
Preface

The Silk Road Think Tank Network (hereinafter referred to as SiLKS) was jointly initiated by the Development Research Center (DRC) of the State Council of PRC with relevant international think tanks at the first "Silk Road Forum" in Istanbul, Turkey, in 2014. An international network for the cooperation of think tanks, the SiLKS was officially inaugurated at the "Silk Road Forum 2015" in Madrid, Spain, on October 28, 2015.

Over the past four years since its establishment, the SiLKS has upheld the Silk Road Spirit of "peaceful cooperation, openness and inclusiveness, mutual learning, and mutual benefits", focusing on the common vision of the Belt and Road Initiative (BRI), conducting in-depth discussions, candid exchanges and cooperative research while offering advice and recommendations; in doing so, the SiLKS has played a positive role in promoting the Belt and Road Initiative. Held in Warsaw, Poland, on June 20, 2016, the first Annual Meeting of the SiLKS adopted the **Guiding Principles for the Silk Road Think Tank Network**. The 2017 Annual Meeting of the SiLKS was held in Beijing on May 16, 2017. During the meeting, the first Steering Committee was established and the e-SiLKS officially launched; the parties concerned also jointly issued the **Beijing Joint Action Declaration for the Silk Road Think Tank Network**, which has been included in the List of Deliverables of the Belt and Road Forum for International Cooperation. On December 7th 2018, the 2018 Annual Meeting of the SiLKS was successfully held in Paris, France. The meeting adopted **SiLKS Three-year Work Plan (2019-2021)**.

The Secretariat of the SiLKS has been compiling and publishing the bi-month "SiLKS Newsletter" since July, 2018, in both English and Chinese, in a move to further promote information sharing among members and partners of the SiLKS, pool the strength of think tanks of all countries, build a first-class and influential international think tank alliance, and offer high-caliber intellectual support for the Belt and Road Initiative. The newsletter is divided into four columns: activity, research, policy, and ABC of the Belt and Road Initiative. It includes the major activities of members and partners, major research and abstracts of national and regional policy documents and general knowledge of Belt and Road Initiative.

The Secretariat of the SiLKS will work with all members to build the SiLKS Newsletter into an interactive platform for information exchange, collaborative research, policy coordination and knowledge sharing. Here, our heartfelt gratitude

goes to all the members and partners for their longtime active engagement in SiLKS, and we welcome the continued attention and support from international and regional organizations, government agencies, multinationals, and civil societies.

Secretariat of the Silk Road Think Tank Network

Editor's Note

At present, the COVID-19 pandemic that broke out in early 2020 is sprawling from Europe and the United States to Africa and Latin America. The pandemic is now raging worldwide and will exist for a long time. All countries have instituted travel bans to combat the pandemic, while some others have rolled out trade restrictions, which will exert a tremendous impact on global trade and investment, the division of labor in the industrial chain and economic development. The world's major economies have substantially lowered their economic growth projections. The global economy is mired in the gravest crisis in a century, and the pandemic will also have a significant and profound impact on the world order and global governance.

The joint building of BRI is a multilateral and open cooperation platform for promoting practical cooperation, sustainable global economic and social development. It aims to enable all parties to work together to meet the common challenges facing global development and to achieve complementary advantages and mutual benefits. In the context of the pandemic and the quickened adjustment of global governance, it is imperative to promote the high-quality development of the BRI.

In order to fully identify the impact of the pandemic on the joint building of BRI, the SiLKS Secretariat collated the COVID-19 Special, combing the pandemic-related activities of the SiLKS Secretariat, its members and partners, as well as their views on the impact of the pandemic on the global economy, society, governance, sustainable development, among others. Later, it will share more pandemic-related research and information as per the development of the pandemic. Thus, it will continue to provide public intellectual products for the BRI's anti-pandemic cooperation.

Secretariat of the Silk Road Think Tank Network

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Perspectives on COVID-19 Pandemic

I. The COVID-19 pandemic poses grim challenges to global economic growth, while Asia's economy remains relatively rosy

1. The pandemic incurred a global economic recession

(1)The pandemic could spell a contraction in the global economy and trade, and relevant agencies keeps downgrading their projections.

Kristalina Georgieva, Managing Director of the IMF, said on April 16 that she might lower her previous forecast of a 3% contraction in the global economy. Changyong Rhee is the Director of the Asia and Pacific Department at the IMF, noted that the Asian economy could expect zero growth in 2020, the worst-ever performance in nearly 60 years, yet still better than other regions.

David Malpass, President of the World Bank cautioned on May 20 that the economic fallout of the pandemic crisis would plunge as many as 60 million people around the world into extreme poverty, with the global economy expected to shrink by 5% in 2020. Besides, it could erase the poverty reduction efforts made in the world's poorest countries in the past three years.

According to the Asian Development Bank on May 15, the economic losses resulting from the pandemic could range from \$5.8 trillion to \$8.8 trillion, more than double its earlier forecast.

Nomura Securities held on April 29 that the labor market in the US had deteriorated by the pandemic, and its unemployment rate would skyrocket, hitting a peak of 15% in the second quarter. Australia could expect a dire recession in the first half of 2020, with the unemployment rate rising from 5.2% to some 9%.

