

INTERNATIONAL JOURNAL OF LAW MANAGEMENT & HUMANITIES

[ISSN 2581-5369]

Volume 6 | Issue 5

2023

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Analysis on Post-Pandemic Resilient Trade

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ABSTRACT

The year 2020 was evident by some of the largest decline in trade and output volumes since World War II. There was decline in both, world artificial product and goods trade in the first half of 2020 which were of similar depth to those at the trench of the Global Financial Crisis (GFC). The worldwide trade has gone through phenomenal difficulties following the Coronavirus epidemic, taking a reappraisal of trade fabrics to augment inflexibility and versatility. This study proposes to explore the complex basics of post-pandemic resilient trade, as stating the introductory variables, procedures, and strategy systems anticipated to sustain worldwide trade community. To avoid this, profitable recovery packages should be designed to “build back better”. This means doing further than getting husbandry and livelihoods sharply back on their bases. Resilient policy also needs to spark investment and behavioural changes that will reduce the liability of future crisis and increase society’s adaptability to them when they do. This study explores on the impact of the epidemic on trade conduits, distinguishes feeble areas, and surveys the viability of different versatility structure measures. These factors include social and profitable globalization, logistics performance, healthcare preparedness, public government response, and income position. Crucial discoveries feature the need for broadening in supply chains, with elevation on regionalization and confinement of creation. The study takes the reader through, the highlights of significant role of digitalization, trend setting inventions, and e-platform in business stages perfecting trade. The study also investigates the meaning of trade policy, including customs processes, dropped exchange hindrances, and further developed coordinated factors foundation. In conclusion, this study offers a complete examination of post-pandemic flexible trade, revealing insight into the perplexing sale between worldwide fiscal powers and exchange fabrics. The findings inform the post-Covid-19 debate on transnational trade, with counter accusations for directors and policymakers

Keywords: Resilient, Post-pandemic, Trade policy, Digitalization.

I. INTRODUCTION

The word resilient derives its origin from a Latin word *resilient* meaning ‘leaping back’ derived from the verb *resilire*. Correspondingly resilient trade refers to the ability of a trade system to adapt, recover, and flourish in the face of a variety of shocks, strains, and obstacles. Economic

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downturns, natural disasters, pandemics, geopolitical tensions, and other disruptive occurrences can all fall under this category. A resilient trading system is one that is able to endure and lessen the effects of such disruptions while still functioning and promoting overall economic growth and stability.

II. BACKGROUND AND SIGNIFICANCE OF STUDY

The COVID-19 pandemic has had an impact on every facet of human existence, toppling the business backdrop and destroying global trade. While the COVID-19 pandemic's complexity and uncertainties have had an impact on the business climate globally, these consequences have not been uniform across nations. Some nations experienced severe trade losses, whereas others were quite resilient to the disruption. In this study, we focus on this resilience in the face of a very complicated and uncertain environment. Due to decreased mobility and the disruption of on-site manufacturing activities, the COVID-19 crisis had a negative impact on productivity, but nevertheless more complicated and knowledge-intensive items. The COVID-19 epidemic and the other problems (health, economic, social, and environmental) has sparked a significant mark playing the role of turning point in progress that leads to more sustainable approach.

The Economic Commission for Latin America and the Caribbean (ECLAC) has advocated for the post-pandemic recovery to be viewed as an opportunity to transform the region's development model into one that is sustainable, with equality and human dignity at the centre. It is essential that the forces driving this model be inclusive and innovative; they must generate and use knowledge and non-polluting technologies; and they must provide opportunities for more balanced development in the region's countries.²

III. IMPACT OF COVID-19 IN INTERNATIONAL TRADE

(A) Disruption to global supply chain

Global supply chains are still facing considerable obstacles as a result of the outbreak. While factories throughout the world have largely resumed work since mid-2020, ongoing virus outbreaks continue to pose difficulties for businesses along the whole supply chain. Quarantine imposed on the society by the government further decreased output. National lockdowns hampered manufacturing even in 2022 because they slow or even completely stop the movement of raw materials and completed items. There was a spike in demand for necessities, but on the other hand, there were worries about delayed delivery, delays in getting goods,

² Alicia Bárcena, Foreword of "Resilient institutions for a transformative post-pandemic recovery in Latin America and the Caribbean", United Nation ECLAC

unexpected travel disruptions, and a labour scarcity (caused by the reverse migration of workers from cities). As a result, the disparity between supply and demand widened. For supply chains, the epidemic hasn't necessarily brought forth any fresh difficulties. According to Mentzer et al. Supply Chains are defined as a set of three or more entities (organizations or individuals) directly involved in the upstream and downstream flows of products, services, finances, and/or information from a source to a customer.³

