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# THE DOWNTOWN

DELHI SCHOOL OF ECONOMICS



INTERNATIONAL BUSINESS CELL



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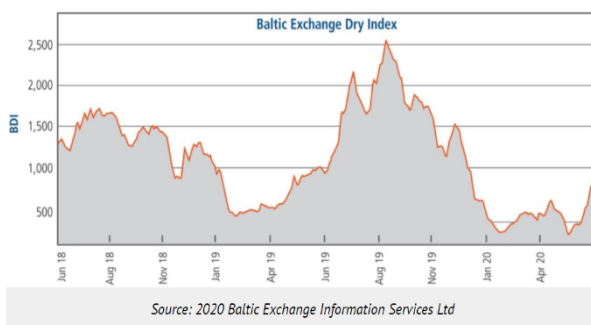
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## International Business and the on-going economic crisis

- Aditya Joshi

This article takes a gander at the progressing economic crisis during 2020 and its effect on the tasks of international businesses. Market specialists and financial backers check the strength of global exchange and the development of international businesses by an action known as the “**Baltic Shipping Index**”. This measure is a basket number of the size of global trade as measured in the shipping activity.



(The slump recorded in Baltic Exchange indexes had resulted in lower freight costs for grain shippers during 2020)

In the fallout of the global economic crisis, this action took a plunge and was at the lower end of the scale during 2020. This means that international businesses were having it extreme in the global economy. Aside from this action, there is the other file, which is known as the “**Purchasing Managers' Index**” or “**PMI**”. This measures the inventory position and the number of new orders that have been placed for goods and services.

Both these actions demonstrate that international exchange is down and the assembling, retail, and administration movement is on the lower end. Subsequently, it tends to be said that international businesses are struggling in the global economy. Taken together, these pointers are calming for any

financial backer and henceforth, international businesses need to consider all alternatives and look cautiously before they jump.

Notwithstanding, we contend in this module, that globalization is a long way from being done and that the fate of international business would rely upon the **BRICS (Brazil, Russia, India, China, and South Africa)** and the following “**Breakout Nations**” that would frame the level two of the developing business sectors. Further, the way that globalization has coordinated the world so much that the continuing global economic crisis is only a blip on international businesses and that the wonder would go on after this slip by must also be considered.

What these methods are those international businesses needed to develop and extend further to succeed. They would be very much encouraged to search for promising circumstances in the following bar of the developing business sectors like Vietnam, African nations, and Latin American nations. Obviously, the way that the progressing economic crisis has scratched the certainty of international businesses can't be denied. The disputable issue here is that rather than unbound globalization, a pattern wherein international development is done after doing due tirelessness would be the main impetus for what's to come. Aside from this, the future would likewise have a place with those international businesses that can flourish in the turbulent global economy that is the current state.

At long last, the progressing global economic crisis has uncovered the anxieties, strains of fundamental danger, and has uncovered the delicate idea of the global economy. Consequently, the fate of international businesses would be in the domain of protected development and better business rehearses rather than an excessive extension and questionable business rehearses.

## EU Trade Deal

*- Ayush Singh*

European lawmakers and the UK agree on a Post Brexit Free Trade deal.

The Lawmakers of The European Parliament have finally passed a Post Brexit Free Trade deal with the UK. Introduced around Christmas eve, the deal is said to be the next best thing after UK's stay in the European Union. The deal revolves around the trade in goods, services and investments, digital trade, Intellectual property, security cooperation, energy and regulatory processes and cooperation.



The free trade agreement will result in the free movement of goods across the UK to the EU and vice versa without tariffs and quotas. Prime Minister of the UK, Boris Johnson has called it the “final step in a long journey, providing stability to our new relationship with the EU as vital trading partners, close allies and sovereign equals. ”The UK infamously left the EU back in 2016. There was a cloud of confusion regarding immigration, trade deals and movement of goods but this deal seems to have put that in the bag. The EU parliament overwhelmingly voted in favour of the new deal, 660 being in favour and 5 against it along with 32 abstentions. The EU stills called Brexit a historic mistake. It however says that the new deal will avoid economic disruptions and ensure the integrity of the EU single market.

Northern Ireland, although a part of the UK, ended up being part of the European single market. This was done to ensure that there was an open border between Ireland and Northern Ireland. The open border has been instrumental in bringing peace to this erstwhile troubled region. The PRO UK unionists in Northern Ireland however think that this move has alienated them from the rest of the UK. EU accused UK of breaching international law earlier as it had extended to avoid checking the free movement of goods from Northern Ireland to the rest of the UK. The free trade agreement has provisions to avoid a hard border between Northern Ireland and Ireland. In addition to it, there are provisions to ensure that it remains inside the jurisdiction of the UK customs.

