

May 2021

# **THE GREAT COVID RESET**

**Creating a more  
sustainable tomorrow**

**cicero/amo**  
strategic advisors



“ **Never let a good crisis go to waste.** ”  
**Winston Churchill**

# FOREWORD

**L**ike all crises, the current global pandemic represents not just a threat to life and economic prosperity. It also represents a huge opportunity to build back better. History is littered with crises and, if history teaches us anything, it is that crises often go to waste.

World War Two provides perhaps the best template in how to rebuild from a crisis. Six years of total war had destroyed the physical and social fabric of a whole continent, but the efforts to rebuild Europe post-1945 resulted in massive investment in structural economic and political reforms. We saw the creation of the rules-based international Bretton Woods system with global institutions such as the World Bank, the International Monetary Fund, and the United Nations, which have sought (with some considerable success) to foster peace and prosperity for three generations.

Contrast that with the Global Financial Crisis (GFC) of 2008/09. The result of excessive financial markets getting out of control, the GFC represented a heart attack for global capitalism. A ‘one-in-one-hundred-year’ event the likes of which had not been witnessed since the 1930s. As banks collapsed and wealth was obliterated, the contagion from ‘Wall Street to Main Street’ witnessed the destruction of millions of jobs and livelihoods across the world. As governments everywhere struggled to tame financial volatility, public faith in markets and political institutions was seriously undermined and the GFC ‘rebuild’ was ultimately squandered.

Just as the policy successes after 1945 shaped the twentieth century, so the collective policy failures after 2009 shape the world today. Social inequality has ballooned. For the first time in three or four generations, children in western industrialised nations are faced with the prospect of lower incomes and worse life chances than their parents.

China and the Emerging Markets have, of course, chartered a different trajectory since 2009 with rapid growth and a burgeoning middle class. But the prospects for a new world order based on the values of sustainability, social justice, and inclusion have been temporarily lost.

Now, twelve years on, the global pandemic represents ‘another’ 1-in-100-year event. Yet again, we are faced with a global opportunity to reset. Whether we seize the opportunity, like 1945, or squander it, like 2009, remains to be seen. We are, however, faced with two important questions: what world do we want to create, and will we be brave enough to prevent this opportunity from slipping through our fingers? This report aims to shed some light on the first question. It will be for the politicians and policymakers to determine the second question.



**Mark Twigg**  
Executive Director  
[mark.twigg@cicero-group.com](mailto:mark.twigg@cicero-group.com)

# METHODOLOGY



The findings in this report are based on a global survey of 12,521 households across 28 countries. The research was conducted in the wake of the Covid pandemic and seeks to shed light on how the pandemic has potentially shifted public attitudes towards some of the key issues of our times including the spread of digital technology and existential threat of man-made climate change.

**GLOBAL SURVEY:**

**28 COUNTRIES**

**12,521 HOUSEHOLDS**





# PART 1:

## COVID Reset: capitalising on the chance of a crisis

The COVID pandemic has been akin to a tide going out. It has revealed many things on the shoreline which humanity normally prefers to keep concealed below the waterline.

Think back to life before the pandemic. Our tendency to think short-term had been accelerated by an 'on-demand' world shaped by instant gratification. The almost blithe acceptance of social injustice, and of poverty, had been accelerated in the social media world made up of like-minded echo chambers where everyone we meet thinks and looks like us.

Perhaps the greatest human frailty is not the way we treat each other but the way we treat the planet. Our detachment from the natural world, has been accelerated by a belief that technology and human ingenuity can solve all mankind's problems including climate change.

The pandemic has tested beyond destruction the craven belief in humanity's capability to affect change and control our own destiny. We have all been caught swimming naked. We cannot engineer our way of the problems we face and carry on regardless. Whilst politicians marvel at the speed taken to develop the Covid vaccine, it should not be viewed as the end of the crisis. It is simply the end of the beginning of a much bigger crisis in humanity's relationship with nature.