Due to their linked architecture, global supply networks function as a system. As a result, their degradation immediately affects numerous significant aspects of a nation's economy and social life, necessitating a systemic approach to global supply chains. Small and Medium Enterprises, which frequently have restricted assets and more modest provider organizations, were disproportionately impacted by production network interruptions, prompting monetary strain and terminations for some. A few organizations considered or carried out re-shoring or near-shoring systems to carry creation nearer to home business sectors, diminishing dependence on far off providers.

(B) Changes in consumer behavior and market demand

The influence of COVID-19 on consumers globally has significantly altered both their demand and conduct. Customers in the unorganised industries have been more obstructed by COVID-19 than other customers, which have enlarged demand for reasonably priced alternatives to run of the mill essentials. The occupation and family income status of customers are perceived to affect the demand for health and entertainment products, which is jointly mediated via affordability and lifestyle modifications. While the implications of COVID-19 on loss of life, loss of employment, and loss of livelihood are well-articulated, the loss of regular social and economic life over an extended period is having long-lasting effects on people. Self-imposed "social lockdown" and intensified mental stress brought on by COVID-19 have caused behavioural and psychological changes. People have regulated their diet and lifestyle habits and have turned out to be more rapt of their health as a result of the recurrent concern of illness and limited mobility. As the "buy local" movement advances impetus and becomes more focused on conscious consumption than ever before, the factors that affect brand decisions are also fluctuating. Shopping online is not new for the community at this time, but it is different now because practically everyone does it to get daily requirements for life, which is not particularly fancy or enjoyable.

³ Amelie Meyer Wiebke Walter ,Stefan Seuring,," The Impact of the Coronavirus Pandemic on Supply Chains and Their Sustainability: A Text Mining Approach.

IV. STRATEGIES FOR BUILDING RESILIENCE IN TRADE

(A) Diversification of supply chains

There is a sense that the pendulum is swaying back after decades of globalisation. The COVID-19 pandemic and trade disruptions are forcing economies to scale back on global integration and concentrate on themselves and their neighbours. The pandemic's existential crisis has compelled businesses to refocus their innovation and restructuring efforts on guaranteeing company continuity by fostering resiliency and flexibility. The resilience challenge has been met by a variety of sectors in distinctly diverse ways. Leading examples of resilience come from the healthcare sector. Businesses that had invested in digital technologies, had various suppliers, and had diversified their supply chains were able to lessen the effects of the epidemic. On the other hand, the pandemic had a significant negative impact on enterprises that relied largely on a single supplier or one nation for their supply. Businesses can obtain real-time visibility into their supply chain and improve their operations with the aid of digital technologies like the Internet of Things, Blockchain, and AI (Artificial Intelligence).

(B) Strengthening risk management and contingency planning

- Scenario analysis and simulation can be used to assess the potential impact on trade operations of different risk factors. Simulation techniques can be used to model contingency plans and how they can be used to mitigate disruptions.
- Advanced analytics can be used to predict demand changes and adjust production accordingly. Data-driven insights can be used to make decisions about inventory management and allocation.
- Real-time monitoring of risks can be used to monitor geopolitical, economic and health risks that could affect trade operations in real-time.
- Technology can be used to stay up-to-date on threats and disruptions. Digital technologies such as Blockchain, Internet of Things and AI can be integrated into supply chains to improve traceability and transparency.
- Public-private partnerships can be used to foster collaboration between government, industry associations and private sector players to exchange information, resources and expertise.
- Forum can be established for proactive communication during times of crisis and coordinated responses. Standardized risk assessment frameworks can be used to identify and categorize risks within a trade ecosystem. This helps to ensure that risk assessments

are conducted on a regular basis and that mitigation measures are implemented.

- Set up early warning systems to provide alerts about disruptions or risks to the trade environment in real-time. This helps to ensure that swift response measures are taken to minimize the impact of such disruptions.
- Incentives for resilience: Develop policies, agreements, and other incentives that promote the adoption of resilient practices by businesses.

