

## 1 Introduction

Heralded by a benign cable report on the ProMED network of the International Society for Infectious Diseases on December 30, 2019, COVID-19 took humanity by storm and led to the greatest simultaneous lockdown in human history.

By May 4, 2021, the number of reported COVID-19 cases around the world reached 155 million, and the number of reported deaths passed 3.2 million. COVID-19 forced the highly sociable human species into isolation and rumination. It also led to a proliferation of nationalistic or subnationalistic responses, including the closure of borders and the appropriation of personal protective equipment (PPE), such as masks and respirators.

As countries around the world responded to the pandemic with massive quarantine and social-distancing measures, COVID-19 triggered the largest global economic shutdown in modern times and “the greatest economic crisis since the Great Depression,” together with a massive social shock around the world. In the second quarter of 2020, economic activity decreased by a whopping 28% in Japan, 32% in the United States, and 39% in the Euro area.<sup>1</sup> COVID-19 also accelerated tensions among countries to dangerous levels, particularly between the USA and China. By shutting down global travel, transnational exchanges, and in-person summits, COVID-19 blunted diplomacy and brought world politics to the edge of a cliff.

COVID-19 marked the failure of early-warning systems in China and of pandemic preparations in most advanced countries around the world, except in East Asia. Most of all, COVID-19 will be remembered for the great gap between increased scientific advances and a poor public policy response in many leading countries of the West. Richard Horton, editor of leading medical journal *The Lancet*, writes:

The global scientific community made an unrivalled contribution to establishing a reliable foundation of knowledge to guide the response to the SARS-COV-2 pandemic. And yet the management of COVID-19 represented, in many countries, the greatest science policy failure for a generation. (Horton, 2020: 41)

Pandemics can play havoc with cooperative intentions and institutions. They are great disruptors and agents of fragmentation. Pandemics have regularly reared their ugly heads throughout history and have had great impact on societies and nations. As we now know, the human species is literally coexisting with millions of unknown viruses ready for viral leaps from animals to humans.

<sup>1</sup> Source: Asian Development Bank. September 2020. *Asian Development Outlook 2020*. [www.adb.org/sites/default/files/publication/635666/ado2020-update.pdf](http://www.adb.org/sites/default/files/publication/635666/ado2020-update.pdf) (last accessed November 23, 2020), p. 10.

Back in 1918–20, the great influenza epidemic (wrongly named the “Spanish Flu”) killed between 50 and 100 million people worldwide, making it the greatest health disaster of the twentieth century (Arnold, 2018; Osterholm and Olshaker, 2020). The 1918 pandemic had a huge effect on the outcome of World War I by infecting German troops at the height of their Spring 1918 offensive. It forced an ailing British prime minister, David Lloyd George, into desperate isolation in Manchester for nine long days in October that year (Arnold, 2018: 209). The influenza also killed the prime minister of South Africa, the sociologist Max Weber, and Frederick Trump, grandfather of President Donald Trump (Barro et al., 2020). Several world leaders got sick during the Paris negotiations in 1919, including France’s Prime Minister Georges Clemenceau and US President Woodrow Wilson (as well as the Spanish king and the German kaiser). The sickness weakened Wilson’s energy and leadership in the negotiations of the Treaty of Versailles. In the wake of his own sickness (and the death of his grandson and daughter-in-law), as well as the death of 17 million across India, the pandemic also accelerated Gandhi’s determination to fight for Indian freedom and launch the general strike movement in 1921 (Arnold, 2018: 209–210).

Research in behavioral psychology has documented the impact of pandemics on human cognition and human behavior (Taylor, 2019). Pandemics generate distrust and uncertainty; they have a disorienting and fragmenting effect. Medical expert Jonathan Quick writes that epidemics induce fear and that “we simply cannot think straight when we’re fearful. We overreact. The Stone Age part of our brains, the amygdala, initiates a fear response and overrides the more rational frontal cortex; fears trump intellect” (Quick, 2018: 151). Using Kahneman’s and Tversky’s categories, pandemics intensify our emotional “system one” response and reduce the effectiveness of our more rational “system two” capabilities (Kahneman, 2011). They can threaten coordination within societies and cooperation among different countries.

