

# Ten lessons for a post pandemic world

Fareed Zakaria

**We are often advised to think big, maybe  
we need to start thinking small.**

**We were underprepared to deal with a tiny  
microbe. This tiny microbe will cause the  
greatest economic, political and social  
change since world war 2.**

**This book is about a post pandemic world,  
not because the virus is behind us, but  
because we have crossed a threshold.**

**Lenin is once supposed to have said “ there are decades when nothing happens and then there are weeks when decades happen”**

**We have seen three big shocks – 9/11, the global financial crisis of 2008 and now the Covid pandemic.**

**In any system there are three characteristics – open, fast and stable. At any point, you can have only two an open and fast system like the world we live in will be inherently unstable. A fast and stable one will tend to be closed, like china. A system that is open and stable will be sluggish.**

**We have created a world in overdrive. The pace has quickened in the last two decades.**



**America's role as the global agenda setter often masks its weaknesses. Americans tend to focus on metrics that highlight the strengths of the Us system while downplaying its weaknesses.**

**In the Republic, Plato describes five basic types of regimes: aristocracy, timocracy, oligarchy, democracy and tyranny. A timocracy is one where only property owners vote.**

**For Plato, democracy and oligarchy were both dangerous since they are motivated by self interest and lack a higher purpose.**

**Plato and Confucius praised rulers who led with a sense of morality and who inculcated in their people a code of honor and a sense of shame.**

**Influenced by this China was the first to have examinations for recruiting government officials.**

**What made governments powerful over the past has been : conflict. War makes the state and state makes war.  
Every war led to increase in taxes.**

**For many decades the world learnt from America, maybe the time has come for America to learn from the world. And what America needs to learn is about government – not big or small, but good government.**

**In America , 43 % of people in 2019 believed that some form of socialism is good, in 1942 , only 25 % felt so.**

**Anti elitism is a quiet growing trend, a reflection of the feeling of helplessness and powerlessness that many people experience when navigating the modern world. This is a world where experts and intellectuals seem to hold the keys to knowledge and power.**



**The world has gotten more complex and needs more experts to manage the affairs of the nations. The alternative to not having experts is government by gut and the celebration of ignorance.**

**Collaboration involves teamwork that is intellectual not physical.**

**The movement to digital life is broad and fast and real. The deepest consequences will be to make us cherish the things in us that are most human.**

**In 1950, 33 % of people lived in cities, in 2020, it is 50 %. By 2050, it will be 66 %.**

**In 1800 only two cities London and Shanghai had a million people, today 371 cities have more than a million population, by 2030, it will be 700 , of which 125 will be in china alone.**

**Cities have always been built around the commercial, the entertainment, the residential and industrial areas. New cities are changing that.**

**Capital is a coward, in the first months of the pandemic, \$100 billion fled from emerging markets.**

**The new force reshaping business is big data. Big companies have big data, small companies don't have access to it.**



**“The Mathew effect’ from the bible. Most governments tend to have socialism for the rich and capitalism for the poor.**

**In 1970, the top 1 % of income earners captured less than 10 % of national income, in 2019, that number was 20 %.**

**By contrast the bottom 50 % of earners have seen their share drop from 22 % in 1970 to 15 % today.**

**The top 10 % of America owns 70 % of total wealth of the country, while the bottom 50 % owns just 1.5 % of assets.**

**Countries where trust levels have been high have tackled Covid better than countries where trust level is low.**

**The same is true about inequality, countries with less inequality have done better with covid.**

**In an emergency like covid, global supply chains were challenged.**

**One in three pills taken by Americans, is a generic produced in India who get two thirds of pharmaceutical ingredients from China.**

**Seeking security from global supply chains, many governments like the EU, Japan, India announced the resolve for greater self sufficiency. Vocal for local is an example.**

**The average tariff rate in 1967 was 15 %,  
today in most places it is less than 4 %.  
So globalization helped.**



**Advanced countries are not suited to making basic consumer goods. Levi's jeans made outside of the USA cost \$130 while those made in the USA cost \$ 350.**

**Globalization is not retreating, it is changing form and the new form is digital.**

**The two great globalization years were 1492 and 1498. In 1492, Columbus discovered America and in in 1498, Vasco da Gama found a route around Africa into Asia.**

**The third globalization enabler was dropping freight charges. By 1914, freight rates to ship rice had dropped 75 % from the previous 20 years.**

**China has progressed dramatically in the last thirty years. It holds the worlds largest foreign exchange reserves, it is number one in shipbuilding, No 1 in solar panels, it is the biggest market for cars, for computers and smartphones.**

**No two bipolar systems are the same. The USSR was an opponent only in military strength, almost nothing else.**

**By contrast China is a threat to USA economically, and technologically. It is not a military threat.**

**President Xi in China has acted on four fronts : 1. greater power for himself, 2. a larger role for the communist party, 3. heightened regulation of information and capital and 4. a more assertive foreign policy.**



**During the cold war, trade between USA and Russia was \$ 2 billion annually. The trade between USA and China is \$ 2 billion DAILY!!**

**Covid 19 has caused all nations to look inward. Every country is making its own plans for resilience and recovery.**

**The opposite is needed where you cooperate across borders.**

**Every crisis makes leaders narrow minded  
and nationalistic.**

**It is fashionable to bash 'globalism' but few know what the alternative is!**

**America pushed for global institutions like the world bank, the UN, the World trade body etc. etc. While America was doing this, between 1947 and 1989, America attempted to change a country regime 72 times, always without the knowledge of the UN.**

