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National Security Implications of COVID-19: A Framework

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Introduction

The current global pandemic of the disease called COVID-19—caused by the SARS-CoV-2 virus—will sharpen several challenges to U.S. national security and influence the country's ability to meet those challenges. “But how, exactly?” impatient policymakers and current practitioners of diplomacy and national security may ask, as they seek to construct U.S. responses. Avoiding speculative predictions at this point, we can start with a framework: an intellectual scaffolding on which to consider emerging implications before acting on them.

The pandemic's implications for national security fall into two general categories: geopolitics and the critical supply chain. Overall, at this stage, we can rule out only calamity and business-as-usual with reasonable certainty. The pandemic raises significant concerns in both categories but with respect to such concerns, we can find worrisome evidence alongside more encouraging signals. This framework identifies a number of concerns, considers early evidence, and suggests steps to understand and mitigate the worst possibilities.



COVID-19 as a Turn of History

There is nothing new under the sun—least of all human pathogens. Plagues of disease have shaped history as long as it has been recorded¹ and influenced national security as long as there have been nations.² Yet history may be an unreliable guide to the impact of the current pandemic.

Three things in particular distinguish COVID-19 from earlier plagues that affected a wide geographic area. First, COVID-19 was not an unknown or unknowable disease when it began to spread on a global scale in late 2019 and early 2020. The decoded genetic signature of SARS-CoV-2 permitted its identification in newly infected people through relatively simple tests, and researchers have learned more every day about the targets, infectiousness, and other characteristics of the virus. Second—Chinese disinformation and U.S. political finger-pointing aside—Americans should not have been surprised when COVID-19 reached them on a large scale in March 2020. North America was the third continent behind Asia and Europe to face an outbreak in a highly interconnected world.

Finally, and most importantly, many people in 2020 could make viable behavioral choices to reduce the risk from COVID-19 in ways unimaginable to their ancestors. Advanced technology and the changing nature of professional jobs meant that hundreds of millions of people could continue to earn their paychecks, feed themselves and their families, and even address other health concerns while remaining largely sequestered at home. No such options existed as recently as the 1918 Spanish Flu outbreak, when the certainty of needing to survive took precedence over the possibility of exposure to a dangerous disease.

Far from easing public fears, however, the scientific transparency, early warnings, and mitigation efforts surrounding COVID-19 appear to have lowered Americans' physical and economic risk tolerance even further when it comes to new pathogens. The Spanish Flu of 1918 fell into a dusty corner of history—regarded as a twist of fate beyond human intervention. COVID-19 likely will remain front and center in the public mind—regarded as something that must never happen again. That makes it an almost certain driver of change.

Geopolitics

Rather than raising wholly new ones, the COVID-19 pandemic so far has elevated or clarified geopolitical concerns—especially competition with China, the future of the European Union (EU), and the risks of biological warfare and cyberattacks.

China. The COVID-19 pandemic dealt a serious blow to comforting theories that recently held sway across U.S. political boundaries, about the evolution and intentions of the world's fastest rising power. Three conclusions now are difficult to avoid:



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- (1) Large-scale participation in a market-based, global economy will not turn China into an open society with a free citizenry and political competition. Four decades after China's economic opening to the world, the Chinese Communist Party (CCP) remains all-powerful and its interests supersede all other considerations, including public health.
- (2) China's government is not transparent to its own people, let alone to the rest of the world, even about matters of life and death. SARS-CoV2 originated in China and rampaged in Hubei (Wuhan) and other provinces for weeks before official acknowledgement or effective treatment took place. The CCP's claim that only about 5,000 COVID-19 deaths occurred in all of China defies infection and mortality rates associated with the virus elsewhere in the world, and almost certainly is false by a wide margin.
- (3) China intends to strengthen its regional military dominance, suppress independent Chinese governance in Hong Kong and Taiwan, and achieve global economic and soft-power influence at least on a par with the U.S. These long-apparent geopolitical goals did not take a holiday even for a domestic human catastrophe – making them even harder to deny. The pandemic did not deter China from violent border clashes with India in mid-June 2020. By discouraging demonstrations, it created a cover of sorts for decisive crackdowns in Hong Kong.³ A senior Chinese military leader threatened Taiwan in unusually explicit and formal terms in late May.⁴ And the pandemic offered a further pretext for Chinese material aid to Latin America and other regions,⁵ even as China leveraged its growing financial contributions to manipulate the World Health Organization (WHO) in its early response to the virus.⁶

