

## GLOBAL TRADE IN A POST-PANDEMIC WORLD: SUPPLY CHAIN DISRUPTIONS, ECONOMIC IMPACT, AND THE PATH TO RESILIENCE

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**Abstract:** *The COVID-19 pandemic profoundly disrupted global trade, exposing vulnerabilities in highly interconnected supply chains and reshaping industries worldwide. This paper explores the pandemic's impact on key sectors, including energy, automotive, and food, and highlights the long-term shifts in global trade systems. By examining the sharp decline in trade volumes during 2020 and the uneven recovery in 2021-2022, the paper provides a statistical analysis of how different regions and industries fared through the crisis. Through a detailed case study of the automotive industry and the semiconductor shortage, the paper delves into the specific challenges faced by manufacturers and the economic consequences of supply chain disruptions. Furthermore, it discusses the broader trends toward regionalization, diversification, digital transformation, and the evolving role of trade policies in the post-pandemic era. The paper concludes by emphasizing the need for resilience, flexibility, and innovation in future global trade practices, arguing that the lessons learned from the pandemic will shape the trajectory of international commerce for years to come.*

**Keywords:** COVID-19; global trade; supply chain disruptions; inflation; just-in-time; digital transformation.

**JEL classification:** F10; F16;

### 1. Introduction

Prior to the COVID-19 pandemic, global trade flourished as a sophisticated network of supply chains designed to maximize efficiency and minimize costs. Fueled by decades of globalization, technological advancements, and reductions in trade barriers, this system enabled the rapid flow of goods across borders. A key component of this trade structure was the just-in-time (JIT) inventory model, which allowed businesses to reduce storage costs and synchronize deliveries with production schedules, ultimately optimizing resources. Yet, this very system -reliant on the smooth, uninterrupted flow of goods- was revealed as fragile in the face of a global crisis. The COVID-19 pandemic triggered a massive disruption in global supply chains, exposing weaknesses that had been masked by the system's efficiency. Factories, particularly in Asia, which serve as key manufacturing hubs, were forced to shut down due to virus outbreaks, causing immediate shortages of goods across the globe. As national lockdowns and border closures compounded the disruptions, industries that depended on international suppliers found themselves struggling to meet demand or keep operations running.

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Shipping delays, workforce shortages, and reduced manufacturing capacity reverberated through industries such as automotive, pharmaceuticals, and food production, causing backlogs and price volatility. The semiconductor shortage, which halted car production, is just one example of how interdependence in global trade can turn into vulnerability under stress.

As a result, businesses and policymakers are reassessing global trade strategies, focusing less on pure efficiency and more on resilience. The global value chain framework emphasizes the importance of diversifying sourcing patterns to ensure supply chain resilience, as seen during the pandemic (Gereffi, 2020). This shift has led to increased interest in diversifying suppliers, stockpiling critical materials, and exploring regionalization. The long-term implications of these adjustments are reshaping global trade in profound ways.

The OECD (2020) suggests several policy measures for improving supply chain resilience, including incentives for reshoring critical industries and fostering public-private partnerships to enhance the robustness of global value chains.

This paper aims to explore how the pandemic has reconfigured global supply chains, particularly in industries like energy, automotive, and food. Additionally, it will assess the long-term effects of trade disruptions on the global economy, examine statistical trends in trade volume, and present case studies of industries most impacted by the pandemic.

The COVID-19 pandemic, described by Harvard Business Review (2020) as a 'wake-up call' for supply chain management, has pushed businesses to reexamine their reliance on cost-efficient but fragile supply chains and prompted a move towards more resilient structures.

This paper is organized into eight sections to systematically explore the impact of the COVID-19 pandemic on global trade and supply chains. Following this introduction, Section 2 outlines the methodological framework, detailing the combination of quantitative data analysis, qualitative case studies, and theoretical exploration of resilience frameworks. Section 3 presents a statistical analysis of global trade volume changes during the pandemic, highlighting the sharp contraction in 2020 and the uneven recovery observed in 2021–2022.

