



The Corona Virus and the Law of Unintended Consequences

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Executive Summary

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Analysis

The law of unintended consequences is that actions of people, and especially of governments, always have effects that are unanticipated or unintended:

As the Corona Virus crisis continues to unfold and deepen - long-term patterns for the post-crisis world emerge and become increasingly clear.

The world is changing dramatically and irreversibly. This is more because of the political elites' reaction to, and anticipation from, the looming great economic upheaval - be it a great recession or even a great depression - on a global scale than the demographic changes wrought by the spread of the COVID-19.

The most pronounced mega-trend is that the key elements of the greater Eurasia - China, Russia and the main European powers led by Germany - are gravitating toward each other. This drawing together comes more as an inevitable and unpreventable reaction to greater threats than as a shared commitment - that does exist to a great extent - to a unified Eurasia and/or Eastern Hemisphere. It is the growing fear from, and hostility toward, Trump's Washington that is pushing these key foci of power into each other's arms in quest of mutual protection against a commonly perceived nemesis.

The ongoing demonstration by the Donald Trump Administration that the US will stop at nothing in the pursuit of the best interests of the American People while disregarding the interests of, and conscientiously at the expense of, both friends and foes unnerves them all. Washington's focused resolve to help Americans at all cost is not lost on anybody - including America's closest allies. The allies now have ample proof that the Trump Administration would betray and sacrifice them on the altar of higher US interests without the slightest hesitation. And so, America's scorned allies seek both shelter and solace in the fold of a cohesive powerful Greater Eurasia. This mega-trend is fast becoming irreversible.

Moreover, the vast majority of the countries of the world are desperate to be able to focus first on overcoming the COVID-19 crisis and subsequently on the recovery of their devastated societies and economies. The great powers of the East prefer to return to the pursuit of their respective historic manifest destinies only after the Corona Virus crisis has been ameliorated. However, the Trump Administration elected to capitalize on the current weakness and preoccupation of Washington's main nemeses in order to intensify their containment. The US has thus compelled several countries - both big and small - to divert both attention and resources to the protection of their vital interests and away from the fight against the Corona Virus. While the US might have gained short-term achievements in the pursuit of this policy - the incurred long-term hostility by both friends and foes is incalculable.

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The Europeans - both grassroots and governments - are still shocked by the collapse of that Potemkin Village called the European Union. That admired semblance of utopian unity crashed at the time of real need. The EU will never be resurrected to its erstwhile stature and influence.

Left on their own to confront the Corona Virus pandemic devoid of medical and emergency services - the Europeans are already searching for new modalities to make sure this calamity will not repeat itself.



Key European leaders have long been cognizant of the ascent of what Vladimir Putin terms “the common Eurasian home”, the rise of the New Silk Road envisioned by Xi Jinping, and the concurrent fracturing of the Euro-Atlantic sphere. The great promise and potential of the Eastern endeavors have long been accepted. However, these European leaders have also dreaded the imperative to make a fateful decision and choose between East and West. Thus, Europe remained seduced by the lure of the East but too fearful to break away from the legacy of the West. The global dynamic created by the spread of the COVID-19 pandemic has already forced both a decision and a new reality on even the most reticent of European leaders and governments.

The lingering crisis over medical assistance and supplies from China stunned the Europeans - both public and leaders. European media is filled with reports of US intelligence operatives, as well as US troops based in Italy, diverting planeloads of medical supplies originally purchased by European countries and other entities to the US through the use of bribery and coercion. Behind closed doors, European senior intelligence officials concede that the cases exposed by the media are but a fraction of what they describe as “an incessant US campaign” to acquire medical supplies for the US virtually at any cost and with complete disregard of the implications for others. Berlin Interior Minister Andreas Geisel accused the US of “modern day piracy”.

European security experts concluded that the only way US intelligence operatives could have known in advance about the European negotiations and purchases in China and elsewhere in the Far East was through massive penetration of, and spying on, all the European voice and electronic communications. This, when both the Obama and Trump Administrations have repeatedly assured sceptic European allies that no such US espionage was taking place. The last time such explicit assurances were given was in late 2019 as part of the US campaign to convince the Europeans that the threat to their future 5G networks came from China via Huawei and not from the US Intelligence Community.