Our research reveals a widespread sense that change is not just necessary but long overdue. Just 7 percent believe that society should stay 'just as it is'. The yearning for change is not yet revolutionary. But it is enough to reshape our politics and society.

Take the UK as an example, where just over one-in-three adults (34 percent) believe that society needs 'radical change'. That is far from being a majority. But it still constitutes around 18 million adults – just more than the 17.4 million people who voted for change in the 2016 Brexit referendum. France, a country with a history of radicalism and revolution, is most likely to believe radical change is required now – with over half the population, 54 percent – in favour of this solution.

Conversely, it is in China, whose influence has, by global standards, only grown and its trajectory become more fixed since the last GFC, where radical change is least popular. Just one-in-five (20 percent) households in China are calling for society to be radically changed from its present form.

“It's only when the tide goes out that you discover who's been swimming naked.”

Warren Buffet



# So what form will change take?



To date many politicians, particularly on the right, have used populist political tropes to aim fire at unfettered globalisation, unfair trade agreements and immigration. But this political narrative can often mask more fundamental issues. The problems, not surprisingly, go much deeper than blaming foreigners or our trading relationships. The solutions often lay closer to home.

In a post-Covid climate, people around the world are now making connections which had not seemed obvious before the pandemic. We find sizeable majorities of people demanding more action to address the twin evils of poverty and disease.



## A new social order

Social inequalities, which have grown since the Global Financial Crisis in 2008-09, are now a concern for 63 percent of people.



## A new focus on nature and sustainability

There is a growing importance attached to protect mother nature reflecting the sense that we as humans should be more connected to nature. This view is supported by nearly seven-in-ten people (69 percent).

People envision that tomorrow's world should seek to tackle the fundamental problems which have been too often ignored by the politicians. Because of the failure to improve living standards over recent decades (the malaise set in prior to 2008-09) many people across the industrialised West now find themselves living in what could be termed 'left behind communities' where deindustrialisation has destroyed jobs, and with it, a sense of social equity and belonging.

## The emerging market world view

Not all countries went into the pandemic from the same vantage point. The emerging markets across Asia, Latin America and Africa had sustained a different narrative in recent decades. Not a sense of managed decline, but of increasing prosperity and assertiveness.

Countries such as China, India, Russia, and Brazil had used the post-GFC multi-polar world to assert their voice on the global stage. Household incomes have risen sharply in many emerging markets with hundreds of millions of people swelling the ranks of the world's ever-growing middle class.

As a result, the first two decades of the Twenty-First century has seen the largest ever progress in reducing global poverty.

However, concern for poverty in emerging markets varies significantly, for those living in Brazil, nine-in-ten people (90 percent) are hoping for tomorrow's world to have less poverty. However, in Russia and India, the concern at the risk of poverty is significantly below the global average (78 percent), with only two-thirds of Indians (66 percent) wanting less poverty and 69 percent of Russians.

For some emerging markets, their attitude towards work and its importance in our daily lives also differs. In Russia and India, the workforce is less

concerned about spending more time together over work, only a third (34 percent) of Russians supporting the need to spend less time working, compared to a global average of over half of people (57 percent).

Similarly, for those emerging markets with a large consumer export market – such as China and India – their attitude towards consumption and the threat it poses to our environment differs significantly to those in Western countries. In India, three-in-ten people (30 percent) would prioritise jobs over the planet, favouring to keep consuming as much as we do to save jobs.

**In India, three-in-ten people (30 percent) would prioritise jobs over the planet**

Across all four emerging markets surveyed, respondents are less likely to consider reducing their buying habits to overcome the threat of hyper-consumption – with only a third of Russians (32 percent) open to this option, compared to a global average of nearly half (46 percent).

As we see these markets to continue to develop, and a growing middle class is formed that requires supporting, this may lead to changing world perspectives in the longer run. However, the mindset of those living in emerging markets in the 21st century may not follow the same trajectory of the developed markets of the 20th century. How we respond to this current crisis and those who are hit hardest by it will be highly influential in shaping the views of tomorrow for those living in emerging markets.