The Financial Times noted on April 26 that the pandemic had stemmed global M&As; worth of the 11,413 deals announced since 2020 stood at \$767 billion, a nadir

since 2013.

The Wall Street Journal quoted data from the Netherlands Bureau for Economic Policy Analysis (CPB) as saying that global trade volume fell 1.4% in March from the previous month, with an overall decline of 2.5% in the first quarter; April and May would see further drops.

(2) Pressure on the global food system is manageable, yet low-and middle-income countries and populations could face a nutritional crisis

Heidi Williams and others, Senior Research Fellow of the **International Food Policy Research Institute (IFPRI)**¹, pointed out that the pandemic could elicit a global nutrition crisis, which might in turn prompt a plummet in the quality of diet in low-and middle-income countries; thus, it could result in widespread unemployment and a plunge in the income of poor families in low-and middle-income countries, obliging them to purchase low-nutritional food instead; so, nutritional intake could be affected by the disrupted supply chain of nutritious and perishable food, whereby imperiling maternal and child health.

Ruben Echeverria, Research Fellow at **IFPRI** wrote on May 15 that the pandemic had exposed the fragility of the global food system; countries could still quickly adjust the food supply chain when the external environment changed, i.e. China instituted a “green channel” to ensure the priority production of essential and nutritious fresh farm produces, with Europe exempting seasonal workers² from travel restrictions. Promoting sustainable intensification of agriculture and increasing productivity through technological innovation was key to ameliorating pressure on the global food system.

In May, **IFPRI** tracked the steps taken by 18 countries in Asia, Europe and

¹The institutions marked black in the text are members and partners of the SiLKS.

² Temporary workers employed based on seasonal production.

Africa in response to the pandemic, finding that restrictions on urban informal food markets would dent residents' procurement and income in informal industries; price control was largely focused on staple food with less attention paid to non-staple food, detrimental to the optimization of dietary structure; compared with other economic stimulus policies, there were fewer policies directly underpinning agriculture; agricultural authorities were less involved in the inter-departmental coordination mechanism against the pandemic.

According to **IFPRI** on May 28, the pandemic exacerbated global food losses and waste. It caused a chain disconnection between consumers and producers, giving rise to grave food losses; food embargos upended the rational distribution of food in international markets, resulting in food waste; domestic and international supply chains and flexible waste disposal systems should be improved, so should the traceability of food quality, while food losses and waste should be curtailed.

(3)The pandemic deals a heavy blow to the oil industry, commodities, and civil aviation industry, presumably obliterating the growth of the international oil industry in the past decade.

As per a report released by the International Energy Agency (IEA) on April 15, global oil demand fell by 9.3 million B/D in 2020 from a year earlier and 29 million B/D in April, the lowest level since 1995. Fatih Birol, Executive Director, said it would obliterate the growth of the international oil industry in the past decade.

The World Bank released its latest issue of the *Commodity Markets Outlook* on April 23, contending that the impact of the pandemic on the global economy had prompted a decline in most commodity prices, and that commodity prices, especially energy and metal prices, could expect a plummet this year. Average energy prices,

including crude oil³, natural gas and coal, were expected to drop by some 40% in 2020 compared with 2019, with a rebound expected in 2021. The prices of most industrial metals had dropped this year, with copper and zinc falling the most, i.e. some 15 % since January, and yet the price of such precious metals as gold had risen; average metal prices were expected to fall by roughly 13 % this year due to stagnated economy and sluggish demand.

The International Civil Aviation Organization (ICAO) predicted on April 22 that in the aftermath of the pandemic the total passenger flow of international flights from January to September could be slashed by \$1.2 billion compared with the normal period, and that airline revenue would be cut by \$160 billion to \$253 billion.

According to a report released by ICAO on April 30, the capacity of the international civil aviation industry might decline by nearly 75 % this year; compared with the expected total revenues, it would lose \$273 billion; global airlines expected a drop of 1.5 billion international passengers this year.

The International Air Transport Association (IATA) said on April 24 that the 2020 pandemic would cost the African aviation industry \$6 billion and 3.1 million jobs.

2. China's economy expects a resurgence

In April, **Korea Institute for International Economic Policy (KIEP)** wrote that it remained optimistic about China's return to economic growth for the following reasons: China's service industry has developed rapidly in the past few years, yet with a smaller share in its GDP than that of other countries; so, it is relatively less affected by the industry-wide deterioration arising from the pandemic. China is advancing new infrastructure, including 5G and AI. The Chinese government exercises steadfast

³ Among them, the average price of crude oil in 2020 is expected to be \$35 per barrel, down some 43% from 2019.

control over the economy, and heavy industry is expected to recover soon after the economic restart. Chinese consumers' demand for non-durable and semi-durable goods are projected to rise, substantially boosting consumer confidence.

Goldman Sachs projected on May 4 that China's GDP growth could anticipate an uptick in the second quarter.

The Swiss Re Group forecast on May 15 that China would be the only major economy with positive growth in 2020.

3. The developed economies brace for negative growth

(1) The US economy plummeted with an expected recovery in 2021

Prof. Nicholas Bloom of Stanford University predicted on April 4 that the US GDP in 2020 would be 11% lower than that of 2019.

