INTRODUCTION

The worldwide crisis triggered by the coronavirus pandemic has no parallel in modern history. We cannot be accused of hyperbole when we say it is plunging our world in its entirety and each of us individually into the most challenging times we've faced in generations. It is our defining moment – we will be dealing with its fallout for years, and many things will change forever. It is bringing economic disruption of monumental proportions, creating a dangerous and volatile period on multiple fronts – politically, socially, geopolitically – raising deep concerns about the environment and also extending the reach (pernicious or otherwise) of technology into our lives. No industry or business will be spared from the impact of these changes. Millions of companies risk disappearing and many industries face an uncertain future; a few will thrive. On an individual basis, for many, life as they've always known it is unravelling at alarming speed. But deep, existential crises also favour introspection and can harbour the potential for transformation. The fault lines of the world – most notably social divides, lack of fairness, absence of cooperation, failure of global governance and leadership – now lie exposed as never before, and people feel the time for reinvention has come. A new world will emerge, the contours of which are for us to both imagine and to draw.

At the time of writing (June 2020), the pandemic continues to worsen globally. Many of us are pondering when things will return to normal. The short response is: never. Nothing will ever return to the "broken" sense of normalcy that prevailed prior to the crisis because the coronavirus pandemic marks a fundamental inflection point in our global trajectory. Some analysts call it a major bifurcation, others refer to a deep crisis of "biblical" proportions, but the essence remains the same: the world as we knew it in the early months of 2020 is no more, dissolved in the context of the pandemic. Radical changes of such consequence are coming that some pundits have referred to a "before coronavirus" (BC) and "after coronavirus" (AC) era. We will continue to be surprised by both the rapidity

and unexpected nature of these changes – as they conflate with each other, they will provoke second-, third-, fourth- and more-order consequences, cascading effects and unforeseen outcomes. In so doing, they will shape a "new normal" radically different from the one we will be progressively leaving behind. Many of our beliefs and assumptions about what the world could or should look like will be shattered in the process.

However, broad and radical pronouncements (like "everything will change") and an all-or-nothing, black-and-white analysis should be deployed with great care. Of course, reality will be much more nuanced. By itself, the pandemic may not completely transform the world, but it is likely to accelerate many of the changes that were already taking place before it erupted, which will in turn set in motion other changes. The only certainty: the changes won't be linear and sharp discontinuities will prevail. *COVID-19: The Great Reset* is an attempt to identify and shed light on the changes ahead, and to make a modest contribution in terms of delineating what their more desirable and sustainable form might resemble.

Let's begin by putting things into perspective: human beings have been around for about 200,000 years, the oldest bacteria for billions of years and viruses for at least 300 million years. This means that, most likely, pandemics have always existed and been an integral part of human history since people started travelling around; over the past 2000 years they have been the rule, not the exception. Because of their inherently disruptive nature, epidemics throughout history have proven to be a force for lasting and often radical change: sparking riots, causing population clashes and military defeats, but also triggering innovations, redrawing national boundaries and often paving the way for revolutions. Outbreaks forced empires to change course – like the Byzantine Empire when struck by the Plague of Justinian in 541-542 – and some even to disappear altogether – when Aztec and Inca emperors died with most of their subjects from European germs. Also, authoritative measures to attempt to contain them have always been part of the policy arsenal. Thus, there is nothing new about the confinement and lockdowns imposed upon much of the world to manage COVID-19. They have been common practice for centuries. The earliest forms of confinement came with the quarantines instituted in an effort to contain the Black Death that between 1347 and 1351 killed about a third of all Europeans. Coming from the word *quaranta* (which means

"forty" in Italian), the idea of confining people for 40 days originated without the authorities really understanding what they wanted to contain, but the measures were one of the first forms of "institutionalized public health" that helped legitimatize the "accretion of power" by the modern state. [1] The period of 40 days has no medical foundation; it was chosen for symbolic and religious reasons: both the Old and New Testaments often refer to the number 40 in the context of purification – in particular the 40 days of Lent and the 40 days of flood in Genesis.

