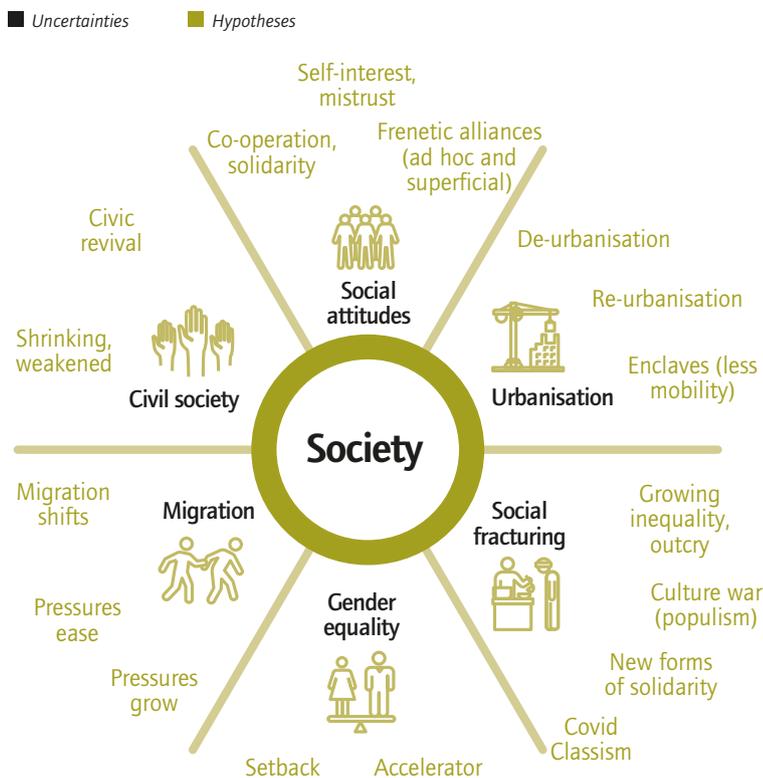


# What are the possible transformations?

**Figure 7.2** Covid-19: Principal uncertainties, according to the OECD



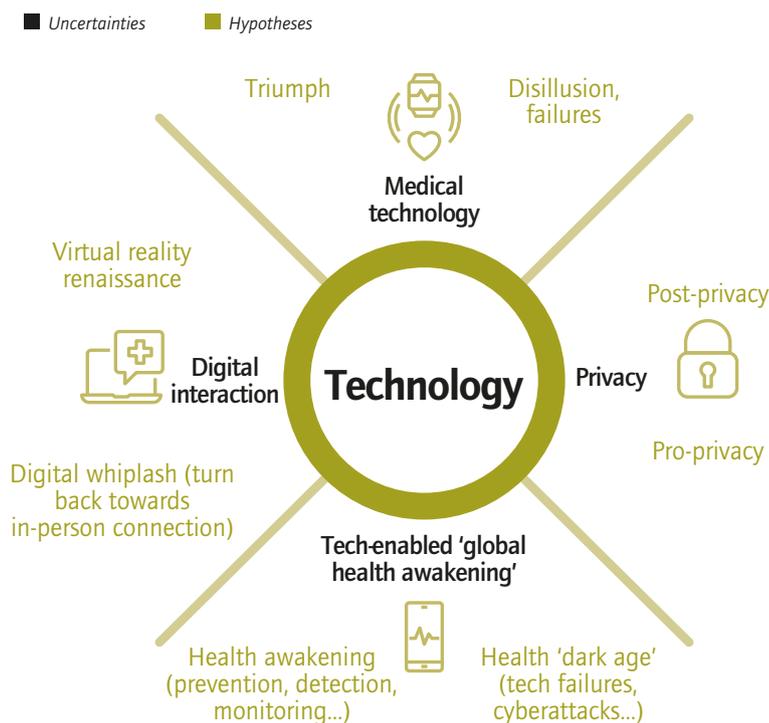
Source : OECD (2020) Strategic foresight for the Covid-19 crisis and beyond: Using futures thinking to design better public policies. Summary table by C. Degryse (ETUI).

## Uncertainties and vulnerabilities

In its Foresight Report, cited above, the Commission (2020d) points in particular to the vulnerabilities that have emerged amongst the population during the Covid-19 crisis: feelings of isolation due to the containment measures, increased mental health problems, aggravation of social and gender inequalities, financial insecurity, job losses and economic vulnerability. The 'polycrisis' provoked by the pandemic in Europe and in the world has brought us into a period of uncertainties and transformations in almost all areas of economic, social and cultural life. An OECD foresight study published in June 2020 suggests a classification of likely transformations into five broad categories: societal, technological, economic, environmental and governance (OECD 2020). As a starting point for this chapter's reflections, this OECD study is summarised in the following five figures; in each one, the first column lists the main 'uncertainties' (U1, U2, etc.). The boxes in the row for each 'uncertainty' suggest different development 'hypotheses' (H1, H2, etc.). The following paragraphs draw on these categories to discuss possible changes and transformations in our societies in the medium to long term.