It is, therefore, not a surprise that the global response to COVID-19 was fragmented and ineffective. This is especially the case given that COVID-19 hit humanity in the midst of a trade war and increasing security rivalry between great powers. Instead of encouraging restraint, leaders in key countries fanned the flames of uncertainty and fear in 2020 (Christakis, 2020). Throughout the year, cooperation among major countries was fractious, and peak leadership institutions failed. This includes the UN Security Council, the G20 Leaders’ Summit, and the G7 (which did not even meet in 2020). Additionally, the US withdrawal from the World Health Organization (WHO) in the midst of the crisis seemed to mark the nadir of human cooperation. With President Biden’s inauguration on January 20, 2021, and the immediate return of the USA to the

WHO, the wheels of cooperation began to turn again. But it took a long time and dramatic change within the United States.

Historians, though, may well remember 2020 as the year when East Asia tackled COVID-19 more effectively than Europe and North America and accelerated its rise as a result. The East Asian response to COVID-19 is the biggest surprise of the crisis.

### The Dual Paradox of East Asia's Regional Response to COVID-19

This Element focuses on the national, regional, and global governance response to the pandemic in Asia, the initial ground zero of COVID-19. The virus arrived at a particularly bad time, with Asia already buffeted by disruptive American unilateralism, aggressive Chinese assertiveness, and escalating tit-for-tat tensions between them. As analyzed by Evelyn Goh, Asia was grappling with the buffeting forces of globalization and strategic rivalry in a complex economic-security nexus (Goh, 2020). Yet East Asia, despite its diverse political systems and stark security tensions, responded to the crisis with a combination of high performance and increased regional cooperation.

#### *Punching above its Weight: East Asian Performance across Regime Types*

The respective responses by East Asian and Oceanian countries to COVID-19 has been ranked the most competent on the planet. As shown in the following sections, even though COVID-19 started in Asia and there are significant differences among them, no East Asian nation is featured among the nations with the highest death ratio per capita. In global rankings of cumulated COVID-19 deaths per million inhabitants, results in early February 2021 ranged from a low of nearly zero (Vietnam) to a high of 2,500 in the state of New Jersey. The UK (second-highest country after Slovenia) stood at 1,650, Italy at 1,500, and the USA as a whole at 1,400. By contrast, nearly all East Asian and Pacific countries were found under 60 deaths per million residents as of February 8. The official results ranged from a high of 58 in Myanmar and 50 in Japan to a low of 0.4 in Vietnam and Taiwan, 1.1 in Thailand, and 3.3 in China. The two exceptions in this East Asian cluster were Indonesia (115) and the Philippines (101), which suffered from worse outcomes than the rest of the region but were still significantly below the world average (296).

As a result of early and effective health measures, East Asia has quickly weathered the economic shock and is on track to do better than any other region. According to the Asian Development Bank's April 2021 Development Outlook, Northeast Asia (not including Japan) is the only region that ended 2020 with

a positive growth rate (+1.8%) and an expected 7.4% growth for 2021 (increased from the April, June, and September outlooks).<sup>2</sup> In January 2021, China announced that its total growth for 2020 reached 2.3%, after bouncing back to a 6.5% annual pace in the fourth quarter and surpassing expectations.<sup>3</sup> Japan took a larger hit with an expected −5.1% in 2020, to be followed by a slower recovery in 2021 (+3.1%).<sup>4</sup> Badly hurt by the collapse of tourism, Southeast Asia experienced more of a recession in 2020 (−4.0%) before expecting a bounce back in 2021 (+4.4%).<sup>5</sup> Vietnam, however, ended 2020 with a remarkable +2.9% growth rate and was on track for +6.7% in 2021.