The spread of infectious diseases has a unique ability to fuel fear, anxiety and mass hysteria. In so doing, as we have seen, it also challenges our social cohesion and collective capacity to manage a crisis. Epidemics are by nature divisive and traumatizing. What we are fighting against is invisible; our family, friends and neighbours may all become sources of infection; those everyday rituals that we cherish, like meeting a friend in a public place, may become a vehicle for transmission; and the authorities that try to keep us safe by enforcing confinement measures are often perceived as agents of oppression. Throughout history, the important and recurring pattern has been to search for scapegoats and place the blame firmly on the outsider. In medieval Europe, the Jews were almost always among the victims of the most notorious pogroms provoked by the plague. One tragic example illustrates this point: in 1349, two years after the Black Death had started to rove across the continent, in Strasbourg on Valentine's day, Jews, who'd been accused of spreading the plague by polluting the wells of the city, were asked to convert. About 1,000 refused and were burned alive. During that same year, Jewish communities in other European cities were wiped out, forcing them to massively migrate to the eastern part of Europe (in Poland and Russia), permanently altering the demography of the continent in the process. What is true for European anti-Semitism also applies to the rise of the absolutist state, the gradual retreat of the church and many other historical events that can be attributed in no small measure to pandemics. The changes were so diverse and widespread that it led to "the end of an age of submission", bringing feudalism and serfdom to an end and ushering in the era of Enlightenment. Put simply: "The Black Death may have been the unrecognized beginning of modern man." [2] If such profound social, political and economic changes could be provoked by the plague in the medieval world, could the COVID-19 pandemic mark the

onset of a similar turning point with long-lasting and dramatic consequences for our world today? Unlike certain past epidemics, COVID-19 doesn't pose a new existential threat. It will not result in unforeseen mass famines or major military defeats and regime changes. Whole populations will neither be exterminated nor displaced as a result of the pandemic. However, this does not equate to a reassuring analysis. In reality, the pandemic is dramatically exacerbating pre-existing dangers that we've failed to confront adequately for too long. It will also accelerate disturbing trends that have been building up over a prolonged period of time.

To begin elaborating a meaningful response, we need a conceptual framework (or a simple mental map) to help us reflect on what's coming and to guide us in making sense of it. Insights offered by history can be particularly helpful. This is why we so often search for a reassuring "mental anchor" that can serve as a benchmark when we are forced to ask ourselves tough questions about what will change and to what extent. In doing so, we look for precedents, with questions such as: Is the pandemic like the Spanish flu of 1918 (estimated to have killed more than 50 million people worldwide in three successive waves)? Could it look like the Great Depression that started in 1929? Is there any resemblance with the psychological shock inflicted by 9/11? Are there similarities with what happened with SARS in 2003 and H1N1 in 2009 (albeit on a different scale)? Could it be like the great financial crisis of 2008, but much bigger? The correct, albeit unwelcome, answer to all of these is: no! None fits the reach and pattern of the human suffering and economic destruction caused by the current pandemic. The economic fallout in particular bears no resemblance to any crisis in modern history. As pointed out by many heads of state and government in the midst of the pandemic, we are at war, but with an enemy that is invisible, and of course metaphorically: "If what we are going through can indeed be called a war, it is certainly not a typical one. After all, today's enemy is shared by all of humankind". [3]

That said, World War II could even so be one of the most relevant mental anchors in the effort to assess what's coming next. World War II was the quintessential transformational war, triggering not only fundamental changes to the global order and the global economy, but also entailing radical shifts in social attitudes and beliefs that eventually paved the way for radically new policies and social contract provisions (like women

joining the workforce before becoming voters). There are obviously fundamental dissimilarities between a pandemic and a war (that we will consider in some detail in the following pages), but the magnitude of their transformative power is comparable. Both have the potential to be a transformative crisis of previously unimaginable proportions. However, we must beware of superficial analogies. Even in the worst-case horrendous scenario, COVID-19 will kill far fewer people than the Great Plagues, including the Black Deaths, or World War II did. Furthermore, today's economy bears no resemblance to those of past centuries that relied on manual labour and farmland or heavy industry. In today's highly interconnected and interdependent world, however, the impact of the pandemic will go well beyond the (already staggering) statistics relating "simply" to death, unemployment and bankruptcies.

COVID-19: The Great Reset is written and published in the midst of a crisis whose consequences will unfold over many years to come. Little wonder that we all feel somewhat bewildered – a sentiment so very understandable when an extreme shock strikes, bringing with it the disquieting certainty that its outcomes will be both unexpected and unusual. This strangeness is well captured by Albert Camus in his 1947 novel *The Plague* : "Yet all these changes were, in one sense, so fantastic and had been made so precipitately that it wasn't easy to regard them as likely to have any permanence." [4] Now that the unthinkable is upon us, what will happen next, in the immediate aftermath of the pandemic and then in the foreseeable future?