## The societal challenges of Covid-19

**Figure 7.3** Covid-19: Principal uncertainties, according to the OECD



Source : OECD (2020) Strategic foresight for the Covid-19 crisis and beyond: Using futures thinking to design better public policies. Summary table by C. Degryse (ETUI).

The new uncertainties affecting society as a result of the pandemic mainly concern social issues (changes in social attitudes, sociability, social fragmentation, gender equality, etc.), territorial and regional issues and migration (new balances between urban and rural areas but also new gaps between regions and inequalities between countries), and finally citizenship (the role of civil society organisations and associations). It is an undisputable fact that the pandemic has abruptly changed our social habits: the way we move, work, collaborate and enjoy ourselves. Social and professional relations were stopped during the period of lockdown and only resumed on a reduced basis afterwards. Teleworking has become generalised for all professions in which it is practicable. These upheavals have revealed social and territorial inequalities (in terms of infrastructures, telecom networks and access to internet), as shown in some countries during strict lockdown periods by the exodus from metropolitan areas of those who could afford it (second homes, families, friends, etc.). These new ways of living, working and interacting can contribute either to greater solidarity (such as spontaneous actions of neighbourhood help), cooperation and new forms of social relations based on trust or, on the contrary, to a withdrawal into oneself, increased mistrust towards others, the growth of conspiracy theories

and populism, and a widening of the generational divide or even straightforward ageism.

## Technology as the liberator of humanity?

The role of technology was strongly emphasised during the first months of the pandemic, as astutely summarised in the title of a report by the Ada Lovelace Institute: 'Exit through the AppStore' (Ada Lovelace Institute 2020). Technology was often presented as, at the very least, part of the response to the health crisis, thanks to the 'potential development and implementation of technical solutions to support symptom tracking, contact tracing and immunity certification' (Ada Lovelace Institute 2020). Researchers joined forces with telecom operators to highlight the potential of smartphones, which almost everyone now owns (Oliver et al. 2020). In addition to managing the pandemic, communication technologies have also made it easier for many to adapt to new professional constraints (teleworking, virtual meetings, webinars, etc.). However, neither the future role nor the adoption of these technologies is a certainty. Various factors could slow down or even frustrate certain promises, in particular regarding respect for privacy and data security (cyberattacks), but also in some cases lead to an attitude of resistance towards, or outright rejection of, technological solutions (for example, confidentiality theories linking the pandemic with the development of 5G communication networks) which, while not a majoritarian view, is undoubtedly present in the public debate (as can be seen in the refusal of tracing applications, refusal of future vaccines, and refusal to wear masks).

## Economic crisis or paradigm change?

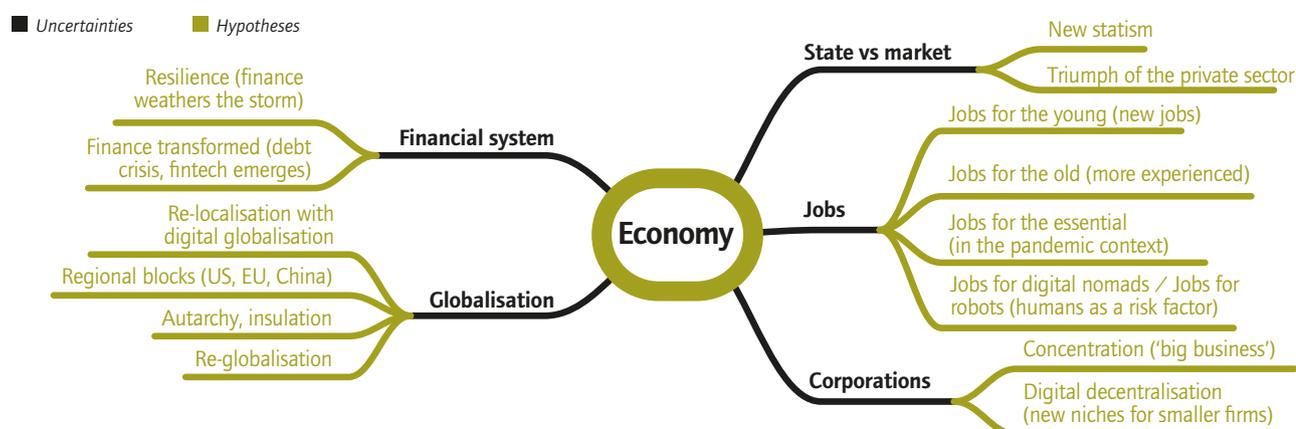
The very brutal global crisis caused by the pandemic has no equivalent in recent history. At the EU level, many exceptional measures have been taken to avoid a complete collapse of the economy: the authorisation of state aid (European Commission 2020b), a recovery plan (European Commission 2020a), non-conventional measures by the European

Central Bank (such as the Pandemic Emergency Purchase Programme), and the suspension of the Stability and Growth Pact (European Commission 2020c). At a national level, many employment aid measures have been adopted and implemented in an attempt to limit the impact of the crisis on unemployment (Müller 2020; see also Chapters 1, 2 and 4 in this volume). Some critical sectors have been saved by governments, such as the aeronautics industry, airlines, tourism, automotive, culture, hotels and restaurants. Furthermore, the role of the state in supporting economic activity and employment has been considerably strengthened, putting the dogmas of neoliberalism, unlimited economic growth and even the market economy on hold. However, economic uncertainties (and inequalities) are likely to persist, as noted in the IMF's latest World Economic Outlook report: 'The outlook remains highly uncertain as the risks of new waves of contagion, capital flow reversals, and a further decline in global trade still loom large on the horizon.' (IMF 2020, see also Kaufman and Leigh 2020).