Meanwhile, the US launched a disinformation/misinformation campaign denigrating the quality of the Chinese medical supplies to Europe. Although the US campaign is visceral - it is increasingly rejected by the European public as facts become known. For example, the US spread the allegation that 80% of Czechia’s Chinese test kits were defective - only to have the Czech Minister of the Interior issue a formal denial of these allegations that also clarified that some of the problems emanated from not reading the instructions. Similarly, the US campaign argued that 600,000 masks sold to the Netherlands were defective - only to have the Dutch authorities explain that the type of the masks was accurately described in Chinese in all the sale documents and some of the English paperwork, and that it is not clear where the error in translation to Dutch happened. Moreover, Beijing has since instituted stricter export control to ensure that such mishaps are avoided - and indeed there are no new reports of “quality issues” with Chinese medical supplies.

The Europeans - both public and governments - understand that the US is simply trying to smear the image of China and any grassroots gratitude toward China. This disinformation campaign comes on top of Washington’s pressure on European governments to reject the desperately needed medical help from China and Russia, or at least reduce the public expressions of gratitude. This will not happen. The European public at large are disgusted with the US behavior - all the more so since the US does not provide any help. Meanwhile the flow of Chinese medical support and expertise increases and now includes a special train delivering two pre-fab emergency hospitals.

It is not by accident that the EU activated the INSTEX deal mechanism - originally created by Brussels in Summer 2018 in order to enable European companies and businesses to violate US sanctions on Iran with impunity - as the vehicle with which to provide Iran with humanitarian and medical support.



Meanwhile, since the NATO Summit of early December 2019, the US has been increasing the pressure on the European members to join the anti-China confrontation. The US is demanding that NATO should focus more on the challenge of China's "growing international influence" and military might. Bowing to US pressure, NATO leaders said the alliance now recognizes that "China's growing influence and international policies present both opportunities and challenges that we need to address together as an Alliance."

However, the unfolding anti-China hysteria emanating from Washington is frightening the European governments. Most European leaders dread a US provocation aimed to prevent them from turning eastward. After all, Europe desperately needs Chinese technological support and investments, as well as access to the New Silk Road economy and access to Africa that only China can facilitate. The imperative to closely cooperate with, and benefit from, Chinese support is all the more urgent in lieu of the looming recession/depression that will hit the world the moment the COVID-19 crisis starts dissipating. The sole viable way to rebuild European economies at the nation-state level given the demographic trends of Europe is through the importation of new communications, robotics and artificial intelligence technologies that only China can presently offer. And the Europeans know they will not get any help from the US.

Ultimately, the bereft European nation-states emerging from the Corona Virus crisis are too weak and insecure to survive alone - but no longer trust the utopian umbrella the EU has feigned to provide. Consequently, they look eastward to the two rising great powers - Russia and China - for aid, solace and protection. The strong national leaders most Europeans will look up to in order to raise their respective nation-states from the calamities wrought by the Corona Virus crisis will find a lot in common with the leaders of Russia and China who have just saved their own states through the use of effective and strong central governance. The recovering Europe will seek and find a new posture for salvation in the East.

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There is dread in the Kremlin as well. Recent months saw a marked deterioration in US-Russian relations and a concurrent escalating US/NATO confrontation and assertiveness that first continued despite the unfolding Corona Virus crisis. Furthermore, the confrontation escalated when Russia started delivering medical aid and expertise to European countries in distress - starting with Italy and Serbia.

Then, on 30 March, Trump had a phone conversation with Putin. Trump initiated the call in an effort to impose US mediation of the oil price war between Russia and Saudi Arabia. This price war has devastating impact on the US shale-oil industry and overall energy economy. The call was pleasant and Putin did not reject the US offer despite the close relations between the White House and Riyadh.