# PART 2:

## A climate of change: moving sustainability to the mainstream

If 2020 is remembered as the year of the pandemic, then 2021 will be remembered as the year of the vaccine. But it could also prove to be a pivotal year in advancing the cause of sustainability. This is because the pandemic and the issue of sustainability are inextricably linked.

“What we are doing to the forests of the world is but a mirror reflection of what we are doing to ourselves and to one another.”

Mahatma Gandhi

The world's expanding human population has pushed civilisation into previously undisturbed natural ecosystems. This process often involves the displacement of the poorest and most marginalised people on our planet. But the discovery of a vaccine, and the potential containment of COVID-19, does not represent the end of the story. It is just beginning. We cannot simply place the genie back in the bottle with a vaccine.

Human behaviours everywhere have already contributed towards an increased threat of pandemic risks. Whereas a hundred years have passed between the Spanish Flu and COVID-19, the next global pandemic may already be coming around the corner thanks to the unintended consequences of billions of small human interventions.

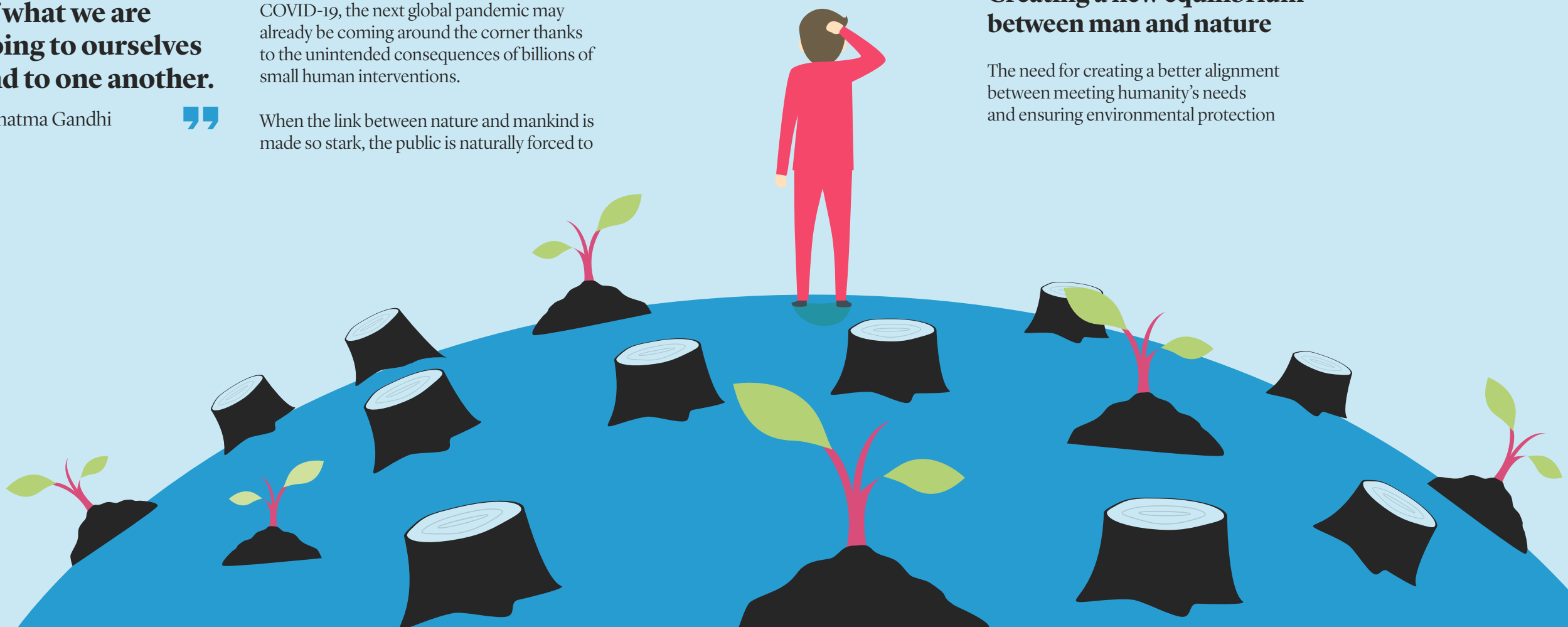
When the link between nature and mankind is made so stark, the public is naturally forced to