The Swiss Re Group forecast on May 15 that the US economy would drop by 6.4 % in 2020.

Goldman Sachs estimated on April 29 that the post-pandemic US public debt would account for more than 100 % of its GDP.

The US Secretary of the Treasury Steven Mnuchin said on May 11 that the unemployment rate could reach 25%, on a par with that of the great depression.

In April, Nomura Securities said the U.S. economy would see a brief yet dire recession in the first half of this year, followed by a gradual recovery supported by fiscal and monetary policy. The Federal Reserve was expected to set a bottom-line for its effective interest rates by 2021 to cope with a noticeably bleak economic outlook. The Fed would implement promulgated credit facilities and ensure that long-term interest rates should not impede economic recovery. The Federal Government was expected to institute an additional fiscal plan, but the effect might not be working as expected due to social distancing; the unemployment rate would rise sharply, peaking at 15 to 20 % in the second quarter; core inflation could be depressed by the fallout of

the pandemic on service prices and overly sluggish labor market; noteworthy risks include the failure of social distancing policies and pressures from corporate credit and financial sectors.

(2) The European economy was mired in a grisly recession, with the automobile, textile and other industries grossly affected.

The European Bank for Reconstruction and Development (EBRD) projected that the GDP of 37 countries in the region would shrink by 3.5% this year.

The Eurostat released its statistics on April 30, suggesting that the EU economy contracted by 2.7% in the first quarter of this year over the same period last year, down by 3.5% over the preceding quarter; the unemployment rate in March was 6.6%; and inflation forecasts in the euro area fell further in April. The prices of food, alcohol and tobacco products soared, while those of energy fell sharply. The European Central Bank's (ECB) professional forecasters predicted on May 4 that the eurozone inflation would be 0.4 % in 2020, with the real-sense GDP shrinking by 5.5 % and unemployment rate reaching 9.4 %.

Luis de Guindos, Vice-President of the ECB said that the euro zone economic downturn deriving from the pandemic had hit a low point, with an expected recovery in the third quarter; it would take two years for the euro zone to fully recover; the euro zone economy was expected to grow by some 6% in 2021; the ECB was trying to avoid a divide in the euro zone's public debt market.

The Swiss Re Group predicted a 7.5 % recession in the euro zone on May 15.

Bank of England Governor Andrew Bailey remarked on April 18 that the British economy could contract by 35% in the second quarter of 2020.

According to *The Financial Times* on April 20, more than one out of four private sector jobs in the EU and UK were likely to be affected, and 59 million jobs in Europe were in jeopardy amid the pandemic, citing the latest McKinsey Report.

As per the ECB's report on May 8, the operating conditions of small and medium-sized enterprises in the euro zone deteriorated sharply from October 2019 to March 2020, with turnover and profits cut by 2% and 15% respectively over the previous six months, making it even harder to garner external financing, compounded by a dearth of skilled workers and difficulties in seeking customers.

The European Automobile Manufacturers' Association (ACEA) announced on April 17 that affected by the pandemic, EU car sales had fallen by 25.6% in the first quarter of this year over the same period last year, including a steep drop of 55.1% in March over the same period last year. In April, a total of 276,820 new cars were sold across EU countries, a dip of 76% over the same period last year. Italy and Spain were hardest hit in particular.

Eurostat voiced its concern over the development of Europe's textile and apparel industry in 2020; industry confidence was hit hard in the wake of the pandemic in March; production and sales of more than half of the companies fell by 50%. Ninety percent of businesses faced dire financial difficulties; some 80 % of textile and apparel companies laid off staff and 25 % were considering declaring bankruptcy.

The Wall Street Journal quoted data released by the French Statistics on April 23 as saying that the manufacturing climate index in France in April (82) was lower than that of in March (98), way below the long-term average of 100 and the steepest plunge since the index was established in 1975.

4. Developing economies, especially Latin America and Africa, are hardest hit

(1) The pandemic delivers a major blow to developing economies

IMF Chief Economist Gita Gopinath noted on May 7 that the external financing needs of developing countries could far exceed the previous projection of \$2.5 trillion.

The United Nations Industrial Development Organization (UNIDO) pointed out on April 20 that the collapse of demand and production in many developing

countries and the “aftershock” brought about by divestment from developing countries would wreak more far-reaching repercussions on global production than short-term supply chain disruptions. Politicians in the developed world called for a reconsideration of the way their companies outsourced international production, in a bid to avoid supply bottlenecks and enhance the flexibility of the supply chain. Yet, UNIDO assumed that there were risks in the nationalization or regionalization of the supply chain, which would further compromise the diversity of suppliers and undermine the benefits of developing countries gained from economic globalization.

(2) Latin America may brace for a new round of “lost decade”

The World Bank predicted on April 14 that Latin America would expect economic woes by 2020, with the economy contracting by 4.6% and worsening unemployment.

