discussions. The credibility of international cooperation can only be maintained if its positive results are visible and comprehensible on the ground. The *Agenda 2030* can only serve as a »justice compass« for the international community, and in turn retains its validity if people locally perceive a material outcome through increased opportunities, and if those who are politically responsible for its implementation are credible and performance tied to electability.

In a world where multilateral fora are attacked more and more openly and yet at the same time need to maintain their validity and credibility, the »losers of de-globalisation«

need to benefit more pronouncedly from international solidarity in the future. Concrete and novel regional and multilateral projects can illustrate that this is possible. This should include the fight against the coronavirus pandemic on the one hand, but on the other also be about specifically negotiating the sites of a value creation that is socially just, ecologically sustainable and reduces inequalities in the scope of a post-coronavirus social contract. Likewise maintaining a multilateral framework that equitably distributes rights and obligations is of importance and should be included.

## AFRICA – EUROPE – A REGIONAL PARTNERSHIP AS THE INITIAL IMPETUS?

Strengthening multilateralism based on solidarity on the basis of a post-coronavirus social contract has become more complex than ever before with a view to the current conflict between the US and China at the global level. Nonetheless, regional cooperation formats can still become a new »multilateral avantgarde«, where the previous »G formats« will not be replaced by new regional clubs, but rather interregional partnerships will build a bridge to a multilateralism based on solidarity. The upcoming recalibration of the African-European partnership in the scope of the post-Cotonou negotiations and the summit meeting between the AU and the EU scheduled for October 2020 provide an opportunity to strengthen multilateral confidence and expand participation in multilateral processes.

The EU is in the process of drafting a new European Africa strategy and on the eve of a planned revision of the African-European partnership. Africa has welcomed the focus of the new EU Commission, symbolised by Ethiopia as the destination of the President of the EU Commission von der Leyen's first official trip abroad, and the joint meeting of the Commissioners of AU and EU at the AU. At the same time, African countries are deliberating their future relationship with Europe, for example in the scope of renegotiating a fairer post-Cotonou Agreement and as regards the AU reforms adopted. However, the future of cooperation with Europe is not seen as a priority issue everywhere on the African continent, mostly due to the strong Chinese involvement in Africa. It is thus important to reinforce trust.

Though the European and African states are close cooperation partners, the cooperation agenda and strategic principles for European-African policies are still caught up in a donor-recipient mindset, or long-term goals are sacrificed for the benefit of short-term economic and protectionist objectives. European foreign policy vis-a-vis the African continent is therefore often incoherent. Normative goals in the fields of democracy and human rights are frequently juxtaposed with a migration policy geared towards short-term results with questionable human rights implications, as well as a controversial trade policy. Time and again the relations are burdened by old reflexes, for example, when faced with the coronavirus pandemic, the initial topic that was discussed from the European perspective almost automatically focused on the probability of increased migration. This endan-

gers strategic cooperation as equal partners and leads to justified criticisms from the civil societies of both continents.

The fact that there are a number of different Africa policies on the part of individual European states as well as an Africa strategy from the EU Commission, additionally puts a strain on cooperation given the lack of coordination and coherence. The problem is coming to a head in Africa: while the AU has taken the lead in preparing the African-European partnership and the AU-EU summit meeting, the African party negotiating the post-Cotonou agreement is the Organisation of African, Caribbean and Pacific States (ACP states). This means that on top of characteristic nation-state interests, a parallel negotiation process has emerged for reshaping African-European relations. Despite these obstacles, the pressure for action caused by the crisis offers an opportunity to find a new joint form of cooperation.

For Europe, Africa is in its direct proximity – in contrast to the US or China. In this regard, each of these two regions depends heavily on the other's stability. Both the EU and Africa have committed themselves to democracy and human rights, though implementing and promoting them are often not a priority. Nonetheless, the AU standards defined in the *African Charter on Democracy, Elections and Governance* offer reliable guidance within Africa and can serve as a basis to intensify the relationship with the EU. Democracy and human rights can in this way become the foundation for cooperation.

It is essentially in the joint strategic interest of both regions to reduce dependencies on China – in Africa not least due to the high level of public debt in China. Additionally, the EU and AU want to regionalise both supply chains and value creation closer to home. The main hope in a reshoring of certain industries to Africa is to lead to a better integration of international and regional supply chains, which in turn could lead to a deepening of direct economic cooperation between the EU and Africa. This planned re-alignment is also influenced by the systemic competition with China, officially declared by the European Commission in 2019. Whether the states in Africa will decide in favour of stronger integration with European or Chinese and Asian economic areas in a world of increasingly divided trading blocs is thus turning more and more into a question of a strategic foreign policy with consequences for the EU. Despite a great number of shared interests, the two regions are so far not holding enough discussions about the possibilities of jointly reducing collective strategic dependencies on regions of the world that are more distant or, as a consequence thereof, about potentially maximising their strategic cooperation.

In fact, the partnership between the two continents needs to undergo a turnaround; its outline is already available and is supported by civil society organisations and trade unions. On the basis of shared interests, but also from the perspective of international solidarity and a foundation of shared values, a just transition to socially and ecologically sustainable economic models that are anchored more deeply in regional and continental economic areas should be pursued in the scope of renewed cooperation.