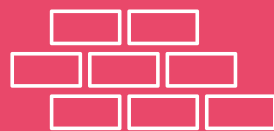
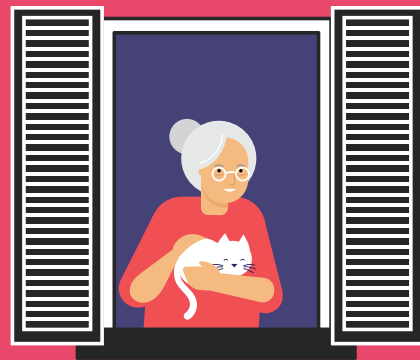
question how we as a species treat Mother Nature. This applies to how we protect diverse ecosystems. It also applies to how we respect and protect other species and demonstrate greater regard for animal welfare. This has consequences for how we source the food we eat, as well as the goods and services we consume. Without greater efforts to protect natural ecosystems, and the biodiversity they support, we are faced with an existential threat to human health and wellbeing. This message is finally starting to land with the public.

### Creating a new equilibrium between man and nature

The need for creating a better alignment between meeting humanity's needs and ensuring environmental protection

comes across in our findings. This means understanding the link between climate destruction and unchecked population growth. Many people in our survey question the benefits of medical science in keeping humans alive (and boosting the human population) if that comes at the expense of our planet. It is also important to explore the link between what those people consume and whether consumption patterns are harming the planet. Survey respondents acknowledge that adopting a less materialistic lifestyle would not only promote environmental benefits but also contribute towards human wellbeing.





## Impact of an ageing and growing human population

24%

do not see the point of **living longer** thanks to **technology**, if at the same time **our planet continues to die**.

37%

would not consider any **technological intervention** in order to **stay younger for longer**, with those in **Western countries** the least likely to consider, while those in emerging markets most likely to.

## Impact of human consumption patterns



63%

of people felt that they would be **happier** if they **consumed less overall**.

80%

said that they would be happier if people consumed products and services which were sourced or manufactured sustainably.

# The world's TOP 5 environmental concerns

82%



Air pollution

81%



Water pollution

78%



Man-made climate change

77%



Species extinction and threats to biodiversity

74%



Resource depletion



# PART 3:

## Tackling climate change: who is in the driving seat?

With tackling climate change identified as the public's top environmental concern, the politicians still have work to do in making the case for change. Despite 40 years of public debate, and a growing body of scientific evidence to support the existence of man-made climate change, it seems we still have many sceptics.

However, in direct contrast to the minority of naysayers, a far larger number (72 percent) believe that tackling climate change requires radical actions to bring about meaningful changes. The question is not 'if' we address these concerns, but 'how' and 'how quickly'. Rising to the challenge will require a concerted effort by all the social partners – including governments, businesses, households, and non-profits.



“Do your little bit of good where you are; it's those little bits of good put together that overwhelm the world.”

Archbishop Desmond Tutu

## Climate change deniers or just dazed and confused?



### Three-in-ten

people (29 percent) believe that the media has deliberately exaggerated the gravity of the situation facing Planet Earth



