

## **INTERNATIONAL TRADE RELATIONS IN THE POST-CORONAVIRUS WORLD**

In March 2020, China gradually resumed its economy and took steps to normalize exports. However, the initial supply shock in world trade was gradually exacerbated by the demand shock — the result of measures to limit the spread of COVID-19 taken in Europe, and then in North America and the rest of the world [2].

Trade in services has also suffered greatly. The value of exports from a group of 37 countries, which accounted for about two-thirds of global services exports in 2019, decreased by 10,4 % in the first quarter of 2020 compared to the same period in 2019. Tourism, which accounted for 24 %. The global export of services in 2019 was particularly hard hit. In the period from January to April 2020, the number of arrivals of international tourists worldwide decreased by 44 % compared to the same period in 2019. Overall, arrivals are expected to decrease by 58–78 % in 2020, depending on how the pandemic develops and how quickly travel restrictions are eased.

In the context of an unprecedented global health crisis, trade is essential to save lives and livelihoods; international cooperation is necessary for trade to continue [1]. The pandemic is likely to reinforce two interrelated trends that have already developed before it. The first trend is a shift towards reducing the interdependence in production, trade and technology between the world's largest economies, especially between the United States and Europe, on the one hand, and China, on the other. The second trend is a leaning towards less open world trade, more influenced by geopolitical intrigues and national security considerations, with more frequent global conflicts and a weakened global economic structure. The end result will not be an increase in globalization processes, as it was before the pandemic, but a shift to a more regionalized world economy organized around three main production centers: North America, Europe, East and Southeast Asia.

In the global context of the growing regionalization of production, regional integration should play a key role in crisis recovery strategies in Latin America and the Caribbean [3]. The creation of an integrated market with a population of 650 million people will provide the countries of the region with significant protection from external shocks from supply or demand. It will also help to achieve the scale needed to strengthen strategic industries such as pharmaceuticals and medical supplies, as well as to develop joint production and research links between countries and subregions. This will reduce the vulnerability of the region to supply disruptions during and after the pandemic. Meanwhile, in the context of weakening multilateralism, strengthening regional coordination is vital to promote a more equal dialogue with the main participants in the global economy.

In conditions of considerable uncertainty about the future development of the economy, it should be:

1. Increase confidence in trade and global markets by increasing transparency of actions and intentions related to trade policy.

2. Maintain the smooth operation of supply chains, especially for basic necessities such as health products and food.

3. Avoid the deterioration of the situation due to unnecessary export restrictions and other trade barriers.

4. To provide state support in such a way that it serves the public interest, and not selfish, without distorting market relations.

5. Accelerate vaccination rates and minimize developing countries' access to vaccines. This factor affects not only the future of the economy, but also people's lives.

The COVID 19 pandemic poses serious threats, and maintaining stable and coordinated international trade relations will be essential to prevent the catastrophic consequences of the corona virus pandemic.

### References

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