Besides these rather classic objectives such as: a fair trading partnership, job creation and joint commitment to peace and stability, climate action is also in the interest of both regions, both of which have given clear endorsements of the *Paris Climate Accord*. Many African states are heavily affected by climate change, and climate action has also finally made its way onto Europe's political agenda. The changes forced upon the world by the coronavirus pandemic have given decisive significance to climate action, as it will make a huge difference whether economic value creation on the African continent is driven by solar or »dirty« energy in the future. This is because this will create energy policy dependencies which will also be decisive for regional and continental value creation. It makes it even more worthwhile to have a more intense exchange with the EU as regards the transfer of technologies and establishment of systems of renewable energies that could reach all the way to Europe.

The EU's declaration of the »Green New Deal« will be met with particular interest in Africa if it is supplemented with concrete offers. These offers should not only comprise clean technologies and the corresponding investments, but also be linked with a concrete prospect of developing local value creation and employment. The ongoing political initiative for a German and European supply chain law, tightening the accountability of companies for their supply chains and thereby creating the basis for decent work and improved climate action would be such a step towards a new partnership.

A renewed partnership between Europe and Africa as an outcome of negotiations with broad participation can also be an initial impetus to strengthen a solidarity-based multilateralism during times of crisis. Though this is without doubt an ambitious objective, a closer multilateral cooperation between the two continents encompassing the AU with its 55 member states and the EU's 27 member states is more than a cooperation between two regions, but affects more than a third of UN member states, seven of the 15 members of the UN Security Council and one third of the members of the World Trade Organisation (WTO). For this initial impetus to gain momentum, however, it is important to strengthen the coherence of a future EU-Africa partnership to become just such a multilateral framework. Cooperation would only be coherent in the sense of multilateralism if it was guided explicitly by the goals of the *Agenda 2030* and would use them, among other purposes, as a measure for agreements on trade and international migration, rather than defining new or separate goals.

Furthermore, concrete mechanisms to build trust need to be developed that do not get stuck at the level of the executive. Civil society representatives and trade unions in the EU and in Africa frequently call for fairer regional cooperation mechanisms but are rarely met with an institutional or cross-continental response. Establishing concrete pathways for African countries to develop, drawing on novel and broad dialogue mechanisms, is a precondition for this. Policies pursuing solely economic and security interests coordinated exclusively among the governments of the two continents have for a long time not been nearly enough to legitimise

cooperation. Fitting participation formats are required, as well as political action oriented towards operationalising a just global social contract.

For some time now, the EU has also been the addressee of various civil society players from the African continent, because closer and more equitable cooperation is capable not only of offering economic prospects but also socio-ecological protection, so long as this cooperation is designed and legitimised differently in the future. Reshaping European-African relations can only be successful if it comes with new accountability mechanisms vis-a-vis the respective civil societies. There are, for example, concrete concepts for international and African trade unions to enable sustainable and climate-friendly economies on the path towards a just transition and to incorporate the core ILO labour standards into trade agreements. Concrete concepts, developed by international civil society networks to fight against tax loopholes and for additional areas of action where both continents can benefit from multilateralism already exist. All this would make future development paths more equitable.

Establishing European-African cooperation on a new foundation is a long but rewarding path. This is not only about partnership – this term has become overused – but also just participation in taking decisions instrumental to a revitalised multilateralism and to a socio-ecological transformation in the post-coronavirus world. With this focus, the cooperation between Africa and Europe can create support for a global post-coronavirus social contract which takes up the *Agenda 2030* as a universal declaration of intent by the international community and provides guidance for international action in the post-coronavirus world.

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## TIME FOR A POST-CORONAVIRUS SOCIAL CONTRACT!



The crisis of multilateralism is being accelerated by the coronavirus pandemic. At the same time, an increasingly apparent trend of de-globalisation accelerates. These trends lead to shifts in both economic policy and prospects for development. This defers the implementation of the UN's *Agenda 2030* with its 17 sustainable development goals to a distant future. Many countries on the African continent are especially far from achieving these goals.



The strategic answer to this dynamic development is to explore new development pathways on the African continent linking the creation of regional value chains with a socio-ecological transformation. The normative, political response comprises a defence and at the same time a renegotiation of a stronger, more sustainable and equitable international cooperation on the basis of a global post-coronavirus social contract based on solidarity.

The ongoing regional negotiation process between the EU and the African Union (AU) is a starting point to operationalise a post-coronavirus social contract. When faced with the COVID-19 pandemic, a newly defined partnership between the European Union and Africa ideally creates joint prospects: humanitarian in the short term and structural in the long term. This can provide an initial impetus to strengthen solidarity-based multilateralism during the crisis.



Establishing European-African cooperation on new foundation will be a long yet ultimately rewarding path. This is not only about partnership – an otherwise over-used term – but rather equitable participation in decision-making, which is instrumental to revitalising multilateralism and to a socio-ecological transformation in the post-pandemic world. It will be crucial to include African trade unionists and civil society in the re-negotiation of this relationship.

Further information on the topic can be found here:  
<https://www.fes.de/en/africa-department>