In the call, Putin agreed to donate medical supplies as well as sell others at a deep discount. These medical supplies were already flown to New York by the Russian Air Force on an Antonov An-124-100 military transport. The Kremlin hoped that relations with the US would improve, or at least that the confrontation would subside, with the swift delivery of the medical supplies.

This did not happen. US anti-Russia undertakings and provocations throughout the Middle East - from attempts to undermine the regime in Iran and the pro-Iran regime in Iraq, to supporting and supplying anti-Damascus Jihadists in both southern and northwestern Syria, to American military patrols trying to drive Russian patrols off the road in northeastern Syria - continue unabated and even escalate. Despite Trump's assurances to Putin - the US has increased the support for the Saudi side in the oil-price wars. The Kremlin is now convinced that there is nobody to trust and nobody to talk to at the Trump White House.



These incidents come on top of the on-going virulent and unabated anti-Russia US policy that includes intense efforts to disrupt the completion of the Nord East II gas pipeline to Germany, active support for the anti-Russia forces in Ukraine, using NATO for anti-Russia brinkmanship in the Baltic states and Poland, the largest anti-Russia military exercise since the peak of the Cold War (that was cancelled at the last minute because of the COVID-19 crisis), expanding NATO with the joining of Northern Macedonia, as well as trying to convince India to break its long-standing military relations with Russia and pressuring the 'Stans of Central Asia to break away from under Russian influence. The US did not stop any of these areas of friction with Russia even as the COVID-19 crisis kept escalating and the US sought, and received, badly needed medical support from Russia.

Despite Trump's personal assurances to Putin, the Kremlin is increasingly worried about the ongoing oil price war. Although the Saudi price dropping harms the US fracking industry to the point of near collapse - the Trump White House is ready to sacrifice them on the altar of using Saudi Arabia to badly harm Russian economy. The Saudis are eager to go along with the US priorities because of the desperate plans of Crown Prince Muhammad bin Salman (MBS). MBS wants his father - King Salman - to abdicate and crown MBS as his successor before the US presidential elections and the Saudi hosting of the G20 Summit of Leaders in November 2020. MBS doubts that any other American president will support his grab of power especially in view of the overall destabilization and deterioration of Saudi Arabia. Hence, MBS is adamant on convincing Trump to deliver his ascent to power before the presidential elections Trump might lose. MBS is willing to sacrifice Saudi economy on the altar of his personal unbridled ambitions. The Kremlin sees the Trump White House going along with MBS to the detriment of regional stability and while disregarding the long-term horrific price the US itself will have to pay - this, only in order to undermine the Russian economy.

Little wonder the Kremlin now doubts it would be possible to reason with, or even trust, the Trump White House on any issue of importance.

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The Forbidden City is also in a state of growing despair. All the generous donations and supplies of medical equipment, and all the priorities given to legal medical sales to the US (unrelated to the pirated stuff), have had no tangible impact on the US attitude toward China. Neither have the Chinese promises to purchase significantly larger quantities of food and agricultural products any impact on the US hostility. The anti-China vitriol continues unabated in Washington and is being spread out of Washington.

On 27 March, Trump and Xi Jinping had what Trump called a "very good conversation" about jointly fighting the Corona Virus pandemic. Trump even pledged better cooperation with Beijing. Essentially, Trump asked for more help in both supplies and expertise, and Xi Jinping promised that China would provide all of the American requests. China has since been delivering on these promises - prioritizing US purchases of medical equipment, increasing both private and state donations, and sending several planeloads of medical equipment to the US. However, although Trump has now stopped using the term "Chinese Virus" to denote the COVID-19 - the US confrontational policies continue to escalate in both word and action.