By elevating these conclusions as never before, even across party lines in the United States, the COVID-19 pandemic likely will mark a turning point in U.S.-Chinese relations – in the direction of a Cold War. The two powers' economic interdependence will be difficult to untangle, giving both sides ample incentives for conciliation. However, several "Cold War-style" responses on the part of the U.S. seem prudent in response:

- a fresh look by the U.S. Government and private firms alike at critical supply-chain dependencies on China (more below), with an eye to diversification;
- new assessments and clearer signals regarding the limits of U.S. tolerance with regard to Hong Kong, Taiwan, and China's land and maritime boundaries;
- calibration of political "red lines" with a U.S. military presence capable of enforcing such red lines in the western Pacific – likely requiring new investments;



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- cultivation of alliances on China's periphery—in particular with India, which represents both a large-scale, alternative economic and supply-chain partnership and a potential check on Chinese military ambitions; and
- exposure and push-back of Chinese efforts to compromise vital international organizations such as the WHO.

The European Union (EU). The COVID-19 pandemic poses an existential challenge to the EU—coming as it does so quickly on the heels of the United Kingdom's "Brexit" departure from the Union, in the midst of populist political surges in eastern European member states, and within short-term memory of the sovereign-debt crisis that afflicted southern European members in the early 2010s. Particularly since membership in the EU largely overlaps with membership in the North Atlantic Treaty Organization (NATO), the United States must be concerned about a breakdown of cohesion among European countries—not to mention their economic wherewithal and related ability to counter geopolitical threats from China, Russia, and the Middle East.

Signals at the start of the pandemic were not encouraging. By early March, France and Germany had instituted national export bans on personal protective equipment (PPE) needed by health-care workers fighting COVID-19, appearing to ignore EU members such as Italy and Spain during their most serious humanitarian crises since World War II. Countries across the EU closed their borders to each other for the first time in decades—moves that were practically gratuitous (since most already had domestic lockdowns in force) but symbolically harmful to notions of integration and solidarity. Powerless to stop these moves, in the words of two observers: "The European Commission, whose role is to act as the guardian of the EU's treaties, helplessly witnessed the dismemberment of the single market and the Schengen free travel area."⁷ Since it still lacks meaningful fiscal powers, the Commission also could not extend aid or debt relief to poorer member countries struggling financially under the lockdowns. Meanwhile in late March, the parliament of EU member Hungary used COVID-19 as a rationale to give Prime Minister Viktor Orban—a populist already known for his autocratic aspirations— indefinite and essentially unlimited powers to rule by decree.⁸

As has been its pattern, the EU stepped back slightly from the brink as disaster neared. The Commission moved to secure PPE and other medical-related supplies for all members, and even created the Union's first-ever strategic stockpile of medical equipment. Most significantly, France and Germany in May called for creation of a €500 million European Recovery Fund (ERF), under which the Commission would issue debt for the first time, and give grants to member governments rather than loans. The governments in Paris and Berlin are the heavyweights, but creation of such a fund still requires the agreement of all EU members, a major political lift in a diverse Union with growing populist strongholds. Even if approved, it remains unclear whether the ERF will become the first step in a large-scale



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“mutualisation” of debt across the EU and a common fiscal policy – or a political scapegoat for the Union’s fragmentation.