Section 4 provides a sector-specific analysis, focusing on two critical industries: energy and automotive. It examines the challenges faced by these sectors and the adaptive strategies employed to navigate disruptions. Section 5 delves deeper into the automotive sector with a case study on Volkswagen, analyzing the impact of semiconductor shortages on production and the company's response to this crisis.

In Section 6, the lessons learned from the pandemic are explored, with an emphasis on the Eurozone's efforts to bolster supply chain resilience and reduce reliance on external suppliers, particularly in the semiconductor industry. Section 7 discusses the broader implications of the pandemic on global trade, considering emerging trends such as regionalization, digital transformation, and resilience-oriented supply chain strategies.

Finally, Section 8 concludes the paper by summarizing the key findings, underscoring the shift from efficiency-driven to resilience-driven supply chains, and proposing future directions for research and policy-making in this area.

## **2. Methodology**

To effectively analyze the disruptions caused by the COVID-19 pandemic to global trade and supply chains, this paper adopts a multi-pronged methodological approach, combining quantitative data analysis, qualitative case study, and theoretical exploration of resilience frameworks. This comprehensive methodology ensures a robust examination of both the macroeconomic implications and sector-specific dynamics of the pandemic's impact.

The analysis begins with the collection and interpretation of secondary data from reputable international organizations such as the World Trade Organization (WTO), the International

Monetary Fund (IMF), and the Organization for Economic Co-operation and Development (OECD).

The qualitative dimension of this research focuses on case studies, specifically examining the semiconductor shortage within the automotive industry. The case study method allows for a granular investigation of the systemic weaknesses exposed by the pandemic. Volkswagen (VW), a leader in the Eurozone automotive sector, serves as the focal point for this exploration. By analyzing VW's supply chain disruptions, production halts, and strategic responses, the case study illustrates the broader challenges and adaptive measures adopted by the industry.

This paper integrates the theoretical underpinnings of supply chain resilience into its analysis.

Finally, the methodology acknowledges its limitations. The reliance on secondary data, while comprehensive, may introduce biases related to data availability and granularity. Moreover, the case study approach, while insightful, may not fully capture the heterogeneity of responses across different industries or regions. To address these constraints, the paper suggests avenues for future research, including primary data collection through surveys or interviews with industry stakeholders.

### **3. Statistical analysis of trade volume changes**

The COVID-19 pandemic triggered one of the sharpest contractions in global trade in modern history. As lockdowns, border closures, and restrictions on movement were implemented worldwide, supply chains ground to a halt, causing a significant decline in both imports and exports across most major economies. According to the World Trade Organization (WTO), global merchandise trade volumes fell by 9.2% in 2020, marking the steepest decline since the 2008 financial crisis. This sharp contraction highlighted the vulnerabilities in international trade and supply chains that had been optimized for efficiency at the expense of resilience (World Trade Organization, 2020).

Ivanov (2020) used simulation models to predict the impacts of epidemic outbreaks on supply chains, highlighting the cascading effects that a single disruption can have on interconnected networks. His findings indicate that proactive risk management and real-time monitoring can mitigate the severity of such disruptions.

#### **3.1. Global Trade Decline in 2020**

The pandemic's onset in early 2020 led to widespread factory closures and logistical bottlenecks. Key global trading regions such as the United States, Europe, and Asia saw sharp declines in exports and imports. In the United States, exports fell by 12%, as the country grappled with supply chain disruptions and a collapse in demand for non-essential goods. Europe saw an 8% decline in exports, with Germany, France, and Italy experiencing significant contractions due to prolonged lockdowns. Conversely, Asia fared relatively better, with trade volumes declining by only 5%. This was largely due to China's rapid recovery from the pandemic, where the economy reopened earlier than others, bolstering exports of electronics, medical supplies, and textiles. Globalization accelerated the integration of economies but also exposed them to vulnerabilities, as seen during the pandemic with failures in medical supply chains.

The decline in trade volumes had profound economic consequences. Countries that relied heavily on exports, such as Germany and Japan, saw their economies contract. The COVID-19 pandemic as such is serious, but not without historical precedent and not exceptionally severe in terms of mortality (van Bergeijk, 2021).