V. POLICY RESPONSES AND GOVERNMENT INITIATIVES

The World Bank has released a guidance note on ‘Dos and don’ts of trade policy in response to COVID-19’. The memo urges governments all over the world to eradicate the requisite for applications and licences in order to loosen trade restrictions for basic food and medical supplies. Additionally, it motivates them to assist exporters in order to preserve jobs and foreign exchange revenues and to support macroeconomic policy initiatives aimed at protecting the economy from the pandemic-related slowdown. Many nations are likely to focus profoundly on reviving their businesses and safeguarding their important and vital resources in the post-pandemic climate. Ensuring approachability of basics for the future, in the event that such a pandemic circumstance emerges, can be accomplished by safeguarding their basic home grown businesses and enhancing their supply chains, the two of which would require designated strategy measures. Exchange strategies can, consequently, be anticipated to turn out to be more moderate. The adequate methodology is probably going to be replicated in the public exchange policy of nations in numerous ways, for example, by expansion in import duty and undisclosed or unambiguous non-tax hindrances like permitting techniques, import and commodity portions, and in preservation of their essential stores.

Protectionist estimates in light of Coronavirus are more far reaching than those connected with the Global Financial Crisis. Paramount in any event, the final option prompted rather restricted exchange policy mediations, basically influencing monetary areas, in spite of the fact that protectionism has would in general consistently increment since the Worldwide Monetary Emergency. Moreover, ongoing Coronavirus restriction have taken an alternate structure: direct prohibitions on exchange instead of measures that increment exchange costs and frequently focusing on exports as well as imports. These mediations risk expanding the delicacy of the world exchanging framework when it is under danger from expanded response to 'excellent' exchange strategy measures and US refusal to involve. The escalating US-China trade disputes have further deteriorated the confidence in the world trading system. Finally, business ambiguity is extremely high, not only in relation to demand and supply, but also government

willingness to intervene in economies, undermining investor confidence. This makes investment decisions even more challenging than in the post-Global Financial Crisis context.

(A) International cooperation and trade agreements

International cooperation can be advantageous in all three resilience stages, including preparation, coping, and recovery, regardless of how wealthy or impoverished the afflicted nations are. Additionally, when richer countries help a poorer country that has experienced a natural disaster or when donor nations and international organisations provide vaccines to low-income countries, international cooperation can include a component of solidarity. These examples are transfers from richer to poorer countries. Additionally, there are many levels of international cooperation. In addition to the WTO Agreement's international trade standards, nations also reach regional trade accords. Plurilateral agreements and negotiations may be relevant in terms of resilience in that they build on the existing WTO disciplines, essentially in technical subject matters.

Among the various elements contributing to the heterogeneous effects of COVID-19 on international trade, there are a number of arguments for which intra-Regional Trade Agreements (RTAs) which may have declined at a slower pace. With a few exceptions, preferential trade agreements (PTAs) have developed over the past few decades from more basic free trade agreements (FTAs) or customs unions that were primarily focused on eliminating "duties and other restrictive regulations of commerce" (i.e., "shallow" PTAs) into comprehensive economic cooperation agreements that expanded their coverage beyond traditional border measures to policy areas like competition, foreign direct investment protection, environment, or labour. One argument is that RTAs favour some trading relationship while weakening those not covered by the agreement. The reason is that trade within RTAs often benefit from better trade conditions and lower trade costs relative to trade outside RTAs (e.g. lower tariffs, cooperation in trade regulatory frameworks and on investment regimes). Suppliers benefiting from lower transaction costs could be relatively more insulated from the fall in global demand during 2020.⁴

VI. TECHNOLOGY-DRIVEN SOLUTIONS FOR RESILIENT TRADE

(A) Employing Digital Platforms for Trade Facilitation

In the face of unprecedented disruption caused by the epidemic, digital platforms have surfaced as pivotal tools for easing trade and ensuring its durability. These platforms give an accessible and effective way for businesses to connect, negotiate deals, and manage deals online. By

⁴ Alessandro Nicita & Mesut Saygili, "Trade Agreements and Trade Resilience During COVID-19 Pandemic", UNCTAD Research Paper No. 70

embracing digital platforms, trade mates can streamline processes, reduce paperwork, and enhance their overall effectiveness.

(B) Automation and AI for Effective supply Chain management

Automation and Artificial Intelligence (AI) are revolutionizing supply chain operation, enabling businesses to optimize their operations and navigate dislocations with lesser adaptability. By automating repetitious tasks and using AI- powered algorithms, companies can achieve lesser delicacy, speed, and trustability in their supply chain processes. This allows them to respond swiftly to changing request demands and assure a steady inflow of goods, indeed in defying times.

