

TOP LINE

The Covid-19 pandemic has been met by governmental intervention across the globe. Comprehensive mitigation efforts, including lockdowns and travel bans, have stretched across borders, continents, and oceans. While Covid is not the first pandemic the world has seen, the extent to which governments have mobilized against it on an economic scale will have lasting repercussions. [The shared nature of the economic slowdown has put a larger proportion of the globe in recession than at any other time since the Great Depression.](#)

The World Bank estimates this pandemic-induced global contraction will shrink the global economy by 5.2 percent in 2020 and push as many as 60 million people globally into extreme poverty. The U.S. unemployment rate is anticipated to remain in double digits for over a year; however, lower income countries are likely to be hit even harder. History has shown that the path out of economic turmoil is often armed conflicts rising out of populist nationalism; the Covid pandemic may prove no different as [frozen conflicts in Eastern Europe appear on the verge of becoming unstuck, at the risk of drawing in regional actors.](#)

Business leaders should consider the potential for previously frozen conflicts in Europe, Southeast Asia, and the Americas to become unstuck as nationalist sentiments rise amid economic uncertainty. Further, tendencies towards multilateralism are likely to decline as global police powers such as the U.S. are viewed as distracted by national politics and the Covid pandemic. As such, the prospect for trade relationships to be reframed and reformed should be considered as businesses plot their futures.

Question to Consider:

How should businesses evaluate trade relationships with countries historically at odds in the event a frozen conflict becomes unstuck and hostilities reignite?

COVID-19: THE HIGHLIGHTS

Less than one year since the virus dubbed Covid-19 was discovered in Wuhan, China, it has reached over 200 countries, infected over 300 million people, and has exceeded another milestone: [one million deaths](#). Strikingly, approximately half of the deaths are from only four countries; the United States, Brazil, India, and Mexico rank highest in the world in terms of the overall Covid death toll, as well as daily new deaths over the past week.

BEYOND THE NOISE: THE NEW NORMAL

Eastern Europe once again appears to be a nationalist flashpoint as [one of the most vicious of the early post-Soviet conflicts has once again sparked violence](#). Fighting flared between Armenia and Azerbaijan this week over a disputed territory, risking drawing in Russia and Turkey, which generally back opposing sides. Martial law has been declared in Armenia and Azerbaijan alike and [violence has escalated with air and artillery attacks on both sides](#), raising the prospect that the conflict will expand into a prolonged cross-border fight. Additionally, [a maritime boundary dispute between Turkey and Greece](#) in the Mediterranean has stretched on for months. Turkey's claims over Greek islands and oil and gas deposits off its shoreline have provoked naval ship movements and sharp rebukes from both sides. These nationalist flashpoints have the potential to draw in the EU, Russia, and the United States, adding yet another layer of complexity to them and raising the risk of armed conflict in the region.

TRUSTED RESOURCES: for numbers & guidance

[Johns Hopkins University](#) – Coronavirus Resource Center

[World Health Organization](#) – COVID-19 Pandemic

[Center for Disease Control](#) – Coronavirus (COVID-19)

Please contact Secure Source International at info@securesource.com to schedule a leadership roundtable with our intelligence and security experts to dive into these topics and discuss security and safety related best-practices.