

United States as Joe Biden and his new administration take over the reins. If this happens, the European Union's position may be difficult to maintain as they are under pressure from cargo interests.

New logistics solutions. After many were forced to accept dramatic increases in freight rates and declining quality of service in 2020, shippers may be tempted to think much more seriously about alternative modes of transport for container shipping. Railways began to take over last year between Asia and Europe, but road transport also appears to be a viable solution, at least for particularly sensitive goods, based on price and its ability to guarantee access to transport capacity.

At the moment, sea transport is experiencing significant difficulties in the transportation of containerized cargo. Despite the beginning of the normalization of the situation in the PRC, in the United States and European countries, the main consumers of goods in the world, the consequences of the impact of the pandemic continue and will continue to negatively affect consumer demand and production volumes. Capacious sea container ships cannot pick up the necessary volume of containers to ensure the return on transport, as a result of which containers accumulate in ports in a long wait for dispatch, disrupting established supply chains. On the other hand, rail transportation in the context of the pandemic has proven to be the most profitable, fast and stable delivery option.

Thus, COVID-19 has become a huge shock for the economies of all countries of the world. Transport is the main indicator of the state of the economy in any country.

<sup>1</sup>Юдникова Е.С., Кислицин А.А. Анализ состояния международных контейнерных перевозок в условиях COVID-19 / Е.С. Юдникова, А.А. Кислицин // Russian Journal of Logistics and Transport Management. – СПб: Петербургский государственный университет путей сообщения Императора Александра I, 2020. – №1. – С. 59-68.

<sup>2</sup> Amber Coast Logistics – Connecting remote areas // Official web-page of ACL-Partnership [Electronic resource]. – 2011. – Mode of access: <https://market-insights.upply.com/en/container-shipping-prospects-in-2021>.

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## **«Protectionism and free trade in the age of globalization and regionalization»**

*Research Field:*

*Customs in the age of globalization and regionalization.*

At the present stage of the development of the world economy, the processes of globalization and regionalization are closely linked to the policies pursued by states, including customs policy.

There are two forms of customs policy-protectionism and free trade, which are opposite in their content and purpose. Protectionism is the customs policy of states aimed at establishing customs barriers in trade with third countries in order to protect national industries from foreign competition. In turn, free trade involves the promotion of international trade by minimizing the level of customs imposition or their complete abolition<sup>1</sup>.

The first form of regulation of international trade was protectionism. This form of policy originated in the time of the Great Geographical Discoveries, which was due to the need to protect the domestic market by setting high import duties. Later, the processes of globalization contributed to the emergence and expansion of the application of free trade policies.

In the historical aspect, the change of one form of customs policy to another occurs as follows<sup>2</sup>:

The end of the XV – the beginning of the XIX century – the period of predominance of the policy of protectionism in almost all developed countries (Great Britain, Prussia, Austria, Sweden, etc.). It was believed that the policy of protectionism was supposed to promote the rise of national economies. During this period, the main instruments of protectionism were import duties and tariffs. By the end of the XVIII century, the overall level of import duties had increased fourfold. Each of the developed countries sought economic benefits by setting up customs barriers. However, the result of the policy of protectionism was the emergence of trade conflicts.

The XIX century-the beginning of the XX century (before the First World War) - the period of the inception of the policy of free trade. The main reason for changing the policy of protectionism to free trade is technological progress. Successful in this regard, England has increased the level of labour productivity, as well as reduced production costs. Thanks to the industrial revolution, the country no longer needed a policy of protectionism, as it became dominant in the international arena. It was believed that the policy of liberalization would

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<sup>1</sup> Давыденко, Е. П. Внешнеторговая политика стран с малой экономикой [Электронный ресурс] : учеб. пособие / Е. П. Давыденко. – Минск : БГУ, 2018. – Режим доступа: <https://elib.bsu.by/bitstream/123456789/206976/1/Davidenko.pdf>. – Дата доступа: 06.05.2021.

<sup>2</sup> Гладков, И. С. Противостояние протекционизма и фритредерства в международной торговле [Электронный ресурс] / И. С. Гладков, М. В. Дубовик // Журнал экономических исследований. – 2019. – № 2. – Режим доступа: <https://naukaru.ru/en/storage/view/31861>. – Дата доступа: 06.05.2021.

resolve trade conflicts between countries. However, not all States have adopted this policy, that has led to new trade conflicts.