Starting February, the US has intensified patrolling and other military activities in both the South China Sea and the Taiwan Strait - intentionally provoking harsh reactions from China. Some of the US patrols were intentional "retaliatory response to China" that challenged the Chinese claim to sovereignty over these areas. US escalation has been unprecedented. For example, the US Navy conducted live-fire missile drills in the Philippine Sea on the edge of the South China Sea - an unprecedented undertaking. Concurrently, the PLA Navy and Air Force held a



joint exercise in the South China Sea that simulated “encounters with invading aircraft and warships.” The Taiwan Strait has also seen a marked increase in the transit by US Navy combatants and overflights by military aircraft. The PLA countered with aerial “exercises” around Taiwan with PLA aircraft operating closer than ever to the island. US defense officials explained that these US military operations are aimed to demonstrate to China that “the US is capable of dealing with any situation despite the coronavirus outbreak.” In response, Beijing stresses China’s determination to counter Taiwanese “secessionism” despite all distractions such as the COVID-19 crisis.

The COVID-19 crisis did not prevent the Trump White House from heralding a profound change in the US support for Taiwan in flagrant affront to China. On 27 March, a few hours before his phone talk with Xi Jinping, Trump signed the TAIPEI Act into US law. The TAIPEI Act guarantees major military supplies from the US and US umbrella for politically provocative moves. The Act also permits the US “to use foreign aid to encourage other countries to maintain diplomatic relations with Taiwan.” Taipei’s expectations from the just-signed law are immense. “Now is the time to raise Taiwan’s international profile,” explained senior officials in Taipei, by exploiting and capitalizing on Beijing’s seeming weakness and preoccupation with the COVID-19 crisis. Specifically, Tsai Ing-wen wants to capitalize on the new US resolve and shielding in order to start the process of changing the island’s official name to Taiwan in order to denote de-facto independence and delinking from China. There is no doubt in either Taipei or Washington that Beijing will react with fury to such a provocation. Indeed, there is anticipation in Trump’s Washington for an imminent escalation of the US-China confrontation over Taiwan.

An important part of Tsai Ing-wen’s defrayal for the TAIPEI Act and Trump’s increased support is playing a central role in the next US round of sanctions against China and particularly Huawei. The US objective is to deprive mainly Huawei of obtaining chips from third parties using US-origin equipment and/or technologies. The primary loser of these sanctions will be the Taiwan Semiconductor Manufacturing Co. that, among other things, manufactures chips designed by Huawei. Tsai Ing-wen agreed to go along with this and other comparable measures despite the huge financial losses to Taiwan’s economy (that is already taking major hits because of the Corona Virus crisis) in gratitude for the TAIPEI Act. In principle, China has alternate sources for most of the embargoed semiconductors. Moreover, China has been investing billions of dollars to revamp the chip industry to the point of producing 40% of the semiconductors needed by 2020, 70% by 2025, and reaching self-sufficiency soon afterwards. By then, China will be able to flood the global market with cheaper high-quality chips that carry no threat of sudden US sanctions. Once again, the Trump White House prioritized inflicting short-term pain on China, particularly Huawei, while willing to not only let US and allies’ companies suffer great losses, but also, in the long-term, hasten the collapse of the lucrative US semiconductor leadership.

There is no doubt in both Beijing and Washington that the current dynamics in the South China Sea and the Taiwan Strait are untenable. Irrespective of the lingering Corona Virus challenges, Beijing cannot be expected to endure the growing US pressure for ever. Trump’s Washington is convinced that “Beijing’s saber-rattling” will continue both in the South China Sea and the Taiwan Strait throughout 2020 and beyond. In early April, James Holmes warned in *The National Interest* of “The Chinese Spring Offensives of 2020” in which the PRC would prefer to seize the initiative and escalate rather than keep reacting to the escalating US prodding and provocations. “The People’s Liberation Army (PLA) could hope to spring a fait accompli on the United States and its allies, accomplishing its goals before they could intrude. Or it could duel weakened opponents should they summon up enough strength to intervene.”



Ultimately, Tsai Ing-wen is cognizant of Trump's unwavering anti-China positions and overall sympathies toward Taiwan. She knows that no future US president will be as supportive as Trump is. She also knows that the aggregate impact of the Corona Virus crisis and the ensuing recession/depression in the US means that it is no longer certain that Trump will be reelected. Hence, Tsai Ing-wen has every incentive to escalate and provoke a crisis with Beijing in order to provide Trump with the excuse and opportunity to help Taiwan against the Mainland.