The three best performers in the East Asian region during the COVID-19 shock in 2020 were Taiwan (+3.1%),<sup>6</sup> Vietnam (+2.9%), and China (+2.3%).

By comparison, South Asia took a deeper hit (−6.0% in the region and −8.0% in India<sup>7</sup> for 2020), though it was expecting a large bounce back in 2021. However, two countries in South Asia finished 2020 with positive growth rates: Bangladesh (+5.2%) and Bhutan (+0.9%).<sup>8</sup> As a whole, the entire Asia and Pacific region (excluding Japan, Australia, and New Zealand) suffered only a mild hit of −0.2% in 2020 and could expect positive growth of +7.3% in 2021.<sup>9</sup>

### *Increased East Asian Cooperation under COVID-19*

Most surprisingly, the East Asian response is also characterized by increased cooperation and increased regional integration. Clearly, this is the continuation of a preexisting trend. Nonetheless, COVID-19 seems to have driven home to Asian countries the urgency of cooperation as a way to survive the induced crisis. In the initial phase of the crisis in January–March, Japan and China shared PPE to a larger extent than European nations did with each other. And in spite of accrued security tensions between the United States and China and in China's periphery, Asian countries made orderly and rational decisions on global supply chains.

<sup>2</sup> Source: Asian Development Bank, April 2021. *Asian Development Outlook 2021*. [www.adb.org/publications/asian-development-outlook-2021](http://www.adb.org/publications/asian-development-outlook-2021) (last accessed May 4, 2021).

<sup>3</sup> Source: *Nikkei Asia*, January 18, 2021. <https://asia.nikkei.com/Economy/China-GDP-expands-2.3-in-2020-with-fast-recovery-from-COVID>.

<sup>4</sup> Source: International Monetary Fund, January 26, 2021. *World Economic Outlook: Update*.

<sup>5</sup> Source: Asian Development Bank, April 2021, *Asian Development Outlook*.

<sup>6</sup> Source: ADB, April 2021 and *Nikkei Asia*, January 29, 2021. <https://asia.nikkei.com/Economy/Taiwan-GDP-growth-outpaces-China-for-first-time-in-three-decades>.

<sup>7</sup> Source: ADB, April 2021 and International Monetary Fund, January 26, 2021. *World Economic Outlook: Update*.

<sup>8</sup> Source: Asian Development Bank, April 2021, *Asian Development Outlook*.

<sup>9</sup> Source: Asian Development Bank, April 2021, *Asian Development Outlook*.

The health, economic, and geopolitical triple shock brought on by COVID-19 in 2020 was a crucial test for East Asian regionalism. It was the first critical global crisis since 1990 in which systemically important countries could not agree to cooperate. It was also the first major crisis in which the leader of the global system, the United States, actively worked to undermine key pillars of the multilateral global order. This put a tremendous burden on informal and regional institutions, adding to the growing strains of power shifts.

Asia entered the COVID-19 maelstrom with a deficiency in robust regional institutions, relying instead on “soft institutionalization.” Unlike the European Union, Asia has not matched its growing economic interdependence with layers of institutions and organizations. The two most powerful countries in East Asia, China and Japan, have not been able to come to an understanding on how the region should be governed, in great contrast to the Franco-German partnership in Europe. Instead and counterintuitively, it is the Association of Southeast Asian Nations (ASEAN), with its ten members, that led Asian institution-building. “Soft institutionalization” is essentially the partial generalization of the ASEAN way to the rest of Asia. It is defined as “organizational minimalism, the avoidance of legalism, and an emphasis on consultations and consensus decision-making” (Khong and Nesadurai, 2007: 11). This regional approach embeds a “high degree of autonomy for governments in their domestic policy” (Khong and Nesadurai, 2007: 78). It has long been seen as limited and fragile, especially in the context of the great diversity in regime types and historical legacies in the region. And for all their innovation, ASEAN countries cannot really call the shots. Ultimately, China, Japan, the United States, and (increasingly) India are the true heavyweights in the region. Under the COVID-19 shock and with escalating tensions among the great players, one could expect great damage to the informal institutions of East Asia.