World War I – World War II-the superiority of protectionism. The development of the policy of free trade in this period was prevented by the «Great Depression». The whole of Western Europe has moved to tough protectionist measures in response to the increase in US customs tariffs. Tariff rates were at record highs, that has led to a reduction in value of global trade.

The middle of the XX century and up to the present – the era of trade globalization. After the end of the Second World War, there was a tendency to spread the liberal model of international trade. International organizations were established to facilitate the process of globalization of economic relations. The first multilateral trade agreement between countries, which was based on the application of the most-favored-nation regime, was the General Agreement on Trade and Tariffs (The GATT), signed in 1947. The development of relations between the GATT member States led to the creation of the World Trade Organization (The WTO) in 1995, the purpose of which was to liberalize international trade. The creation of conditions, which facilitated the smooth and non-discriminatory development of international trade, has led to the dominance of the free trade policy in international relations. Free trade policies have significantly reduced barriers to international flows of goods and services. The WTO's activity to liberalize the international market of goods have limited the use of tariff quotas and customs duties. However, this has led to an increased role of technical measures to regulate international trade in the form of sanitary and phytosanitary requirements for products. The latter complicates the implementation of the WTO's free trade policy, which is why the organization is constantly working to improve the system of regulating the international movement of goods and services through instruments of trade<sup>1</sup>.

Since the beginning of the XXI century, the development of the process of regionalization of trade has become very important. A feature of regionalization is the creation of customs and economic unions, free trade zones. Among the most well-known associations: the North American free trade area NAFTA, the CIS free trade area, the Customs Union of the European Union, the Customs Union of the Eurasian Economic Union (The EEU) and others.

Regional integration associations are characterized by the construction of trade relations based on the principles of free trade between member states and the application of collective

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<sup>1</sup> Тихонова, Н. Б. Особенности процесса либерализации международной торговли в деятельности ВТО [Электронный ресурс] / Н. Б. Тихонова // Актуальные проблемы гуманитарных и естественных наук. – 2010. – № 2. –Режим доступа: <https://cyberleninka.ru/article/n/osobennosti-protssesa-liberalizatsii-mezhdunarodnoy-torgovli-v-deyatelnosti-vto/viewer>. – Дата доступа: 06.05.2021.

protectionism measures in trade with third countries. So, according to article 1 of the Treaty on the Eurasian Economic Union<sup>1</sup>, within the framework of the EEU, freedom of movement of goods, services, capital and labour is ensured. In turn, the Customs Code of the Eurasian Economic Union<sup>2</sup> establishes uniform rules for the application of the EEU tariff and non-tariff regulatory measures in trade with third countries.

Thus, the processes of globalization and regionalization directly affect the state's customs policy. The policy of protectionism is aimed at protecting domestic producers from foreign competition by establishing trade barriers. The policy of free trade is completely different in its content from the policy of protectionism. It is characterized by the creation of conditions for the smooth implementation of international trade. Historically, there is a constant change in the dominance of one form of customs policy to another. Today, an important role is played by international organizations that promote the development of free trade between countries. In turn, within the framework of regionalization, integration associations resort to protectionist measures in trade with third countries.

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### **«Mutually beneficial cooperation: the institute of the authorized economic operator»**

*Research Field:*

*Customs and Business: Cooperation Challenges*

Currently, international economic relations are characterized by the desire of States and regional associations to get rid of all possible barriers in the process of international trade, as they hinder the free movement of goods and services. In this regard, there is a need to simplify and unify the process of customs administration, taking into account the need for unconditional compliance with customs legislation. Thus, there was a need to establish close partnerships between customs authorities and business representatives. One of the tools for the development

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<sup>1</sup> Договор о Евразийском экономическом союзе [Электронный ресурс] // КонсультантПлюс. Беларусь / ООО «ЮрСпектр», Нац. центр правовой информ. Респ. Беларусь. – Минск, 2021.

<sup>2</sup> Таможенный кодекс Евразийского экономического Союза [Электронный ресурс] : утв. Договором о Таможенном кодексе Евразийского экономического союза, 11 апр. 2017 г. // КонсультантПлюс. Беларусь / ООО «ЮрСпектр», Нац. центр правовой информ. Респ. Беларусь. – Минск, 2021.