Developing countries that depend on imports of essential goods, like food and medical supplies, experienced shortages and price spikes. The pandemic also intensified pre-

existing global inequalities, as emerging markets struggled to access the resources needed to recover from the crisis. The global flow of goods is largely driven by innovations like the shipping container, which transformed logistics by significantly reducing transportation costs (Levinson, 2008).

### **3.2. Recovery and Growth in 2021–2022: Uneven Rebound**

Global trade began to rebound in 2021, with trade volumes growing by 10.8%, according to WTO estimates. The recovery was driven by pent-up demand for goods and services as vaccination campaigns gained momentum and economies started to reopen. However, the recovery was uneven, with some regions and industries rebounding faster than others. East Asia, particularly China, led the recovery, with exports of electronics, textiles, and medical supplies surging to meet global demand. In contrast, regions like Latin America experienced a slower recovery due to the pandemic's prolonged impact on public health and economic conditions. The COVID-19 pandemic exposed over-reliance on key exporting economies like China for medical supplies and highlighted that many shortages were due to policy failures rather than market failures (Gereffi, 2020).

While demand for goods increased, supply chains remained constrained. Many industries continued to face bottlenecks, including shipping delays, labor shortages, and rising input costs. The automotive industry, which depends on global supply chains for components like semiconductors, saw continued production delays due to shortages. Meanwhile, the energy sector faced volatility as demand for oil rebounded sharply, causing price fluctuations.

The uneven nature of the recovery underscored the pandemic's lasting effects on global trade. While some industries and regions have regained pre-pandemic levels of activity, others, particularly in service sectors like travel and hospitality, continue to face significant challenges.

## **4. Sector-Specific Analysis: Energy and Automotive Trade**

**Energy Sector:** The energy sector experienced dramatic fluctuations during the pandemic. The global value chain framework emphasizes the importance of diversifying sourcing patterns to ensure supply chain resilience as seen during the pandemic (Gereffi, 2020). In 2020, global oil trade volumes fell by 15% as demand for transportation fuel plummeted during lockdowns. This collapse in demand led to a historic decline in oil prices, with crude oil prices briefly turning negative in April 2020. As economies reopened in 2021, demand for energy rebounded, and oil exports began to recover. However, by the end of 2021, rising demand and geopolitical tensions led to an energy crisis in parts of the world, particularly in Europe, where natural gas shortages caused supply disruptions and price hikes.

A Capgemini report (2021) found that consumer products and retail companies are increasingly prioritizing supply chain resilience, with many firms investing in AI and automation to improve their ability to respond to future disruptions.

**Automotive Sector:** The global automotive sector was one of the most severely affected by pandemic-induced supply chain disruptions, especially due to the shortage of semiconductors. In 2020, global automotive exports declined by 16%, with production halting in many regions due to factory closures and component shortages. The shortage of semiconductors, crucial for modern vehicle production, delayed the production of millions of vehicles globally. The shortage of semiconductors, crucial for modern vehicle production, delayed the production of millions of vehicles globally. Despite a recovery in demand in 2021, automakers continued to struggle with semiconductor shortages, leading to long delays in vehicle delivery and rising prices in the new and used car markets.

A McKinsey report (2020) highlights the accelerated digital transformation across industries as companies strive to enhance risk management capabilities and balance their global supply chains. This trend has been particularly evident in sectors like automotive, where

companies are increasingly adopting predictive analytics and AI-driven tools for supply chain optimization.

According to the IBM Institute for Business Value (2020), the pandemic has significantly accelerated the adoption of digital technologies, which are now being leveraged to enhance supply chain visibility and predictive capabilities.

The challenges faced by the automotive industry highlighted the risks of relying on concentrated supply chains, particularly for critical components. The semiconductor shortage is a prime example of how a lack of diversification in suppliers can lead to severe production bottlenecks. Global value chains in specific sectors like medical devices and automotive industries were severely disrupted, exposing vulnerabilities in both producer-driven and supplier-driven chains (Gereffi, 2020).

Tukamuhabwa et al. (2015) provide a comprehensive framework for understanding supply chain resilience, emphasizing adaptive capability as a critical factor. The ongoing efforts to increase resilience through digital transformation and regional supply chains align with this theoretical foundation.