U.S. perspectives vary on whether an “ever deeper Union” in Europe is a prerequisite for a strong transatlantic Alliance. But common EU fiscal policy or not, Americans need strong allies in Europe as the veil drops on China’s global intentions, Russia continues to probe NATO’s resolve, and the Middle East remains prone to turmoil. Strong U.S. allies tend to be fiscally stable and politically liberal – giving Washington a stake in securing those qualities. As the EU struggles in the wake of COVID-19, the United States should consider:

- elevation of NATO’s longstanding role in bolstering the liberal-democratic character and political alignment of European nations;
- aligned transatlantic responses (U.S.-EU and U.S.-UK) to China’s rise, and a broadening of NATO’s mandate and planning to include contingencies involving China and new partnerships with Australia, New Zealand, India, and other Asia-Pacific countries;
- further demonstration of the role of national and Alliance-level military infrastructure in response to global health crises (NATO coordinated the airlift of COVID-19-related medical equipment and personnel, and established field hospitals during the pandemic⁹); and
- reinforcement of America’s own visible commitments to the transatlantic Alliance – not only when other NATO members contribute financially but also (and especially) when they are not in a position to do so.

Biological and Other Asymmetric Threats. To date, no specific evidence has been presented indicating that China or any other country created SARS-CoV-2 or intended it to be a weapon. With regard to the potential of biological warfare in general, COVID-19 offers mixed signals.

Of course, COVID-19 demonstrates that a virus can do devastating human and economic damage on a large scale – on a par with other Weapons of Mass Destruction (WMD). However, the current pandemic also makes clear that highly contagious pathogens of the sort required to disrupt societies are almost impossible to contain within political boundaries. An “attacking” power deliberately deploying a virus almost certainly would become a victim itself, giving biological weapons a built-in deterrence feature. Even if a government such as the CCP were willing to accept a certain level of human casualties, COVID-19 demonstrates that economic effects are equally impossible to contain within target boundaries.

These blowback factors may be less likely to deter terrorist organizations from seeking to unleash a biological attack, since public health and balance-of-payments concerns do not



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trouble them. Such adversaries, however, still would face the daunting challenge of synthesizing a pathogen, and deploying it in a targeted manner. So on balance, COVID-19 offers some ironic comfort with regard to the threat of deliberate biological attack.

Disinformation campaigns and systematic efforts on the part of U.S. adversaries to manipulate social media in light of the pandemic and U.S. racial tensions clearly have been underway, contributing in some measure to increasingly fraught domestic-political conditions in the United States and some European countries. Existing cyber-based criminal activities involving malware, ransomware, and online fraud also continue apace – adapting to take advantage of anxieties and vulnerabilities related to the virus.¹⁰ As of this writing, however, the COVID-19 pandemic does not appear to have spawned large-scale cyberattacks or other forms of asymmetric attack to exploit U.S. and allied governments' distraction. Where adversary governments are concerned, this could be due to their own distraction in responding to the virus domestically, or could imply that cyberattack plans had not been prepared to take advantage of this unforeseen opening. The COVID-19 experience, while somewhat encouraging, should not lead to the conclusion that the U.S. will be safe from opportunistic cyberattacks during future national emergencies.

Critical Supply Chains

In the space of only several weeks in early 2020, governments and many private firms alike encountered three large, interrelated risks to their critical supply chains and to their material readiness for health emergencies:

- (1) Critical supply chains involving China are supply chains that can fail abruptly, because of the effects of a health emergency on Chinese production itself and/or because China's government diverts critical supplies to domestic use (as occurred with some supplies needed for COVID-19 protection and treatment).
- (2) Regardless of China's involvement, supply chains for critical equipment and technology often are too complex and/or too long to provide reliable quantities to home markets. This risk can arise because insufficient supplies reach a country or because too many of the components and goods produced in the country leave it for other markets. Particularly in the latter case, governments may feel compelled to interfere with the flow of goods.
- (3) In a new kind of emergency – or one that presents a previously unknown health challenge such as COVID-19 – some processes and products must be invented more quickly than existing regulations, capacities, and protocols usually allow. The apparent failure of the U.S. Centers for Disease Control (CDC) to rapidly develop and validate an effective test for SARS-CoV-2 is one example of this risk.