Alejandro Werner, Director of the Western Hemisphere Department of the IMF warned on April 16 that the Latin American economy was expected to shrink by 5.2% this year, while Brazil and Mexico, the top two largest economies, would contract by 5.3% and 6.6% respectively. Should the pandemic be brought under control, the Latin American economy would rebound in 2021, yet not enough to mitigate the current economic trouble. The region could experience a new round of “lost decade” resulting from the pandemic, with its economy continuing to stagnate or shrinking, and some countries even expecting social upheavals.

Alicia Bárcena, Executive Secretary of the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), said on April 21 that the pandemic would plunge the economy of Latin America and the Caribbean into the worst recession in history; the region's economy was expected to contract by 5.3% this year. As China is an important export market for South American countries, the South American economy would shrink by 5.2% due to a slowdown in China's

economic activity.

The ECLAC cautioned on May 12 that the pandemic crisis would prompt structural changes in production organization, international trade and globalization patterns. It would also result in economic weakness and macroeconomic fragility in Latin America and the Caribbean.

The Food and Agriculture Organization of the United Nations (FAO) released a report on 27 April that the pandemic would spark a rise in the number of underfed and impoverished people in Latin America and the Caribbean; prior to the pandemic, about one out of three people lacked food security. pandemic prevention measures could give rise to such risks as labor reduction and supply chain disruption, thus directly affecting the normal operation of the food system.

(3) Africa could face a wide-ranging health crisis, with a rate hike in extreme poverty

The IMF predicted on April 14 that sub-Saharan Africa's economy would contract by 1.6% this year, the worst statistics ever.

The United Nations Economic Commission for Africa⁴ (UNECA) issued a report on April 16, warning that if the pandemic continued to sprawl, Africa's economic growth rate would slow from 3.2% to at least 1.8%, with nearly 27 million people mired in extreme poverty.

McKinsey released a report on April 17, saying unless African containment measures were successful and urgent actions were taken to pool resources for health systems, the pandemic would elicit a wide-ranging health crisis or plunge Africa into its first economic recession in 25 years. One out of three of jobs in Africa could be affected, while informal and low levels of social security in Africa would exacerbate

⁴Aprospective member of the SiLKS.

such a risk. It was recommended that bold measures be taken to empower the African health systems, with a potential cost of over \$5 billion.

James Thurlow, a research fellow at **IFPRI**, issued a report on May 8 that lockdowns arising from the pandemic caused huge economic losses to developing countries. In Nigeria, Africa's largest economy, its GDP plunged by 38% during its five-week lockdown period from late March to late April. As manufacturing and business services were met with the most stringent bans in most places, non-impooverished urban households bore the greatest loss of income.

II. COVID-19 Exacerbates Social Inequality

UNIDO noted on 16 April that the economic recession stemming from the pandemic had left greater reverberations on female workers and entrepreneurs in the manufacturing sector; deep-rooted structural gender inequalities barred female entrepreneurs from gaining equal access to infrastructure, production resources and procurement opportunities, and the pandemic exacerbated gender inequality. In order to achieve an effective, inclusive, and sustainable economic recovery, consideration should be given to helping women obtain access to financial assistance, credit, and unemployment benefits, as well as lifting barriers to high-skilled and well-paid jobs.

A recent report released by the **United Nations Development Programme**(UNDP) on April 29 indicated that there were stark differences in the ability of countries to handle the pandemic by listing an array of indicators (including the degree of development, the degree of inequality, the capacity of medical institutions and the degree of network interconnection, etc.). In the most developed countries, there were an average of 55 beds, more than 30 doctors and 81 nurses per 10,000 people, while in the least developed countries, the same number of patients had only 7 beds, 2.5 doctors and 6 nurses. In addition, some 6.5 billion people did not have access to a stable broadband Internet, limiting their ability to work from home

and receive education amid pandemic lockdown.

UNDP released a report on May 4 analyzing the vulnerability of countries to the pandemic, pointing out that the poor were particularly susceptible to the crisis. Despite the strides made in the global poverty reduction efforts in recent years, some 25 % of the population still lives in varying degrees of poverty, with over 40 % of the population uncovered by any social security. All countries are a closely connected integral whole, and none should be left alone in the crisis. Kyrgyzstan, for example, relies heavily on overseas remittances for its GDP. In addition, countries hinging upon tourism such as Montenegro, Maldives and Cape Verde (tourism accounts for 60 % of Maldives' GDP) have been hard hit by travel bans and the stay-at-home order.

UNDP issued a report on May 20 indicating the global human development index (HDI) might decline for the first time since 1990; the pandemic dealt a triple blow to health, education and the economy, or altered the trend of human development; the pandemic affected both developed and developing countries, yet with a grimmer impact on the latter; it was estimated that global per capita income would drop by 4 % in 2020, and 86 % of primary school students in countries with low HDI would be out of school, while only 20 % in countries with high HDI; the education gap could be bridged through fairer network access at a cost equivalent to only 1 % of the global financial aid packages in response to the pandemic.

Lauren Carroll, Research Fellow at **Institute of Development Studies, UK (IDS)** wrote on April 20 that the poor bore the brunt of the challenges posed by the pandemic; the poor were unable to achieve social isolation, coupled with a drastic loss of health care; school closures widened the education gap between low-income and high-income families; poverty levels could rise to the levels of 30 years ago, citing data from the United Nations University World Institute for Development Economics Research (UNU-WIDER); the UK-based Save the Children Fund projected that as many as 30 million children could plunge into poverty in Africa as a result of the

pandemic.