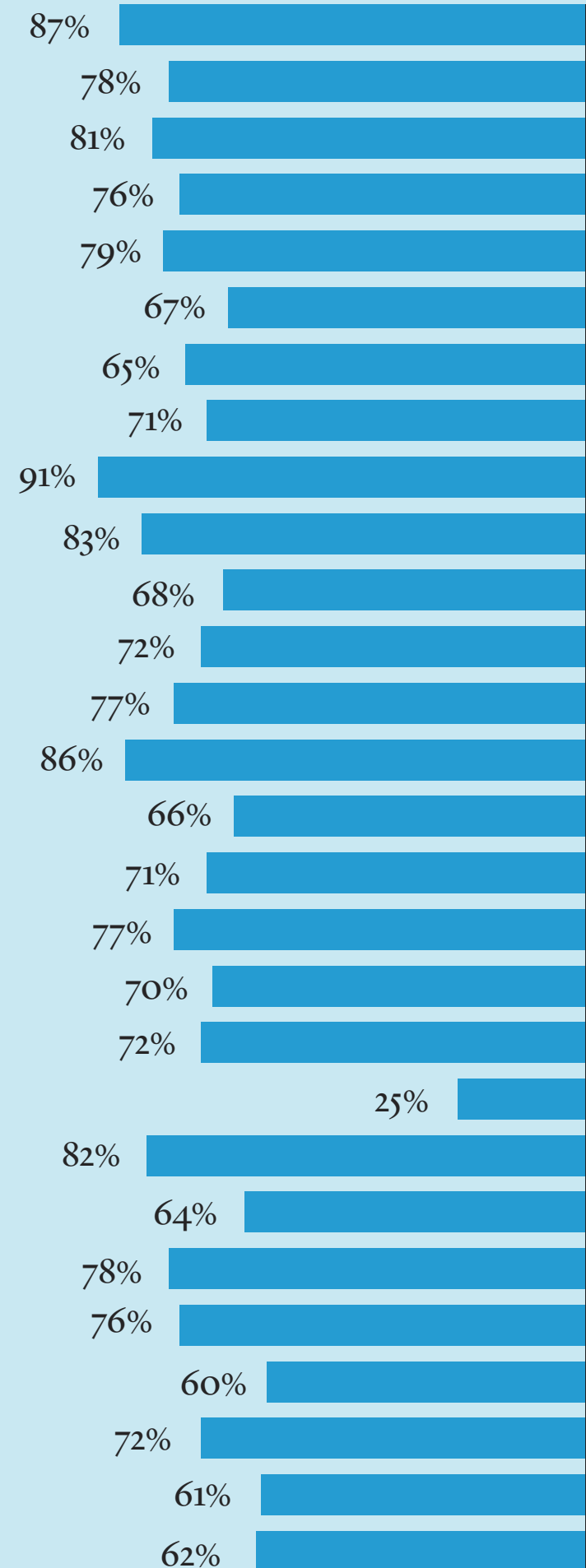
31%

An even greater number (31 percent) now feel 'overloaded with numbers and information' to such an extent that they have become indifferent to the threat of climate change.