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Given the magnitude of these risks, the experience of the COVID-19 pandemic is remarkable for its generally positive signals. While the movement of people from country to country has been severely restricted during the pandemic, the shipment of components and goods by all modes has continued relatively unimpeded. Government export restrictions – such as France’s and Germany’s early ban on PPE exports and the U.S. Government’s invocation of the Defense Production Act to prevent 3M from exporting respirators – were limited and quickly rendered irrelevant. Private manufacturing firms often retooled to fill supply gaps with remarkable speed and finesse. A report by the global consulting firm Bain & Company shares a particularly compelling example: “Within 72 hours of the French government’s call for business to pitch in, LVMH’s perfume factories were producing hand sanitizer. Giorgio Armani, Gucci and Prada repurposed their designer clothing factories in Italy to churn out medical overalls, and Burberry harnessed a trench coat plant to make facemasks and nonsurgical gowns.”¹¹

In response to the demand for invention: many private firms – often aided by partnerships with government agencies – have responded with alacrity to meet human needs, burnish their reputations, and (if successful) reap the financial benefits of rapid R&D. High-volume tests to detect SARS-CoV-2, which normally follow a 12- to 24-month timeline from initial target identification through development, validation and regulatory approval, began to appear in the United States only weeks after the virus itself arrived here – greenlighted by regulators via the U.S. Food and Drug Administration’s “Emergency Use Authorization” (EUA) protocol.¹² It remains to be seen whether typical timelines for the development of vaccines and treatments also can be dramatically shortened in response to COVID-19 – but the World Health Organization claims that 16 vaccine candidates already are undergoing clinical trials globally.¹³

Despite these encouraging signals, negative assessments of supply chain risks continue to dominate news reports on COVID-19 and to provoke political sparring within and between countries. Particularly in the United States, supplies of some types of tests for the SARS-CoV-2 virus still appear to be falling short of demand. Policymakers and pundits have raised fears that successful vaccine developers will favor their home markets and confer an economic-recovery advantage on the country that develops a COVID-19 vaccine first.¹⁴ The pandemic heightened already growing concerns about the dependence of prescription-drug manufacturers on Chinese supplies of active ingredients. At the same time, stories of impending shortages of food or other essential goods remain a staple of reporting and discussion in the United States. These pervasive sentiments make it likely that policymakers will prefer caution to the pre-pandemic status quo where critical supply chains and R&D dependencies are concerned. Responses on the part of private industry and government likely should include:

- a shift from lowest-cost and just-in-time mindsets to what some have called “resilient” supply chains that eliminate single-market dependencies (especially involving China), cultivate back-up suppliers, and allow “safety stocks” of key components to build up;¹⁵



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- a reversal of the decades long “off-shoring” trend in manufacturing—especially for finished, high-technology goods;¹⁶ and
- for equipment and services seen as critical in future emergencies: the creation and/or growth of national stockpiles, and the encouragement of deliberate redundancies in capacity.

Such measures will not be achievable without costs—to the efficiency of production, to the resulting prices of finished goods, and to the taxpayers who will fund emergency preparedness—which together mean that other corporate and societal goals will need to be scaled back in largely unforeseeable ways.

An Early Conclusion

COVID-19 is not a Hiroshima moment or even a 9-11 moment that will reset U.S. national security comprehensively. But in key respects its impact will be deep and enduring:

- The pandemic will bring major challenges abroad into sharp focus—competition with China, enhanced collaboration with the EU, and the cultivation of new allies in particular—and finally make the case for associated investment in U.S. defense and diplomacy.
- Lessons learned during the spread of COVID-19 will transform government and private-sector approaches to the manufacturing of critical technologies and the sourcing of components and supplies. Critical supply chains likely will get shorter, the locations of suppliers will matter more, and final assembly of critical technologies will move or stay closer to “home.”

Pandemics will repeat themselves. Mistakes and misunderstandings need not.

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