Mary Wickenden, Research Fellow at **IDS** and others pointed out on April 27 that the pandemic had utterly exposed the fragility of this interconnected world. Everyone faced health, social and economic challenges, but the poorest and marginalized were hit hardest, with the digital divide further exacerbating social disintegration.

Ayer, Research Fellow at **IDS** wrote on May 12 that the pandemic had further laid bare the inequalities and weaknesses of global value chains, and that South-South trade and public-private partnership (PPP) could help low-and middle-income countries participate in global value chains and occupy their due share; the development of global value chains must enhance the innovation capacity of marginalized participants; governance of global value chains should be more inclusive and sustainable so that workers could enjoy fair wages, dignified working conditions and equal opportunities.

Danny Burns, Research Fellow at **IDS** wrote on May 14 that the pandemic had put children at mounting risks, especially child labor already engaged in the informal economy.

In May, **IDS** penned that the pandemic had exacerbated social discrimination against special groups, such as overseas Chinese in Europe and the US, Muslims in India, and homosexuals by ordinary people; amid the pandemic, the frequency of domestic violence hiked while that of public violence nosedived; women's reproductive health was not given enough attention.

III. COVID-19 sparks discussions on the roles of the government and the democratic system.

Erik Berglof, former Chief Economist of the **EBRD** and Director of Institute for Global Affairs at London School of Economics London, noted that the inability of

many governments to respond effectively in the event of an outbreak could prompt a rise in populism and weakening democracies; in countries with weaker democracies, governments were politically motivated or nationalized; and the private sector was key to achieving better and sustainable growth in the future.

Cheng Yung-nien, Professor at **East Asian Institute of National University of Singapore**, wrote on May 5 that “democracy” or “non-democracy” could not simply be used to explain the anti-pandemic actions of the East and the West, as the dichotomy of “democracy” or “non-democracy” would inevitably cause politicization, ideologization, and double standards; a raft of institutional factors were related to the anti-pandemic performance, including the degree of power concentration of the central (federal) government, the scale of the government, the relationship between the central and local governments, the responsibility of the local government, etc.; the above institutional factors fell within the national governance level instead of the political system level.

Citing the cyclical theory, Matthew Goodwin, Research Fellow at **Chatham House, UK** noted on May 12 that the role of the government had been reinforced following the stock market crash in 1929, and the inability of big governments to address thorny economic and social problems during the economic stagflation in the 1970s led to the return of the market. The 2008 financial crisis and the pandemic heralded the era of big government coming again, with free markets and fiscal conservatism flinching. He worried that the “ratchet effect⁵” would enable big governments to live through the crisis, resulting in inefficient governance.

Christine Foster, Research Fellow at **Chatham House, UK** wrote on May 15th that Apps tracking contacts amid the pandemic could pose challenges to privacy in the digital age; these Apps could pose major security risks such as data misuse; strong

⁵ Ratchet effect refers to the irreversibility after the formation of people’s consumption habits; namely, it is easy to adjust upwards, yet difficult to downwards. In the short term particularly, consumption is irreversible, and its habit effect is far and wide.

democratic and legal safeguards were necessitated.

Hellen MAAKA, Research Fellow at **IDS** wrote on May 5 that during the fight against the pandemic, national telecom companies and social media companies worked with governments to collect large amounts of personal data and advertise more accurately. Governments were also interested in mustering citizen data for use in national security-related matters. Nevertheless, in the absence of data protection mechanisms, it might elicit further isolation and security threats to ethnic minorities or religious groups already vulnerable in society.

IV. Different anti-pandemic models yield initial results, and countries should improve their social security systems.

(1) Countries introduce anti-pandemic and socio-economic recovery measures geared to their national conditions

Creon Butler, Research Director of Trade, Investment & New Governance Models at **Chatham House, UK**, wrote on April 21 that there are five key steps to resume the economy and boost the confidence of consumers and business decision-makers: making progress in capacity-building to curb the virus and public health; developing a detailed economic restart program, giving priority to sectors of the economy needed to be opened up and the reasons for opening up; turning assistance to businesses and individuals into more conventional economic stimulus measures; instituting effective border control policies to cut imported cases; informing the public of these measures.

Robin Niblett, Research Fellow at **Chatham House, UK**, pointed out on April 27 that the IMF needed innovative philosophy to handle the pandemic; although the IMF's \$1 trillion loan did not require borrowers to mortgage, it mandates them to exercise austerity and reduce public expenditure, which was at odds with the expansion of deficit demands in various countries amid the pandemic; IMF was

caught in a quandary of playing a greater role and loan security.

Jim O'Neill, Chair of **Chatham House, UK**, and others wrote on May 7 that the central banks' independence would not be undermined by their purchase of government bonds to finance fiscal expenditure. The central banks should take potent measures to deal with the crisis and do whatever was necessary, even including unconventional measures. As for the question of whether it was legal for the Federal Reserve to buy investment bonds, he believed that even if it was illegal for the time being, it would prove legal in the future.