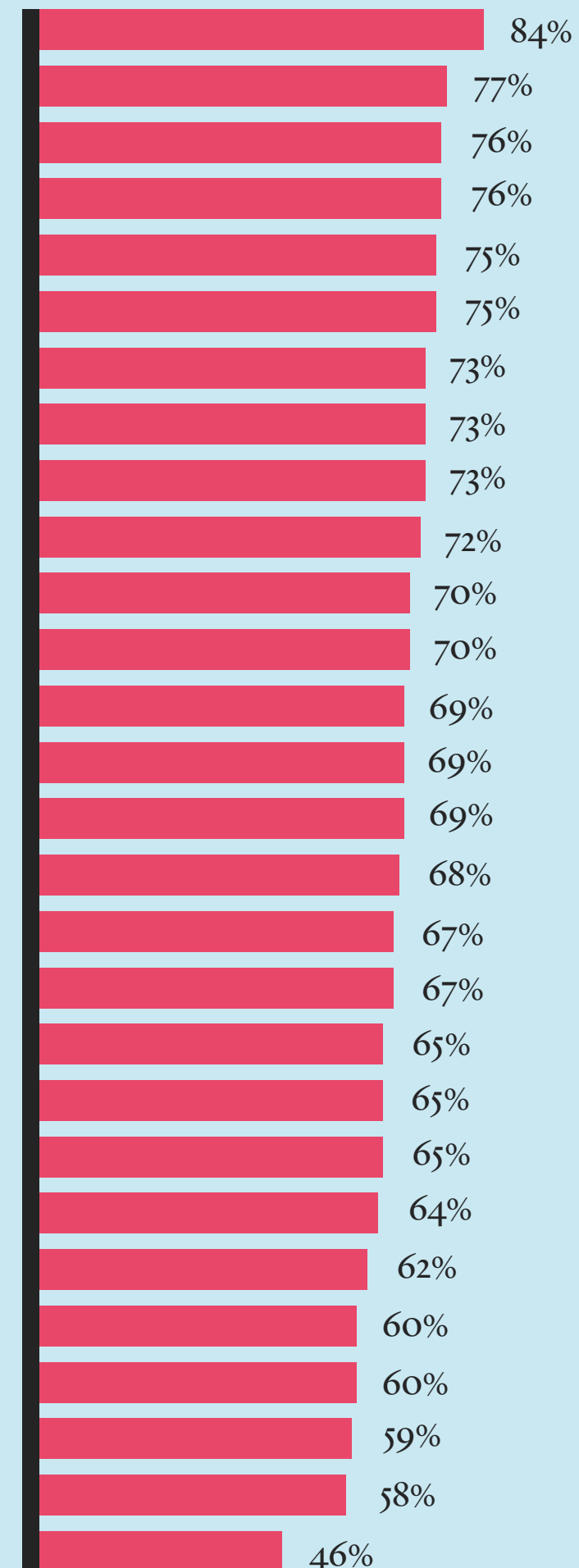


→

**I think it takes radical actions to bring about real change regarding the planet situation (Agree)**



**Colombia**  
**Philippines**  
**Portugal**  
**Ireland**  
**Malaysia**  
**Korea**  
**U.A.E.**  
**Spain**  
**Nicaragua**  
**India**  
**UK**  
**Canada**  
**France**  
**Serbia**  
**Czech Republic**  
**Australia**  
**Brazil**  
**Belgium**  
**Russia**  
**China**  
**Italy**  
**Hong Kong**  
**Saudi Arabia**  
**Singapore**  
**Germany**  
**Denmark**  
**Norway**  
**US**



←

**Governments should ban single use plastic (Agree)**

# The role for Government

“Progress does not compel us to settle centuries-old debates about the role of government for all time – but it does require us to act in our time.”

Barack Obama

Governments ultimately need to provide a lead with policymakers having access to a variety of policy tools including tax systems and legislation. Governments will also need to align these policies on a truly global scale.

## Fiscal incentives to encourage low carbon activities

Tax systems play an important role in sending signals to markets about the need to price in what might be otherwise invisible environmental impacts. Taxes are already widely used to incentivise the transition to green technologies. But because of the legacy of policies which support oil and gas exploration, many countries currently provide much greater significant tax breaks for brown fuels and technologies.



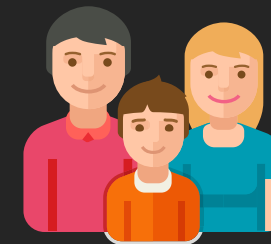
## Taxes to reduce plastic use and waste

Over half took the view that people should pay more in taxes if they do not recycle enough (53 percent) or if they use plastics (54 percent)



## Reducing carbon miles

Three-in-ten (29 percent) support taxes on imported goods to reduce the carbon miles of imported foodstuffs and manufactured goods



## Taxes on families?

Starting a family is one of the biggest contributors to climate change and 15 percent support extra taxes for those people with large families (this is defined as having more than two children)

## Banning environmentally damaging activities

Whilst the tax system can send signals to help direct behaviours by businesses and households, any changes are likely to occur over a slower timeframe. Given the speed of climate change, saving the planet may ultimately come down to banning certain behaviours altogether.



