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AP Christmas Message 2021



Dr Peter Collecott CMG was the British Ambassador to Brazil from 2004 to 2008, and prior to that the Head of the FCO's Administration. He had earlier postings in Germany, Indonesia, Australia and Sudan, and in London worked on Middle Eastern and EU affairs. Since leaving the FCO he has advised multinationals, governments and NGOs on business, political and sustainable development issues.

Richard Schiffer is an international lawyer qualified and licensed in the UK and the USA (Illinois). He is a founding partner, Co-Chairman and General Counsel of the Ambassador Partnership LLP. Richard was a pioneer in bringing to the UK the use of mediation for the resolution of commercial disputes, founding and Chairing the ADR Group from 1989 to 2016.



2021 has been another year in which Coronavirus has continued to infest our thoughts, our social and business activities, and our politics – as well as our health. At the end of 2020, we were hoping that vaccination was beginning to reveal light at the end of a dark tunnel. At the end of this year, we are looking to booster jabs to prevent the Omicron variant moving the end of the tunnel beyond our reach.

A successful vaccine rollout in the UK went some way to lighten Boris Johnson's Government's reputation for incompetence; and a similar success in the US helped Joe Biden start his Presidency well. In the EU, a slow rollout tarnished the reputation of the Commission, but national Governments ensured that the second half of the year produced a catch-up.

Governments are reluctant to draw public lessons from their handling of the pandemic, but Coronavirus is doing it for them. The countries in East Asia which were best prepared fared best. Those who tried to eliminate the virus, and shut their borders, fared well initially, but are now struggling to open up and transition to Covid-19 being an endemic disease. And the policy of Western countries to hoard vaccines and not fulfil their promises to help vaccinate the world is in danger of coming back to bite them, as Coronavirus exploits the huge pool of unvaccinated people to experiment with random mutations until one set proves infectious and virulent enough to circumvent the existing vaccines. Against this, we all hope that by Spring we will have discovered that the Omicron variant is infectious enough to outcompete other variants, but sufficiently mild that we can live with it, as we do with the common cold Coronavirus.

The global economy bounced back surprisingly quickly from the deep recession caused by social distancing, travel bans and other Coronavirus measures. Employment markets recovered rapidly,

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and many countries, but sadly not the UK, have reached levels of output greater than pre-pandemic. However, the strength of the bounce-back of demand, boosted by both economic stimulus packages and the release of forced savings, has outpaced the bounce-back in supply, causing supply chain shortages which we may suffer for many months, and the associated increase in global inflation. We are still waiting to see whether Central Bank assurances that this inflation is “temporary” are borne out.

The past two years have been devastating for most businesses, with many having to gasp for breath during the gaps between lockdowns, and then knuckle down to another difficult period of uncertain length. The Ambassador Partnership is one of many small businesses which feel lucky to have been able to adapt quickly to the new circumstances, and to have proved resilient enough to come through in a good state. We have all learnt new, more efficient, ways of doing business, largely online, and the importance of strong relationships of trust with customers.

At the same time, we all have to come to terms with the acceleration of wider trends that the Coronavirus has produced. Even if we emerge in good shape from the tunnel, our environment will have changed, whether it is the advance of technology, including artificial intelligence, into more aspects of our lives, or the changes in working and socialising habits, or the boost to inequality among firms and individuals.

Governments are struggling to cope with these new realities. Notions like “Build Back Better” and “The Green Revolution” remain largely slogans of intent, rather than coherent programmes of change. The issues, and the concomitant changes in society and the economy, are global, whereas governments in recent years have tended to undermine, not reinforce, the international rules-based order, and the multilateral mechanisms for addressing issues within this order.

COP26 was a case in point. One advantage of the year’s delay imposed by the pandemic was that President Biden had brought the US back into the Paris agreement (as well as the WHO). However, notwithstanding a side agreement by the US and China to work together on climate change, announced at the COP, President Xi did not deign to attend. Despite some deals by “coalitions of the willing” on deforestation, methane and coal, the COP as a whole made only moderate progress towards remaining within the 1.5 degree C temperature limit all agree is necessary. It has left much to be done over the next year or two to meet the targets for 2030 on the way to the goal of net zero in 2050. Meanwhile the WTO is in suspended animation due to US obduracy, and the UN Security Council can achieve little in the face of Russian and Chinese obstructionism. The world deserves better.

Alongside this lack of progress on big issues at the multilateral level, global geopolitics is still very disturbed. The Middle East and North Africa is still in turmoil, with the strategic competition between Sunni Gulf States and Shia Iran continuing, overlapping with that between moderate and extreme Islam, and that between autocracy and democracy. The West has largely abdicated responsibility after the disaster of Iraq, and been forced into an ignominious withdrawal from Afghanistan, leaving the country destitute and in the hands of the Taliban.

The main beneficiary of these tribulations of the West – whether mismanagement of the Coronavirus pandemic and the consequent social and economic dislocation, or dysfunctional

international organisations and turbulent geopolitics – is China, whose international influence has increased, particularly in East and South East Asia and the Pacific, where countries are torn between economic dependence on China and security dependence on the US, whose fortitude they are beginning to doubt. Taiwan will be a key issue over the next few years, with President Xi apparently determined to make its “recovery” part of his legacy.

Western weakness is also apparent in the handling of Putin’s Russia, which seems emboldened to threaten the Ukraine militarily, and Europe with a reduction of gas supplies, probably in pursuit of political advantage. Equally worrying is the growing dependence of Russia on China.

It would be comforting to report that this litany of problems has energised Western countries to get their own houses in order. That would be too optimistic. Western societies are becoming increasingly fragmented and fractious as identity politics and populism reinforce each other. There is a desperate need for enlightened, principled leadership, for a reinvigoration of state institutions, and for long-term thinking. This will not come about without societies themselves becoming less selfish and more coherent and self-confident. Let us hope that after the turmoil of the past few years, 2022 will see the beginning of the needed progress.

It remains for us to wish you a Merry Christmas season, and relief from the vicissitudes and concerns of 2021 as we hope for a more stable and rewarding 2022. If you are short of diverting reading material over the holiday period, let us remind you of some of the articles published during the past year in our AP Insights series via the links below:

- [Soldiers Behaving Badly: Myanmar’s Militocracy by Justin Wintle](#)
- [Biden Administration Foreign Policy: Domestic Politics Intervene by Robert E. Hunter](#)
- [The Post-Millennium Travails of the World Trade Organisation by David Hartridge](#)
- [Relations with the Russian Federation after the G7 and Biden-Putin meetings June 2021 by Fredrik Schiller](#)
- [Global Britain’s Tilt to the Indo-Pacific by Sir Hew Strachan, FBA, FRSE](#)
- [America’s Taiwan Dilemma by Jonathan Clarke](#)
- [A Tajikistan Perspective on the Afghan Crisis by James Watt CVO](#)
- [Diplomacy in the Age of Zoom by Charles Crawford CMG](#)
- [Africa’s Blueprint to Build Back Better by Peter Burdin and Mahen Kundasamy](#)
- [NATO 2030: What price transatlantic unity after Afghanistan and AUKUS? by Nicholas Williams OBE and Simon Lunn](#)
- [Green is Good: Keeping 1.5 Alive – COP26 Part 1 by Christopher Segar](#)

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Tracey Stewart, Partnership Secretary

+44 (0) 7950 944 010

tracey.stewart@ambassadorllp.com

www.ambassadorllp.com