Cheng Yung-nien, Professor at **East Asian Institute of National University of Singapore**, remarked on April 22 that China and the West had opposite plans to cope with the pandemic, and that the capitalist West was following the socialist line, as opposed to the market route followed by China as a socialist country. He held that the Chinese government should directly give out money rather than consumption coupons, as money could stabilize the grassroots 40% of its society, while issuing coupons was more likely to stir social panic due to compulsory consumption. He assumed that we should spurn the outdated creed for GDP and need a fresh thinking, i.e., "soft infrastructure". Besides, we should provide all kinds of public services through the construction of social system, safeguard the society, empower the middle class while helping the grassroots shake off poverty, and pursue technological innovation and economic growth on this basis. The "new infrastructure" should be placed under the framework of "soft infrastructure".

Cheng Yung-nien pointed out on April 15 that many entrepreneurs and NGOs in China had played a pivotal role in combating the pandemic on a voluntary basis. In the existing system, there are way too few responsibility provisions for entrepreneurs and civil organizations, rendering them too little space, and they could only act temporarily when a crisis popped up. The reform of the social governance system should consider how the system could spare more space and let them assume more

responsibilities. In times of crisis, the role of government alone was far from enough, while rulemaking and entrepreneur “autonomy” needed to be more balanced, and the relationship between government and entrepreneurs must be viewed from a broader perspective.

Christopher Vandome, Research Fellow at **Chatham House, UK**, wrote on May 7 that South African President Cyril Ramaphosa had been widely acclaimed for his excellent leadership and resilience in coping with the pandemic. South Africa implemented its most rigorous lockdown policy, thus effectively stifling the spread of the virus in communities, postponing the peak of the pandemic to September. As Chairperson of the African Union, he worked with the World Health Organization (WHO) and United Nations Economic Commission for Africa (UNECA) to coordinate anti-pandemic efforts in Africa, and yet he was also lambasted by the United Nations for the use of lethal force by security forces to impose lockdowns. In response to the pandemic, South Africa should focus on propelling economic reform and debt restructuring while rebuilding people’s trust in the government.

Ben Shepherd, Research Fellow at **Chatham House, UK** and others pointed out on 21 April that the lockdown policy in Africa came with heavy costs, and that compromise measures, such as curfews and the shutdown of public facilities, should be chosen to slow down the spread and buy time; people in many African countries had extremely low trust in their governments and hence we must give full play to the role of communities; Africa’s past experience in pandemic control, collective disaster resilience, and community-based crisis response were vital advantages.

Dr. Gareth Price, Research Fellow at **Chatham House, UK**, noted on 22 May that India’s economic reform tended to be thwarted by vested interests, and that the pandemic presented a good opportunity for India’s economic reform. India should focus on facilitating agricultural reform, clamping down on bureaucracy, and improving business climate.

(2) Countries should cement the construction of social security system

Robert Yates, Senior Research Fellow at **Chatham House, UK**, wrote on May 11 that the pandemic underscored the importance of establishing a universal health insurance system and providing free healthcare services. The high costs of health insurance greatly cut citizens' demand for healthcare services, excluding many low-income people from the healthcare system. The government should strengthen financial support for the public health system, which could play a vital role in the future response to pandemics and the establishment of a sustainable health system.

Richard Longhurst, Research Fellow at **IDS** and others pointed out on April 24 that the social security system had limitations in response to the impact of the pandemic, as many response measures covered only a small proportion of the population; it remained to be seen whether the social security systems of various countries could provide long-term social assistance in the context of a global recession.

Dr. Stephen Devereux, Research Fellow at **IDS** and others wrote on May 14 that in order to handle the long-term impact of the pandemic on the world economy and society, we should the establish a global social security network and propel the establishment of a global social protection fund to enlarge the scope of the social security systems in various countries. E-wallet, digital payment and among other innovative solutions could be incorporated into emergency social security initiatives to provide rapid assistance to vulnerable populations, including informal workers and migrants.

V. Global cooperation is needed to deal with the pandemic, with china's steps recognized by multiple parties.

Cheng Yung-nien, Professor at **East Asian Institute of National University of**

Singapore, pointed out on April 15 that the “Kindleberger Trap”⁶ did exist and that no country could provide international public goods alone. For example, if there were a dearth of international public goods, the international order would collapse. The 2008 financial crisis made Americans identify their incompetence, but it was also unlikely that China could completely topple the flawed international system of public goods supply established by the US or seek a reshuffle. International public goods called for the cooperation of all countries, as the international system was getting increasingly complex with increasingly higher maintenance costs; such was also one of the philosophies of “community with a shared future for mankind”.