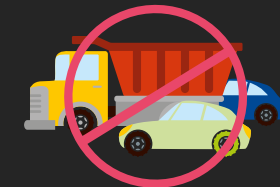
## Action on single use plastics and packaging

68 percent support a ban on single use plastics and 70 percent support a ban on unnecessary packaging



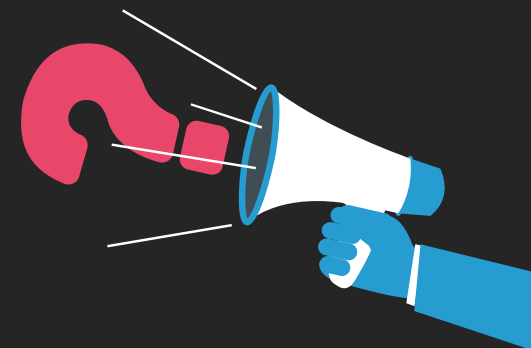
## Banning the use of fossil fuels

A sizeable minority would go even further and ban the use of fossil fuels (29 percent)



## Car-free cities

16 percent would vote to ban cars from entering our cities



## Can COP-26 fix it?

Given the nature of climate change as a global phenomenon, addressing the issue will require a concerted political response by the world's governments. To this end, 2021 is not just the year of the vaccine. It will also be the year of COP-26, short-hand for the UN Conference of the Parties, at which governments and climate change experts will gather in the UK in November. COP-26 will present the biggest post-COVID opportunity for politicians to take steps to avert climate Armageddon. Hopes are high for a real breakthrough following the election of President Biden in November 2020's US Presidential election. One of the new president's first decisions was to take the US back into the 2015 Paris Agreement, which committed the world to limiting man-made global warming to no more than 2 degrees. World leaders will need to renew their commitment to tackling climate change and, in all likelihood, commit to doing so at a quicker pace.



# The role of business

“ Every product and service is sold on the promise of a better future. The purpose of business is to deliver on the promise, and profit is the reward for doing so. ”

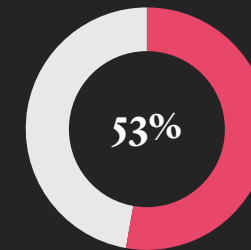
The quote above sums up corporate purpose. The idea that businesses exist to make a positive impact, not purely turn a profit, is far from novel. Even during the early days of the industrial revolution, cooperatives and mutuals offered a different kind of business entity operating not to create a yield for their investors, but to create a surplus to be shared by all their stakeholders.

This kind of stakeholder capitalism has become popular once more with the creation of a new generation of social enterprises and a focus on the social and environmental impacts of businesses. The pandemic has accelerated this need to refocus, reprioritise, and reset our model of capitalism. In the future, successful companies will be those that are seen to drive positive social change. At least, that is according to 75 percent of our respondents.

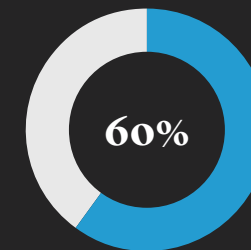
In the immediate aftermath of the COVID lockdowns, millions of workers were sent home from the office to contain the spread of the deadly virus. This has resulted in fewer days being spent in the office, less time and energy spent commuting to work, less demand for cars and mass transit. In the long-term this also promises to reduce household and corporate

carbon footprints. More sustainable business models, supporting positive social impacts such as better work-life balance, will become one of the lasting by-products of the pandemic. Of course, not all businesses are created equally. The distinctions between large and small enterprises are often portrayed as a clash akin to David versus Goliath. Clearly, the ‘Mom and Pop’ shops and independent retailers on the high street command our sympathy far more than the globalised behemoths of modern-day capitalism.

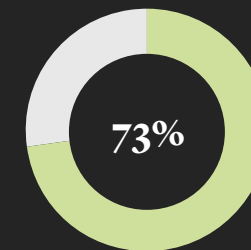
As a result, the public places greater trust in smaller businesses and their commitment to effect positive change, with 62 percent of people believing they are more committed. But people are also realists. Two-thirds of the public (65 percent) acknowledge that bigger companies are better placed in their ability to make change happen because of their greater size and impact. For large businesses looking to build trust and connect with their consumers, they must demonstrate both a commitment as well as an ability to make a positive impact. They must talk the talk and walk the walk. Businesses can take a leading role by reducing their environmental impacts. However, public trust in corporates to take on this leadership role is low.