(C)Blockchain Technology for Enhanced transparency and Trust

Blockchain technology has the implicit to reform trade by furnishing enhanced transparency and trust in deals. By exercising decentralized and rigid checks, Blockchain ensures that every step in the supply chain is recorded and traceable. This not only minimizes the threat of fraud but also builds trust among trade mates, easing smoother and further secure deals. With Blockchain, businesses can have a clear and empirical view of their supply chains, which is particularly precious in times of uncertainty.

VII. REGULATORY FRAMEWORKS AND LEGAL CONSIDERATIONS

(A)Intellectual property and data protection in resilient trade

The pandemic has highlighted weaknesses in international supply chains and health industry productivity, which has encouraged governments to think about necessary activities for post-pandemic recovery and resilience. Internationally, these efforts are supplemented by treaty regimes for the protection of investments and intellectual property rights, market access and national treatment commitments related to health services under the World Trade Organisation (WTO) framework and in some free trade agreements. The pandemic served as a persuader for developing nations to initiate their own domestic vaccine production. It has been demonstrated that with the proper licencing and intellectual property rights waivers, local production can be facilitated despite the significant expenditure needed. In order to do this, India and South Africa jointly submitted a request at the WTO in October 2020 asking for waivers from specific articles of the Trade-Related Aspects of Intellectual Property Rights Agreement in order to avoid, contain, and treat COVID-19.

In order to help member nation's deal with the COVID-19 pandemic and rebuild better as part of their sustained post-COVID economic recovery activities, WIPO Director General Daren

Tang launched a package of support measures. The package aims to aid member states in combating the epidemic and to make use of Intellectual Property (IP) to foster innovation, entrepreneurship, and the creativity necessary for job and investment creation, business expansion, and socioeconomic development.

(B) Compliance and standards for resilience

- Organizations may need to comply with specific regulations related to the pandemic, such as health and safety procedures, employment policies remote work and crisis response plans.
- Compliance with health and safety standards (e.g., OSHA, CDC guidelines) remains paramount to protecting employees and ensuring works continuously.
- With the rise of remote work, compliance with data protection laws becomes important to protect sensitive information outside the traditional office work environment.
- Post-pandemic, regulators may require enhanced reporting on crisis responses, financial stability and resilience work.
- Compliance with Environmental Social Governance standards may become even more essential as stakeholders increasingly value the organizations that prioritize sustainability, social responsibility and ethical practice.
- Compliance can extend to participating in collaborative industry efforts, such as sharing best practices and information on construction strategies resilience.
- Compliance may involve conducting stress testing and scenario analysis to assess the organization's readiness to deal with various disruptive events, including future pandemics.
- Organizations must remain vigilant in monitoring compliance with evolving standards and be ready to adapt their operations as regulations and requirements change change.

VIII. CHALLENGES AND BARRIERS TO POST-PANDEMIC RESILIENT TRADE

(A) Geopolitical tensions and trade disputes

- Admittance to immunizations and the appropriation of clinical supplies have become international instruments. Nations and districts are utilizing antibody strategy to fortify partnerships, gain impact, and venture delicate power. This has prompted rivalry and pressures over immunization creation, appropriation, and protected innovation freedoms.

- A few countries have executed protectionist measures, including export prohibitions on basic clinical supplies and hardware. This has prompted worries about accumulating and inconsistent admittance to fundamental products during worldwide emergencies.
- International pressures have brought about the inconvenience of assents and exchange limitations by different nations. These actions can have critical financial and political outcomes, influencing the designated nations as well as worldwide exchange streams.
- A few countries are placing stronger emphasis on regional partnership and alliance. This incorporates arrangements like the Complete and Moderate Understanding for Transoceanic Association (CPTPP) and the Territorial Thorough Financial Organization (RCEP). Reciprocal economic alliances are being sought after for the purpose of reinforcing financial ties and bypassing bigger, multilateral arrangements that might confront more difficulties in dealings.