Lo and behold, the region did not fall into the COVID-19 conflict trap. No development exemplifies the Asian response more than the signing of the Regional Comprehensive Economic Partnership (RCEP) on November 15, 2020, in Hanoi, after eight years of arduous negotiations. Achieving the largest free trade agreement in the world in the midst of security tensions and a great pandemic is counterintuitive to say the least. In one bold move, fifteen East Asia and Pacific nations – representing 30% of the world’s population and an equal share of the global economy – inked a regionwide accord and buttressed supply chains among them, with China at the core. India did not join, but the fifteen signatories left a special door open welcoming India to do so at any time in the future. And there is no doubt that key RCEP members such as Japan, Korea, Singapore, and Malaysia will seek to enhance their existing bilateral agreements with India instead.

Even though most RCEP partners outside China are greatly concerned about China's recent political and security moves, particularly in Southeast Asia (Emmerson, 2020; Strangio, 2020; Hiebert, 2020b), it is hard to exaggerate the signal sent by the conclusion of the RCEP in the midst of the COVID-19 catastrophe. It symbolizes a degree of convergence and understanding within Asia about response to COVID-19, support for globalization, and belief in multilateralism, whatever the security and political tensions. It also marks the realization in East Asia outside China that decoupling from China is geographically and economically impossible and that it is wiser to build more institutionalized and regularized economic links in response to higher tensions.

East Asia is not the only region that turned the COVID-19 lemon into an opportunity for increased cooperation. Africa managed to develop a coordinated response to the crisis and to keep its project of an African free trade area on track. The European Union made several breakthroughs, including a jointly financed recovery plan that involves the first jointly issued bonds for the sake of fiscal transfers to badly hurt regions and a strong common stance in Brexit negotiations. On December 30, the EU also finished the year 2020 with a daring Comprehensive Agreement on Investments (CAI) with China, after China made a series of significant last-minute concessions to the EU to seal the deal. The CAI may have represented one of the key geopolitical developments of 2020, along with the RCEP, even though the path to ratification appeared very difficult within the EU, especially after the tit-for-tat sanctions over Xinjiang that took place in March 2021. This study focuses on East Asian developments but has implications for these other regional advances in 2020.

To sum up, this Element focuses on two core puzzles. First, what explains East Asian over-performance in the COVID-19 crisis? And second, why did East Asian nations manage to cooperate and accelerate regional integration in the midst of COVID-19, while global multilateralism faltered?

### Why the Asian COVID-19 Puzzle Matters

Understanding the institutional and policy drivers that enabled most East Asian countries to beat COVID-19 and save their economies greatly matters for the rest of the world. What can we learn? Can some of the East Asian policy innovations travel beyond the region to help prepare for future pandemics?

This Element also argues that the COVID-19 crisis offers a useful prism to revisit the comparative analysis of the East Asian regional system. Given its lack of institutions to match its deep liberal integration, East Asian regionalism is seen as weak, crippled by political regime divergence and highly reliant on the US anchor as market of last resort and security provider. The regional

literature has identified corporate and human networks (initially Japanese, then also Korean) as a key element of robustness (Katzenstein and Shiraishi, 1997; Pempel, 2005; Calder and Fukuyama, 2008; Calder and Ye, 2010).

Theoretically, a loosely institutionalized region would seem more liable to fragmentation. Cooperation under loose coupling, conflicting political values, disconnected media bubbles, and extremely diverse levels of development and institutional capacity is very hard indeed. In this sense, East Asia offers a good test case for the survival of civilization under global disruptions. What are the greater lessons for humanity? When humans are separated by core narratives, how can they still cooperate against a common threat?

As well, this puzzle may help us rethink the question of regional institutional resilience. Flexible and inclusive regional arrangements without clear breaking points and rigid rules may be less vulnerable in times of crisis.

