

## **BOOK REVIEW**

### **COVID RESET**

Authors: Klaus Schwab and Thierry Malleret

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When faced with a catastrophe, we all need ways and means to deal with it. When we reach a dead-end, we need a guiding hand to take us out of the woods. We need to understand the reasons behind the calamity and then how to deal with it. Covid Reset, a book written by Klaus Schwab, the Executive Chairman of the World Economic Forum and Thierry Malleret, the Managing Partner of Monthly Barometer, is a guide in that direction. It is a book that tries to analyze the pandemic in terms of the reasons behind it, its impact on different parts of the economy, and then it suggests how nations and their leaders can face up to the challenge.

At the outset, It would be clarified that we may not agree with all that the authors have to suggest, but the book could be a good reference point for governments, for people going forward.

According to the authors, Covid marks a turning point in humanity's evolution. It is like a watershed. They feel there was a world before Corona, and there will be a world after Corona. The pandemic has made the world look at how it had been functioning in a selfish and self-destructive manner. It has made us understand how we have

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brought this disaster on ourselves. Therefore now we need to refocus and readjust. It draws attention to the practices and beliefs with which humans have lived all these years, leading to this disaster. The authors say that it isn't as though the world was not aware that things were going wrong before the onset of this pandemic but somewhere, it couldn't stop to change itself. The world was in such a state of motion that it couldn't make corrections. The pandemic forced it to do so. The lockdown caused by the virus brought the world to a standstill in a way that forced it to restart itself. The virus disrupted our entire lives to cause untold despair and suffering.

That we feel is a very valid point that the authors have made. We, as a community, were taking a lot of things for granted and misusing the resources without any remorse or regret. We needed a check, and in that sense, Covid has done that. It has been like a catalyst to a much-needed change, an opportunity to restart. The book also draws from history to tell us how past events, like wars and pandemics, have affected the world with long-lasting repercussions. But it also points out that the human race is resilient and courageous and has always come out of such situations.

One thing is for sure. We desperately need to reset if we want to save our planet and make it a better place for our future generations. So whether it is the nuclear threats, climate change, the misuse of natural resources and the great economic divide between the people of the world, all the issues need to be accepted and addressed. These issues are for real and cannot be wished away. All countries of the world, all leaders of the world, need to accept them.

The authors have tried to explain the impact of the pandemic in a very systematic way. Moving from the macro-level effects, they have gone onto explaining the impact at the micro and individual levels as well. They have looked at five primary categories at the macro level, including societal, economic, geopolitical, environmental and technological.

For instance, in terms of the societal impact, they talk about how the post-Covid world will usher in a period of massive wealth redistribution from the rich to the poor

and from the capital to labour. Also, the book breaks the myth that the pandemic has been a great leveller because it says that the pandemic has actually exposed the fact that it was the working class who had to bear the brunt of it and had to suffer. Moreover, they feel that this could lead to social unrest at a global level.

At the geopolitical level, it talks about erosion of globalization, absence of global governance, the increasing rivalry between the US and China and the fate of the fragile and failing states. The book talks about how the pandemic and the environment are related. The pandemic can be equated with climate change and the collapse of the ecosystem. It will induce changes in the way governments and countries deal with environmental issues and lead to an Environmental reset. The technological reset will lead to an acceleration of digital transformation, which will impact so many different aspects of our lives.

All these can be the effects which we need to be aware of. Each government will have to chalk out their respective strategies to deal with their issues but the authors have given pointers which need to be considered.

Then it looks at the impact in micro terms looking at specific industries and companies. The authors point out how the Great Reset will involve a long and complicated series of changes and adaptation. They feel that some industries like tech, health and wellness will find it easier to succeed and survive as Covid has made people focus on their health, so whether it is Covid and its aftermath or the vaccination these sectors stand to gain and they have done so.

On the other hand, sectors like travel, hospitality and entertainment will find it difficult to sustain themselves what with people restricting themselves largely to their homes and not venturing out. Even now after almost a year since the outbreak, people are not venturing out as much as they used to earlier. So as pointed out by the authors these sectors have taken a hit. No doubt they will recover but it will take them time to do so.

There will be new trends, new challenges and companies, to succeed, will have to adopt them. Things like digitalization shocks to effects on the global supply chains, more significant government interference in businesses, emphasis on environmental and social governance will have to be considered.

And finally, it looks at the impact of the pandemic at the individual level. The authors believe that it will have profound and diverse consequences for all of us as individuals. It has forced most people to self-isolate from families and friends, which has undermined the sense of economic, psychological, and physical security and has thrown personal and professional plans into complete disarray. The uncertainty about the future, along with the stress and fear generated by the lockdown, has exposed us to our vulnerabilities. It has greatly impacted the mental health and well-being of people. However, not everything has been bad. It has brought out many positives in people like their creative talents, changes in their consumption patterns to make them more mindful and meaningful, and connected with nature. Thus the book approaches the issue in a systematic and organized way to enable a thorough understanding of the impact.

The book's scope is vast, and the authors have just touched upon the areas. It is for the governments to dive deep into each of those to assess the full impact and implications and then develop measures to deal with each aspect. The book has been written in a simple, easy to understand manner. We may not agree with everything that the authors project or foresee, but then it isn't as though they are projecting them as truths to be accepted. They are a perspective that should be considered. Many of their predictions may not eventually come true, but that's fine. The book was written in July 2020, when the crisis had unfolded in many ways, but the full impact had not been felt. At this point in time, we can see how some of their apprehensions have come true and how leaders and governments are struggling to cope.

The book is an overview of the measures that will have to be taken. Nations, governments, people will have to go deeper and broader if a reset is to be achieved. The authors have provided a framework that is like a guide in these chaotic times. A

complete reset as suggested by them may not be possible, but people and governments will have to try and get as close to it as possible.

The book ends on a positive note and leaves one with the hope that all is not lost. If we pull up, which we humans are known for, we can deal with this and plan for a better future.

It says, 'Our capacity to reset could also be greater than we had previously dared to hope.'

The book, we feel, does provide quite a clear understanding of the issue at hand and can be a useful guide for nations and their people. The authors intend to come up with future editions keeping in mind new findings, revised policy measures undertaken by governments and latest research.