In April, Mushahid Hussain Sayed, Chairman of the **Pakistan-China Institute** and Chairman of the Senate Foreign Affairs Committee, said that the pandemic had fortified the friendship and solidarity between China and Pakistan, and that like other crises in the past, China once again stood firm with Pakistan. Speaking of the impact of the pandemic on the global order, he held that compared with Western countries, Asian countries such as China, South Korea and Singapore performed better and their healthcare systems proved very efficient. Chinese doctors assisted Asian countries such as Pakistan, as well as European countries such as Italy and Spain, and played a leading role in combating the global pandemic. Hussein agreed with the Pakistani Prime Minister’s announcement that priority should be given to the resumption of the China-Pakistan Economic Corridor project. He said that the China-Pakistan Economic Corridor was widely supported by all political parties in Pakistan and served as a

⁶ Charles P. Kindleberger is a noted American economic historian and one of the founders of the Hegemonic Stability Theory in international political economics and international relations. He believes that the disasters in the 1930s originated from the fact that the US replaced Britain as the world’s largest power, yet failed to assume the same responsibility for providing global public goods as Britain did. Joseph Samuel Nye, an American political scientist, put forward the “Kindleberger Trap Theory” in an article published by the European News Network, which captured the attention of the academia and media. The theory reversed thinking, warning Americans that the trend after China’s rise might not be a “show of strength”, but a “sign of weakness”, i.e., unwilling to provide the supply of essential international public goods that the US is unable to do. As a result, the world is at the risk of leadership gaps and emerging crises.

guarantee for the economic development and prosperity of China and Pakistan.

Jasna Plevnik, Vice President of the **Geoeconomic Forum of Croatia**, made four recommendations on the “17+1” cooperation mechanism for Central and Eastern Europe: first, China should voice its confidence that “17+1” mechanism would continue to be one of the strategic frameworks for China-EU relations in the post-pandemic period; second, promoting the establishment of the COVID-19 Fund and Recovery Program to support the “17+1” cooperation project and partners; third, the “17+1” mechanism must resolutely defend multilateralism and openly support WHO and the UN as a core institution in the fight against pandemic; fourth, we must facilitate the cooperation between the “17+1” think-tank network and other think-tank networks, including SiLKS, to jointly bolster the theoretical development of “a community with a shared future for mankind”. Jasna maintained that the philosophy of “a community with a shared future for mankind” would help the modernization of international relations and rid the old power political model based on realistic theory. The international community should be based on the common interests of humanity, and the theory of “a community with a shared future for mankind” could not only contribute to the theory of international relations, but also lay the groundwork for the betterment of the world order.

In April, **UNIDO** wrote that the pandemic was unlikely to elicit a full reversal of globalization; efforts should be made to ensure the supply of critical goods did not call for corporate relocation. Countries could prepare for pandemic outbreaks by stockpiling ventilators and critical medical equipment, as well as health system reforms.

Stephen Perry, Chairman of the **48 Group Club, UK**, said on April 15 that China’s contingency management system was efficient, well-organized and could respond swiftly to national catastrophic events such as earthquakes. The pandemic was now not only a national disaster, but also a global public health event. China led

the global combat against the pandemic by providing medical equipment to relevant countries. Britain, Italy and Spain were not as well prepared as China, but they were learning fast from China.

Dr. Li Mingjiang, Associate Professor at the **S. Rajaratnam School of International Studies at Nanyang Technological University of Singapore**, said on May 19 that the five commitments announced by Xi Jinping at the World Health Assembly were targeted and showcased China's leading role in global public health, China's "dividends" and "bonuses" to developing countries could pacify these countries and make them more supportive of China in the international political struggle amid the pandemic; it could defuse concerns regarding over-reliance on China in the supply of medical protective equipment. In the past couple of weeks, discussions in many countries on investigating China altered, no longer utterly holding China accountable; instead, such discussions hoped to redouble international efforts to enhance transparency and coordination in information, technology, policy, and other areas.

VI. We should avoid plunging into the "new cold war" amid the pandemic.

Dr. Charles Clift, Senior Consulting Fellow of the Global Health Programme of **Chatham House, UK**, wrote on April 20 that it was to no avail for the US to stop funding WHO; such a decision was more due to the continuing geopolitical feuds between China and the US, Trump's desire to divert attention to his own failure to fight the pandemic before the presidential election, and his vehement aversion to almost all multilateral organizations.

Jim O'Neill, Chair of **Chatham House, UK** pointed out on April 15 that some countries accused China and the WHO of diverting domestic attention. Countries should not adopt double standards against China. The 2008 financial crisis resulted from the US real estate bubble, and its repercussions on countries around the world

were grimmer than those on the US, but other countries did not isolate the US; likewise, the outbreak of the pandemic occurred in China, while other countries were hit harder than China, and yet it was pointless to blame China; we should instead reflect on what lessons we learned from China. A booming Chinese economy after the pandemic would benefit the world.

Robin Niblett, Director of **Chatham House, UK**, noted on 17 April that in the post-pandemic era, the US and Europe should avoid plunging into a cold war with China for three reasons: the hard decoupling between China and the United States would make it more difficult for economic recovery in the post-pandemic era; China made a major contribution to the global combat against pandemic; Europe was worried that strategic competition between China and the US would transform the international order and marginalize Europe's status. Niblett suggested that China's economic stimulus policy be coordinated with the G7 and G20.

Cheng Yung-nien, Professor at **East Asian Institute of National University of Singapore**, pointed out on 12 May that we should return to science and rationality, avoid getting stuck in politicized sparring, and give the "community of scientists" a say; if China had enough confidence, wisdom, and rationality, it would be possible to shun face-off conflicts between the two countries and even bringing China and the US back to cooperation.