**Over half of people**  
(53 percent) believe that companies are actively engaged in lobbying governments to water down their commitments to tackling climate change



**Three-fifths**  
(60 percent) said that they do not trust brands' sustainability commitments believing that such commitments are merely greenwashing their businesses to improve their brand image



**Nearly three-quarters**  
(73 percent) do not believe that brands are transparent about their supply chains – from raw material sourcing to the labour conditions of those that make their products

Businesses need to step up and make a positive difference. Ensuring sustainability is placed at the heart of the whole business enterprise means identifying and disclosing climate risks, so that investors can make more informed decisions when allocating capital.

This includes capital markets playing a crucial, if not hidden role, in allocating money between green and brown investments. Financial markets and financial institutions will therefore be central in facilitating the shift in corporate behaviours. Over time, capital markets should be mobilised to help allocate private capital towards investments which align with sustainable development goals.

More efforts are required to bolster this progress through other wholesale and retail financial markets including greater take-up of environmental, social, and governance (ESG) investments. More alignment is also required through the regulation of bank capital and insurance solvency standards to properly capture the climate transition risks attached to brown assets.

# The role of households

“Setting an example is not the main means of influencing others, it is the only means.”

Albert Einstein

People want something different. And they recognise they have a role to play in making it happen. Nearly two-thirds (63 percent) believe that communities and consumers need to take action to make changes themselves and to organise themselves to bring pressure to bear on governments and corporations to change policies and procedures. Most (59 percent) believe that little daily actions to help save the planet can make a difference.

In the West, where economies are increasingly driven by household consumption, there is a general recognition of the trade-off between household consumption and environmental impacts.

So, people recognise that saving the planet will impact on their lifestyles and that they need to make personal sacrifices. But this trade-off is not always a zero-sum gain. It is not simply a question of creating more jobs or protecting our planet. Increasingly, it is about transitioning our economies from brown to green technologies which can fuel job creation in ways which supports sustainable development principles.

# 81%

**Most people believe we need to strike a new balance: 81 percent agree that it is more important to consume less to save the planet, rather than maintaining current consumption to protect jobs**



# Next steps?

All of us have a role to play in making sure that the opportunity from the crisis of Covid is used to avert a bigger and more existential crisis of climate in the long term. This requires everyone to play their part in both walking the walk, but also talking the talk, to help solidify a global commitment to reducing environmental risk in the future. A shift in both mindset and actions is simultaneously needed.



## The role of government

- ★ Fiscal incentives to encourage low carbon activities
- ★ Banning environmentally damaging activities
- ★ Collaborating with other jurisdictions towards global targets on reducing emissions



## The role of business

- ★ Making target driven commitments to improving sustainability within their businesses
- ★ Using both internal and external influence to change behaviours in a B2B environment, from suppliers to clients
- ★ Capital markets pivoting to allocate money towards investments that align with the sustainable development goals



## The role of households

- ★ Changing consumer habits to recognise the impact that individual lifestyle choices have on the planet
- ★ Transitioning into jobs that support a green economy in a way which is complementary to the sustainable development principles in the long term
- ★ Participating and encouraging conversation with peers about the need for consumer behaviour change



# About Cicero/AMO

Cicero/AMO is a full-service communications and market research agency. We design and deliver award-winning corporate, brand, political and regulatory campaigns across all major business sectors from our offices in London, Brussels and Dublin.

Working in a rapidly changing, fiercely competitive world we know that you don't simply find opportunities – you must create them. It's the creed we live by and practice for our clients every day.

Whatever the audience, consumer, business or government, Cicero/AMO is trusted to deliver.

## Get in touch

### Research



**Mark Twigg**  
Executive Director  
[mark.twigg@cicero-group.com](mailto:mark.twigg@cicero-group.com)



**Andy Roberts**  
Head of Research  
[Andrew.Roberts@cicero-group.com](mailto:Andrew.Roberts@cicero-group.com)

### Design



**Megan Harley**  
Digital Creative Director  
[megan.harley@cicero-group.com](mailto:megan.harley@cicero-group.com)



cicero/amo  
strategic advisors