(B) Technological gaps and accessibility issues

In order to create innovative solutions to revive them from the impact of pandemic, many organisations shifted to digital platform and formed partnerships with technology owners to assist resilience of their business. But in this cooperation, difficulties with IP distribution are an immense deal. New categories of intellectual property, such as those related to data and software will emerge as a result of the digitalization process. Due to the fact that current regulation has not always kept up with the quick rate of technological advancement, it is frequently unclear how and who can safeguard such intellectual property. The value contained in the vast amounts of data that businesses accrue is equally rising along with digitalization. This could contain information on consumer behaviour, component costs, supply chain dynamics, or other economically sensitive data like CAD designs. Protecting data, however, is not as simple as it seems, as it involves a combination of information technology (IT), database rights, copyright, and trade secrets. Adopting digital platforms and an e-commerce strategy will help to strengthen your brand presence and expand your customer base. Online sales and distribution also makes it that much more difficult to enforce against counterfeiting. The e-commerce industry has been struggling with a massive counterfeiting problem for years. According to some estimates, as much as one in five goods sold online are counterfeit. Regulators and e-commerce companies have implemented measures to address the issue, but brand owners are still actively policing and enforcing their brand. This involves trap purchases, take down notices, and collaborating with authorities to file charges where necessary.

(C) Environmental and sustainability concerns

Before Coronavirus, organizations were setting progressively aggressive focuses to diminish outflows and tidy up their inventory chains. The financial shock that the pandemic set off might have wrecked such plans, but the inverse occurred. "Clean development", and a drive for feasible and strong obtaining, turned into the new expressed monetary worldview, influencing all areas of the economy, from buyer products to energy, horticulture and monetary administrations. *According to recent EIU research, web searches for "sustainable fashion" tripled in the US and Europe between 2016 and 2019, for example, while demand for meat and dairy alternatives has grown considerably.*⁵ Simultaneously, the pandemic is moving the worldwide venture scene towards the supportability basic. As the dangers connecting with organization resources' openness to environmental change develops all the more genuine and noticeable, investors and monetary foundations are checking out progressively at manageability qualifications as a proportion of long haul resilience.

IX. POLICY RECOMMENDATIONS FOR BUILDING RESILIENCE

(A) Fortifying Worldwide Economic accords and Participation

To fabricate versatile exchange organizations, it is fundamental for nations to reinforce existing worldwide economic deals and cultivate more noteworthy participation. This incorporates diminishing exchange obstructions, smoothing out customs techniques, and advancing open and fair exchange rehearses. By cooperating, nations can establish a climate that energizes cross-line exchange and upgrades the strength of worldwide stockpile chains.

(B) Putting resources into Framework and Planned operations Improvement

Putting resources into framework and planned operations improvement is fundamental for guaranteeing the smooth progression of products and limiting exchange interruptions. This incorporates further developing transportation organizations, extending ports and air terminals, and improving computerized foundation. By fortifying these basic parts of exchange foundation, nations can actually address bottlenecks and upgrade their ability to deal with future difficulties.

(C) Supporting Little and Medium Enterprise to Adjust and Develop

Small and medium enterprises (SMEs) assume a huge part in worldwide exchange. Subsequently, it is essential to furnish them with the important help to adjust and develop in the post-pandemic period. This incorporates admittance to back, preparing programs, and innovative assets. By engaging SMEs, nations can encourage their strength, advance financial

⁵ https://impact.economist.com/perspectives/sites/default/files/eiu_dit_trade_post_pandemic_2022.pdf

development, and drive exchange expansion

X. CONCLUSION

(A) Discerning about the lesson Gained from the Pandemic

The Coronavirus pandemic has been a reminder for the exchange community, featuring the significance of building versatile organizations and embracing innovative headways. It has shown us the delicacy of worldwide stockpile chains and the requirement for versatility even with startling interruptions. Pushing ahead, it is fundamental to consider the examples learned and coordinate them into our techniques for versatile exchange.

(B) Embracing Versatility and Advancement for Exchange Flexibility

To flourish in the post-pandemic world, organizations and policymakers should embrace versatility and advancement. This requires tackling the force of innovation, reinforcing worldwide participation, putting resources into framework, and supporting the versatility of SMEs. By making these strides, we can explore the way to versatile exchange, taking advantage of chances, and beating difficulties in the unique worldwide scene.

As the world wrestles with the consequence of the pandemic, obviously constructing a strong worldwide exchange framework is of most extreme significance. The examination introduced in this article features the diverse idea of exchange strength, from monetary and strategy elements to mechanical headways. By gaining from fruitful contextual investigations and executing viable strategies, we can make a more nimble and versatile exchange climate. Embracing digitalization, putting resources into foundation, and supporting small and medium enterprise are critical stages towards improving exchange strength. While difficulties and vulnerabilities lie ahead, with a proactive methodology and cooperative endeavors, we can explore the post- pandemic era with a stronger and more resilient global trade system that is better prepared to overcome future disruptions.
