

## Covid-19 and Global Governance – Call for Supervised Projects

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As COVID-19 spreads around the globe, its impact extends far beyond the health implications of a pandemic that has already killed more than 200,000. To halt the spread of the disease, public officials and managers have made decisions that have effectively brought the global economy to a standstill. Several countries have closed all businesses except grocery stores and pharmacies and have locked down their citizens in their homes. Other countries — including Canada and the United States — have closed their borders to nonessential traffic. The implications of this new and urgent global crisis are hard to predict but they will take a toll on international business for years to come. The WTO estimates that trade will collapse between 13 and 32 percent in 2020. UNCTAD predicts that the coronavirus will cut global foreign direct investment by 40 percent.

The extent of the impact on international business will critically depend on the responses of governments, transnational organizations and business. With governments trying to limit the economic and health impact on their people, protectionist measures are on the rise. For instance, many countries have taken steps to limit the export of medical equipment (such as masks and ventilators) and have adopted “buy local” policies. Rising tensions between countries have raised concerns about the future of transnational organizations such as the WHO and the European Union. Companies, in turn, have reacted to this new policy environment by revisiting their internationalization strategies. After decades of expanding global value chains with only few constraints imposed by global institutions or strong local governments, there are rising calls for companies to localize their global value chains in the light of the COVID-19 experience.

As is so often the case, the large brunt of the COVID-19 burden will likely fall onto developing countries and especially the most vulnerable parcels of their population. Without adequate access to financial resources, developing-country companies and workers are particularly exposed to both the expected collapse of the local health system and global supply chain shocks. Understanding the heterogeneous impact of the crisis on developed versus developing countries is key to understanding future prospects for the resilience of the global economy.

Professors Delgado and Van Assche are searching for **two** M.Sc. students who are willing to conduct a research mandate as a part of their supervised project on the impacts of COVID-19 on global value chains and the implications for global governance. The research mandates will take place during the months of May and June and will be remunerated. Please contact the professors at [ari.van-assche@hec.ca](mailto:ari.van-assche@hec.ca) and [natalia.aguilar-delgado@hec.ca](mailto:natalia.aguilar-delgado@hec.ca) if you are interested before **May 5th**. Some topics are suggested below, but we are open to discuss other themes:

- Analysis of protectionist responses to the pandemic and their global impacts;
- Policy alternatives for resilience of different sectors/supply chains across the globe;
- The role of transnational organizations in attenuating the negative socio-economic effects of the pandemic in supply chains;
- Analysis of the local policy responses and the economic impacts of the pandemic in the emerging world.