Empirically, cooperative capacity in Asia matters, since Asia is at the heart of the global economy, with 60% of world growth expected to come from the whole Asian region. It is also the main battleground for the most intense political rivalry, that between China and the United States.

The literature offers several possible answers to the East Asian COVID-19 paradox. First of all, East Asian cooperation could be seen as the embodiment of liberal resilience in general. Ikenberry argued that the Liberal International Order (LIO) orchestrated by the United States after 1945 is resilient and flexible enough to be attractive to emerging powers and to deal with crises (Ikenberry, 2011). The East Asian region could be the arena for a replay of a collective liberal effort to save the system, just as G20 nations did in the wake of the 2008 Financial Crisis (Drezner, 2014). What remains puzzling, however, is the fact that the LIO in 2020 was stretched to the limit (Ikenberry, 2018) and its architect, the United States, actively worked against its core pillars.

Realism might offer an alternative explanation: indeed, the East Asian states neighboring China may choose to increase regional cooperation as a way to bandwagon with a rising China. More convincingly, they may pursue a hedging strategy, whereby they combine economic cooperation with China with participation in US-led security alliances aimed at deterring China (Kuik, 2020; Kuik, 2008). However, strategic hedging is exceedingly hard to pursue collectively across a very diverse region through institutional advancement.

A third plausible explanation might focus on leadership. In his path-breaking study on global collective goods, Barrett argued that leadership by key states is essential. “The important point is this: when the opportunities to supply a global public good are seized by the great powers, motivated only by self-interest, but acting ‘within the framework of the general good,’ the entire world benefits” (Barrett, 2007: 11). In the case of the Asian response to COVID-19, one would

particularly look to China and Japan as providers of key public goods. Japan under Prime Minister Shinzo Abe has indeed increased its leadership in the global order (Tiberghien et al., 2020). Yet Asian developments in 2020 have not supported the advance of a feared Chinese hegemony. The process appears much more diffuse. The RCEP was led by ASEAN. Furthermore, key Chinese actions throughout 2020 – such as its “wolf warrior” diplomacy, aggressive moves in the South China Sea or in the border area with India, and threats to Taiwan – have not been conducive to its winning acceptance as a leader in the Asian region (Rudd, 2020).

### The Argument: Institutional Capacity, Social Cohesion, and Global Strategic Reinforcement

To explain the puzzle of high performance in most of the region, this study advances an institutional approach that emphasizes preexisting centralized governance structures. These institutions operate one level below the political regime itself and cut across regime types. They are situated one level above the health-care delivery institutions, the quality of which varies from extremely high in Japan to low in Myanmar and the Philippines. Whether autocracies or democracies, most East Asian states are Weberian in their heart: they believe in modern bureaucratic institutions to sustain free markets, solve market failures, and distribute economic gains (World Bank, 1993). They believe in progress through institution building. Most countries had established universalistic health systems (with great variations, of course, according to levels of development, and with lower levels in countries such as Cambodia, Indonesia, Myanmar, or the Philippines) prior to the pandemic and accepted the role of government to provide collective security in times of crisis. These conditions are not sufficient in themselves, as was shown in many European countries during the pandemic, but they are necessary.

Again with caveats for the cases of Indonesia and the Philippines, nearly all East Asian cases had put in place laws, centers for disease control, and response procedures prior to the pandemic. To staff these institutions, most East Asian countries developed highly skilled human capital and trained a cadre of disease specialists. Practically everywhere, governments relied on those structures led by respected scientists to set the policy response.

Initially, the Chinese local government in Wuhan silenced its scientists and overrode its health procedures for the sake of political expediency, with serious global consequences. Yet China’s central leadership eventually swung back to full reliance on its medical experts and medical bureaucracy after January 20, with great effect.