It is of course much too early to tell with any reasonable accuracy what COVID-19 will entail in terms of "momentous" changes, but the objective of this book is to offer some coherent and conceptually sound guidelines about what might lie ahead, and to do so in the most comprehensive manner possible. Our aim is to help our readers grasp the multifaceted dimension of the changes that are coming. At the very least, as we will argue, the pandemic will accelerate systemic changes that were already apparent prior to the crisis: the partial retreat from globalization, the growing decoupling between the US and China, the acceleration of automation, concerns about heightened surveillance, the growing appeal of well-being policies, rising nationalism and the subsequent fear of immigration, the growing power of tech, the necessity for firms to have an even stronger online presence,

among many others. But it could go beyond a mere acceleration by altering things that previously seemed unchangeable. It might thus provoke changes that would have seemed inconceivable before the pandemic struck, such as new forms of monetary policy like helicopter money (already a given), the reconsideration/recalibration of some of our social priorities and an augmented search for the common good as a policy objective, the notion of fairness acquiring political potency, radical welfare and taxation measures, and drastic geopolitical realignments.

The broader point is this: the possibilities for change and the resulting new order are now unlimited and only bound by our imagination, for better or for worse. Societies could be poised to become either more egalitarian or more authoritarian, or geared towards more solidarity or more individualism, favouring the interests of the few or the many; economies, when they recover, could take the path of more inclusivity and be more attuned to the needs of our global commons, or they could return to functioning as they did before. You get the point: we should take advantage of this unprecedented opportunity to reimagine our world, in a bid to make it a better and more resilient one as it emerges on the other side of this crisis.

We are conscious that attempting to cover the scope and breadth of all the issues addressed in this book is an enormous task that may not even be possible. The subject and all the uncertainties attached to it are gargantuan and could have filled the pages of a publication five times the size of this one. But our objective was to write a relatively concise and simple book to help the reader understand what's coming in a multitude of domains. To interrupt the flow of the text as little as possible, the reference information appears at the end of the book and direct attributions have been minimized. Published in the midst of the crisis and when further waves of infection are expected, it will continuously evolve to consider the changing nature of the subject matter. Future editions will be updated in view of new findings, the latest research, revised policy measures and ongoing feedback from readers.

This volume is a hybrid between a light academic book and an essay. It includes theory and practical examples but is chiefly explanatory, containing many conjectures and ideas about what the post-pandemic world might, and perhaps should, look like. It offers neither simple generalizations

nor recommendations for a world moving to a new normal, but we trust it will be useful.

This book is structured around three main chapters, offering a panoramic overview of the future landscape. The first assesses what the impact of the pandemic will be on five key macro categories: the economic, societal, geopolitical, environmental and technological factors. The second considers the effects in micro terms, on specific industries and companies. The third hypothesizes about the nature of the possible consequences at the individual level.

1. MACRO RESET

The first leg of our journey progresses across five macro categories that offer a comprehensive analytical framework to understand what's going on in today's world and how this might evolve. For ease of reading, we travel thematically through each separately. In reality, they are interdependent, which is where we begin: our brains make us think in linear terms, but the world that surrounds us is non-linear, that is to say: complex, adaptive, fast-paced and ambiguous.

1.1. Conceptual framework – Three defining characteristics of today's world

The macro reset will occur in the context of the three prevailing secular forces that shape our world today: interdependence, velocity and complexity. This trio exerts its force, to a lesser or greater degree, on us all, whoever or wherever we may be.

1.1.1. Interdependence

If just one word had to distil the essence of the 21st century, it would have to be "interdependence". A by-product of globalization and technological progress, it can essentially be defined as the dynamic of reciprocal dependence among the elements that compose a system. The fact that globalization and technological progress have advanced so much over the past few decades has prompted some pundits to declare that the world is now "hyperconnected" – a variant of interdependence on steroids! What does this interdependence mean in practice? Simply that the world is "concatenated": linked together. In the early 2010s, Kishore Mahbubani, an academic and former diplomat from Singapore, captured this reality with a boat metaphor: "The 7 billion people who inhabit planet earth no longer live in more than one hundred separate boats [countries]. Instead, they all live in 193 separate cabins on the same boat." In his own words, this is one of the greatest transformations ever. In 2020, he pursued this metaphor further in the context of the pandemic by writing: "If we 7.5 billion people are now stuck together on a virus-infected cruise ship, does it make sense to clean and scrub only our personal cabins while ignoring the corridors and air wells outside, through which the virus travels? The answer is clearly: no. Yet, this is what we have been doing. … Since we are now in the same boat, humanity has to take care of the global boat as a whole". [5]

An interdependent world is a world of deep systemic connectivity, in which all risks affect each other through a web of complex interactions. In such conditions, the assertion that an economic risk will be confined to the economic sphere or that an environmental risk won't have repercussions on risks of a different nature (economic, geopolitical and so on) is no longer