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# The Covid-19 Domino Effect, What's Next?



**Chloe Demrovsky** Senior Contributor

Leadership Strategy

*I write about risk and resilience both personal and professional.*



The Covid-19 domino effect GETTY

That the Covid-19 pandemic would have cascading impacts was predictable. But what's next and why? To find out, I spoke with Trond Undheim, futurist, CEO, professor at MIT and author of the forthcoming *The Pandemic Aftermath: How Coronavirus Changes Global Society*. What he has to say should give you cause for concern.

“The whole chain of events started by this pandemic is bound to both take more lives and cause more disruption than the medical toll of the pandemic,” says Undheim. Because we remain focused on the initial outbreak and messages of public health officials and economists, we may be missing other valuable perspectives, such as from network science, psychology and demographics, that would inform our understanding of the

next phase. “The problem with the Covid-19 pandemic isn't actually the pandemic, but the response we have all had to it,” Undheim continues, adding that if we don't modernize and broaden our thinking about response measures, the next pandemic may well “become an extinction event.”

We have seen modern technology mobilized in remarkable ways to combat the spread of Covid-19, but the use has been uneven globally and results have been mixed. Undheim says we must upgrade our public health innovation capacity and build early warning as well as international response teams “through something like the WHO, but more powerful and agile.”

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“We actually need to upgrade the field of public health,” he says. “I don't think public health has had the kind of innovation path that other fields of medicine or even of public sector activity has had over the past fifty years. It's not just about the lack of technological fixes. The entire toolkit is antiquated.”

Even if we avoid an extinction event, the next decade will be difficult. “Covid-19 will definitely put its stain on the 2020s”, says Undheim. “Many parts of the world might descend into chaos, notably poorer and soon to be severely affected countries in Africa and a good number of the world's 47 megacities, as well as the countries of Brazil, Venezuela, as well as—surprisingly—the U.S. Global elites could geographically split off from rest of world.”

Rising inequality will almost certainly be exacerbated by this pandemic as we are already seeing through the disproportionate job losses and disparate

health outcomes among society's more vulnerable populations. As a result of these vulnerabilities, the way we organize the movement and distribution of people and goods across countries and between megacities is being scrutinized, but perhaps not fast enough.

The need for changes to the status quo are being debated and at the top of the list is whether and how global supply chains will need to change, especially around critical supplies like food and medicine. Undheim does not think that the effects will be long-lasting, "the pandemic impact on supply chains is short-term in that governments and big business will try to secure their supply chain better and create redundancy. Long term, however, there is no alternative to global supply chains if you want to remain competitive."

Business leaders charged with designing and maintaining supply chains must think beyond the pandemic as a public health emergency and focus on the secondary impacts. Those effects won't be the same for everyone. While the pandemic nearly devastated the aerospace, travel and tourism industries, it has led to innovation in online marketplaces, contactless delivery and other services. Undheim suggests that other hazards must also be kept in mind: "I'm thinking of locusts in Africa, hurricanes in the U.S., and floods in Asia. Expect drastic change of power structures, a permanent state of high alert throughout the decade, and increased negative fallout from other crises that now become follow-on events, such as hurricanes, famines, terrorism, wars, climate change and other global issues."

It is essential that we focus not only on the immediate crisis at hand but also on both the connected events and the potential for other hazards. The tragedy is that we always prepare for the last pandemic. The public health community had been preparing for an outbreak of influenza, and stockpiles reflect that preparation with an emphasis on vaccines and Tamiflu rather than ventilators and personal protective equipment (PPE). After Covid-19, governments and organizations will stockpile more of the latter, but the next

pandemic will likely require other supplies that we very likely won't have thought of or prioritized. This may seem obvious, but the remedy is far from clear.

When forecasting future scenarios, decision making isn't simple. "The more we know, the more calculated our risks and exposure can be," Undheim says. However, our ability to model and forecast risk is still lacking.

Undheim warns that "our risk frameworks are still sketchy in terms of prognosticating power. We need better models, better understanding of the forces of disruption, and we likely need another technology maturation step before we can make true progress. When we do, we will all be in a better place."

What should business leaders do in the meantime to continue operating in a time fraught with so much risk? They need to estimate the level of risk for their own business and not rely too much on external risk evaluations since each business model is different. They can use best practices to come up with risk categories but must tailor their analysis to their unique needs. To do that, scenario planning and exercising is essential not just for big businesses but also for small ones. "What we cannot continue to do is to forecast using linear models based simply on extrapolating the past," Undheim advises. "Those models are doomed to failure and the result is lost revenue and lack of credibility with customers, employees and boards".

Leaders from all sectors must embrace risk as a core component of their business model rather than as an afterthought. "Covid-19 proves that the world as we know it could be undone in 100 days. It most likely will return to something we recognize, but then again, maybe it will not. We have hard choices to make."

As for the single biggest impact that Covid-19 will have on the global economy? The "new normal is a euphemism," says Undheim, "the world will keep changing."

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**Chloe Demrovsky**

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