The Secretariat of the Silk Road Think Tank Network

The Secretariat of the Silk Road Think Tank Network is located at the Department of International Cooperation, the Development Research Center of the State Council of the PRC, under the leadership of the Secretary-General.

The Secretariat is tasked with:

Strengthening collaboration among its members and partners while promoting knowledge sharing and common development of members and partners;

Boosting the influence of the Silk Road Think Tank Network and affording high-caliber intellectual support for the Belt and Road Initiative;

Conducting cooperative research, discussion, and exchanges with members regarding the priorities of the Belt and Road Initiative;

Jointly organizing the Silk Road Forum and related special conferences with relevant institutions;

Facilitating the network communication and online platform development, including the publications of SiLKS Newsletter, database, and e-SiLKS update, etc.;

Making daily contacts with members and partners and providing service and support for them.

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Appendix: Members & Partners of SiLKS

(55 in total, including 42 members and 13 partners, in alphabetical order)

机构名称	
成员:	
亚行学院	Asian Development Bank Institute
泰国亚洲和平与调解理事会	The Asian Peace and Reconciliation Council, Thailand
白俄罗斯国立大学	Belarusian State University
柬埔寨发展资源研究所	Cambodia Development Resource Institute (CDRI)
国际关系与可持续发展中心	Center for International Relations and Sustainable Development (CIRSD)
印尼战略与国际问题研究所	Center for Strategic and International Studies (CSIS), Indonesia
土耳其战略研究中心	Center for Strategic Research of Turkey (SAM)
英国皇家国际事务研究所	Chatham House, UK
中国国务院发展研究中心	Development Research Center of the State Council, P.R. China
新加坡国立大学东亚研究所	East Asian Institute, National University of Singapore
西班牙埃尔卡诺皇家研究所	Elcano Royal Institute of Spain
南南合作金融中心	Finance Center for South-South Cooperation
西班牙选择基金会	Fundación Alternativas, Spain
克罗地亚地缘经济论坛研究所	Geoeconomic Forum of Croatia
德国发展研究所	German Development Institute
蒙古战略研究所	Institute for Strategic Studies, Mongolia
英国发展研究所	Institute of Development Studies, UK

俄罗斯科学院远东研究所	Institute of Far Eastern Studies , Russian Academy of Science
斯里兰卡政策研究所	Institute of Policy Studies of Sri Lanka
马来西亚战略与国际问题研究所	Institute of Strategic and International Studies (ISIS) Malaysia
哈萨克斯坦世界经济与政治研究所	Institute of World Economics and Politics (IWEP) under the Foundation of the First President of the Republic of Kazakhstan.
国际贸易与可持续发展中心	International Centre for Trade and Sustainable Development (ICTSD)
国际食物政策研究所	International Food Policy Research Institute
沙特国王阿卜杜拉石油研究中心	King Abdullah Petroleum Studies and Research Center (KAPSARC), Saudi Arabia
韩国对外经济政策研究院	Korea Institute for International Economic Policy (KIEP)
湄公学院	Mekong Institute
蒙古科学院	Mongolian Academy of Sciences
缅甸战略与国际问题研究所	Myanmar Institute of Strategic and International Studies (Myanmar ISIS)
秘鲁国家战略规划中心	National Center of Strategic Planning (CEPLAN), Peru
老挝国家经济研究院	National Institute for Economic Research (NIER), Laos
吉尔吉斯斯坦国家战略研究所	The National Institute for Strategic Studies of the Kyrgyz Republic
捷克布拉格新丝绸之路研究会	New Silk Road Institute Prague, Czech Republic

经合组织发展中心	OECD Development Center
巴基斯坦巴中学会	Pakistan-China Institute
波兰投资与贸易局	Polish Investment and Trade Agency
俄罗斯科学院世界经济与国际关系研究所	Primakov Institute of World Economy and International Relations, Russian Academy of Sciences
印度发展中国家研究与信息系统研究所	Research and Information System for Developing Countries (RIS), India
瑞典分析与发展署	Swedish Agency for Growth Policy Analysis
匈牙利跨世纪基金会	Századvég School of Politics Foundation, Hungary
新加坡南洋理工大学拉惹勒南国际关系学院	The S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore
西班牙托莱多国际和平中心	Toledo International Center for Peace of Spain
印度辩喜国际基金会	Vivekananda International Foundation, India
伙伴：	
英国 48 家集团	The 48 Group Club, UK
北京神雾集团	Beijing Shenwu Environment & Energy Technology Corp. (Shenwu Corp.)
中欧倡议国组织	Central European Initiative (CEI)
德国国际合作机构	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
爱立信	Ericsson
欧洲复兴开发银行	European Bank for Reconstruction and Development (EBRD)
法中委员会	France China Committee

知行汽车公司	Future Mobility Corporation
国际道路运输联盟	International Road Transport Union (IRU)
苏伊士环境集团	Suez Environnement
联合国开发计划署	United Nations Development Programme (UNDP)
联合国工业发展组织	United Nations Industrial Development Organization (UNIDO)
世界海洋理事会	World Ocean Council