## Environmental challenges: greening the transition or saving old industries?

There was much talk in the early months of the pandemic of a chance or necessity for fundamental reorientation towards a greener economy (IEA 2020; see also 'EU Green Recovery to restart Europe', COGEN Europe, and the letter by 17 European climate and environment ministers: 'European Green Deal must be central to a resilient recovery after Covid-19'). Many actors from civil society and political parties presented the crisis as the result of the uncontrollable nature of globalisation and economic growth, of excessive mobility and an unsustainable economy, as well as of the abuse of natural resources that this activity favoured. However, European governments have urgently come to the rescue of industries, including CO<sub>2</sub>-intensive industries such as air transport (see the 'Airline Bailout Tracker' set up by environmental NGOs, which estimates the rescue plans for European airlines at more than EUR 25 billion), the automobile industry, and agro-industry. Such contingency plans create additional uncertainty about the political will to accelerate the climate

Figure 7.4 Covid-19: Principal uncertainties, according to the OECD



Source: OECD (2020) Strategic foresight for the Covid-19 crisis and beyond: Using futures thinking to design better public policies. Summary table by C. Degryse (ETUI).

**Figure 7.5** Covid-19: Principal uncertainties, according to the OECD



Source : OECD (2020) *Strategic foresight for the Covid-19 crisis and beyond: Using futures thinking to design better public policies*. Summary table by C. Degryse (ETUI).

**European governments urgently came to the rescue of industries, including CO<sub>2</sub>-intensive industries, with estimated rescue plans for European airlines at more than €25 billion**

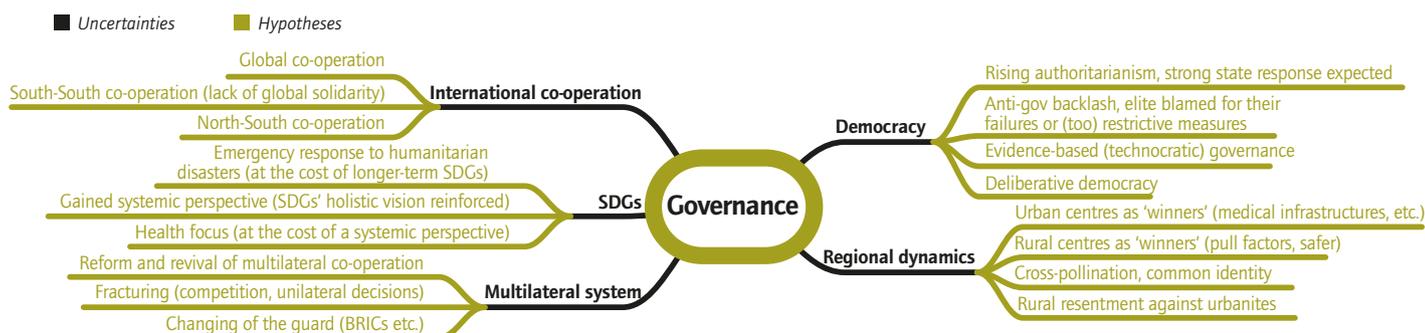
transition. One of the impacts of the health crisis could be a shift in the order of priorities, as the short-term health of the world's population may today be considered more important than the longer-term sustainability of the economy. Such possible shifts in priorities, together with changes in consumer, business and market behaviour, constitute the main factors of uncertainty concerning the environment.

### Competitive or cooperative governance?

The first phase of the Covid-19 crisis was not characterised by increased international cooperation and collaboration. In Europe, the pandemic seemed at first to send national interests into panicked overdrive, as governments tried to get their hands on as much as possible of a resource that had suddenly become scarce, without taking into account the situation of

neighbouring countries or the EU as a whole (border crossings were closed without consultation, and governments were arranging purchases of medical equipment individually). Governments went so far as to confiscate stocks of masks, medical equipment and medications transiting through their airports or produced and stored by companies operating on their territories. However, this phase of competition did not last long, and the need for cooperation gradually became apparent among EU countries: for instance, medical staff were deployed from countries with less severe situations to Italy and Spain. At the global level, diplomatic and commercial tensions have been rife in 2020 between the US, China, Europe and Russia. In this context, it is difficult to predict the future of the multilateral system and institutions (the WTO, the WHO, etc.), international cooperation on sustainable development objectives and the protection of the environment, North-South relations, and even democracy and the rule of law.

**Figure 7.6** Covid-19: Principal uncertainties, according to the OECD



Source : OECD (2020) *Strategic foresight for the Covid-19 crisis and beyond: Using futures thinking to design better public policies*. Summary table by C. Degryse (ETUI).