This parallel Weberian response in nearly all East Asian cases had roots in each political system – notwithstanding variation according to their respective developmental modernization processes. However, the convergence and similarities are striking. For all its lack of hard institutions, the region did benefit from common drivers that may have reinforced national trajectories. Japan’s early success in industrialization, followed by the success of East Asian “tigers” and eventually of China, reinforced a competitive dynamic toward adoption of state institutions that seemed to perform well. In addition, Japan itself played a key role in developing health governance in Southeast Asia and beyond, either directly or through the Asian Development Bank. Norms and practices travelled across the region in a process of mutual reinforcement. Health scientists across the region knew each other and cooperated closely together, including Taiwanese and mainland Chinese scientists for example. SARS in 2003 also played an accelerator role as a common shock, especially in Hong Kong, Singapore, Vietnam, and Taiwan, while Korea responded more to MERS in 2009.

Second, this Element argues that the government response in East Asia was able to rely on high levels of social cohesion and social trust in times of common peril. Surveys on social cohesion and social trust consistently put East Asian cases, such as China, Singapore, and Indonesia, near the top alongside India, New Zealand, Australia, and the Nordic countries. Across the region, citizens mostly followed social norms such as mask-wearing and physical distancing. New Zealand and Australia benefited from high levels of social trust along with institutional capacity and personal leadership (in the case of Prime Minister Jacinda Adern).

Regarding the puzzle of increased regional cooperation, this study argues that this was the result of global strategic reinforcement in the face of situational convergence. In a time of crisis, policymakers in the region doubled down on what worked before: increased trade and regional integration supported by advances in rulemaking. This was a strategic response to a situation of global uncertainty – a flight to safety, of sorts. With its high dependence on trade, the region is most vulnerable to the erosion of globalization and the liberal international order. Facing growing dangers in the middle of a trade war, East Asian leaders reasserted their commitment to regional interdependence and resisted decoupling.

This response may have been facilitated by the outcome of our first puzzle, namely the fact that all East Asian countries responded with similar reliance on institutions and scientific expertise, despite differences in levels of transparency and privacy protection. Competence breeds trust among similar bureaucracies.

The increase in security tensions and political risks in the region echoes strongly within security communities in the region and with public opinion. Yet,

given the presence of China at the heart of the region, the responses of countries such as Japan, Korea, Australia, and Singapore entail developing competent security responses as part of their alliance with the United States, while seeking to institutionalize economic relations with China. In 2020, security tensions did not overwhelm the trading logic. This response of US allies in East Asia also builds upon long-held norms of political noninterference and forbearance in a long-term perspective. Building on histories of interactions with China going back centuries, these neighboring countries have a tendency toward pragmatic management. They have a sense of the deeper drivers of Chinese governance beyond the particularities of the current leader. They know that they cannot escape China's massive orbit without unbearable costs to their economy and living standards. In the short term, the pandemic shock in the context of the US-led erosion of global institutions reinforced the need for regional stabilization.

There are two important caveats. First, the attempt of the region to link with India failed in the case of the RCEP, and economic connectivity between South Asia and East Asia remains a work in progress. Second, the relentless rise and often arrogant attitude of China in the region represents a shared concern. The region remains highly vulnerable to either unilateral Chinese moves or harsh tit-for-tat sequences between the USA and China, even under the Biden administration. A security crisis could overwhelm regional institutions. This Element shows, however, that, below such security tensions, shared norms and economic institutions remain resilient. They offer a strong counter narrative to high political drama that dominates the airwaves.

### Methodology and Roadmap

This Element relies on a variety of sources and methods. It employs the comparative method to study convergence and coordination among very distinct countries with a great diversity of regime types and levels of development. It also employs process-tracing to unpack the drivers of key decisions, such as the RCEP, for key countries such as Japan. I make use of both quantitative data sets and qualitative analyses of individual countries. I also use personal interviews with decision-makers in Asia between December 2018 and December 2019, as well as digital interviews and public speeches by key actors during 2020.

The Element proceeds through five sections.

Section 2 presents the global setting for the COVID-19 crisis and argues that the global governance response mostly failed in 2020, leaving a greater burden to carry at the regional and national levels.

Section 3 focuses on domestic governance and compares COVID-19 performance within Asia and in contrast to other regions. It advances a list