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Thus, the lowest common denominator that brings the European, Russian and Chinese leaders together is fear. They fear not the Corona Virus crisis and the dire implications for their societies and economies - implications they are cognizant of. Alas, the fear that brings them together is that Trump, in his desperation to be reelected even as the US economy is collapsing and unemployment is surging, will spark, by choice or happenstance, a major international crisis and war. A major crisis and war will do more than unify the American public behind the President. Most important, such a conflict will amount to cajoling and appeasing the Deep State and their military-intelligence-industrial establishment who otherwise will once again rally against Trump's election. Given the post-Corona Virus public trauma - the Deep State might succeed comes November 2020 unless they have vested interest in Trump's reelection.

All the world leaders who have dealt with Trump are cognizant that he is self-centered and impulsive. They all recognize that Trump will go to the extreme in pursuit of what he believes to be America's best interests irrespective of dire consequences both at home and internationally. For example, Trump is currently willing to let the US endure long-term irreparable damage - be it to the fracking industry or to the semiconductor industries - in order to inflict what he considers greater lasting damage on arch-foes Russia and China respectively. The damage to Russia and China, Trump believes, will enshrine anew the US position as the undisputed leader of the world.

Hence, there is growing unwillingness among world leaders to deal with the Trump White House, or to even attempt to take US positions into consideration. Their efforts at reconciling with Trump's Washington while addressing the global threat of the COVID-19 have failed. The leaders of Europe, Russia and China now seek to jointly shield themselves against the looming unknown. Thus, even if Trump's Washington is only interested in brinkmanship in order to reinforce the US position and stature - the current tension and mistrust are so great that the smallest false move and/or misunderstanding might very well spark a major crisis and even war.

Rahm Emanuel, Obama's first White House Chief of Staff (2009-10), famously said that one of the core tenets of US policy is to "never let a crisis go to waste". On 24 March, he repeated the principle in relation to the spreading Corona Virus crisis. "Never allow a crisis to go to waste," Emanuel said. "Start planning for the future. This has to be the last pandemic that creates an economic depression. We're going to have more pandemics, but this has to be the last economic depression."

Henry Kissinger wrote astute observations on the ramifications of the Corona Virus crisis in a 3 April op-ed in the *Wall Street Journal*. "When the Covid-19 pandemic is over, many countries' institutions will be perceived as having failed. Whether this judgment is objectively fair is irrelevant. The reality is the world will never be the same after the coronavirus." This perception is the quintessence of the future challenge everybody will have to confront. Kissinger concluded that "we live an epochal period. The historic challenge for leaders is to manage the crisis while building the future. Failure could set the world on fire."



Trump's policies and crisis management seem to be integrating the positions of both Emanuel and Kissinger. Trump seems adamant not to let the current "crisis go to waste" even when his policies "could set the world on fire."

Plagues and wars seem intertwined, observed Albert Camus in his 1947 classic *La Peste* or *The Plague*. "There have been as many plagues as wars in history," he wrote. "Yet always plagues and wars take people equally by surprise." Hence, although nothing can be expected from the leaders of men in the aftermath of such a traumatic experience - there is always hope in mankind. "The inhabitants, finally freed, would never forget the difficult period that made them face the absurdness of their existence and the precariousness of the human condition," Camus wrote. "What's true of all the evils in the world is true of plague as well. It helps men to rise above themselves."

Remarks: Opinions expressed in this contribution are those of the author.

About the Author of this Issue

Yossef Bodansky has been the Director of Research at the International Strategic Studies Association [ISSA], as well as a Senior Editor for the *Defense & Foreign Affairs* group of publications, since 1983. He was the Director of the Congressional Task Force on Terrorism and Unconventional Warfare at the U.S. House of Representatives between 1988 and 2004, and stayed on as a special adviser to Congress till January 2009. In the mid-1980s, he acted as a senior consultant for the U.S. Department of Defense and the Department of State.

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