## **5. Case Study: Volkswagen (VW) and the Semiconductor Shortage in the Eurozone**

The automotive industry in East Asia is experiencing unprecedented disruption due to significant ruptures in global supply chains. A notable example is the Korean car manufacturer Hyundai, which was compelled to shut down all its production plants in Korea because of a severe shortage of essential components sourced from China. Similarly, the Japanese automaker Nissan had to temporarily suspend operations at one of its factories in Japan, underscoring the widespread impact of these supply chain challenges. The ripple effects of this disruption have extended to Europe as well. Fiat-Chrysler issued a warning that it might soon have to halt production at one of its European facilities if the shortage persists. In a more dramatic move to mitigate the crisis, Jaguar Land Rover, a UK-based automaker, revealed that it might exhaust its inventory of critical parts by the end of February. To avert a complete shutdown, the company resorted to flying in emergency supplies from China using suitcases — a striking illustration of the lengths to which manufacturers must go to maintain operations. This crisis highlights the fragility of just-in-time manufacturing systems that many automotive companies have relied on for efficiency and cost reduction. As these companies scramble to adapt, the urgency of diversifying supply sources and increasing inventory buffers becomes ever more apparent (Baldwin & di Mauro 2020).

The proactive risk management approach adopted by Ericsson after a sub-supplier accident, as analyzed by Norrman and Jansson (2004), provides a relevant example of how companies can learn from disruptions to implement more robust strategies. Similarly, Volkswagen's shift to diversify semiconductor suppliers reflects a proactive stance to safeguard against future shortages.

The global automotive industry's reliance on semiconductors was starkly exposed during the COVID-19 pandemic, and the Eurozone, with its highly integrated automotive sector, was no exception. Volkswagen (VW), one of the largest automotive manufacturers in the world and a key player in the Eurozone economy, provides a telling example of how the semiconductor shortage disrupted production and led to significant economic and operational challenges. This section will explore how the semiconductor shortage impacted Volkswagen, how the company responded, and what lessons can be drawn from the crisis for the Eurozone automotive industry as a whole.

### **5.1. The Pre-Pandemic Context: VW's Supply Chain Vulnerabilities**

Volkswagen operates one of the most extensive and complex supply chains in the automotive industry. Before the pandemic, the company was already experiencing the strain

of managing a global network of suppliers and manufacturing sites, where efficiency and cost savings were key priorities. This operational model included a reliance on just-in-time (JIT) inventory systems, which meant that parts were delivered to manufacturing facilities only when they were needed for production. This approach minimized storage costs but left VW vulnerable to any disruptions in the flow of components, especially semiconductors. The just-in-time (JIT) model, which focuses on efficiency, left many companies vulnerable during the pandemic. Shifting toward "just-in-case" strategies that prioritize resilience is key for future preparedness (Gereffi, 2020).

Christopher and Peck (2004) argue that resilience in supply chains can be significantly enhanced through strategies that incorporate flexibility, redundancy, and continuous monitoring of risks. This perspective underscores the shift from JIT to 'just-in-case' inventory models, which many companies, such as Volkswagen, adopted during the pandemic to buffer against unexpected disruptions.

Semiconductors are essential to the production of modern vehicles, particularly in VW's increasingly popular line of electric vehicles (EVs). These chips control various functions in vehicles, from engine management to infotainment systems and safety features. As the automotive industry moved toward greater digitization and automation, the demand for semiconductors increased significantly, with modern vehicles containing hundreds or even thousands of chips.

## **5.2. Impact of the Pandemic: Semiconductor Shortages in Europe**

The electronics industry is revealing significant vulnerabilities due to its heavy reliance on just-in-time inventory practices and the scarcity of alternative sources for critical components. The practice of maintaining minimal inventory levels, intended to reduce costs and enhance efficiency, has instead exposed the industry to severe risks in the face of supply chain disruptions. For instance, manufacturers of semiconductors and specialized chips are struggling to meet production demands as key parts become scarce. The optics sector is similarly at risk, heavily dependent on precision components sourced from a limited number of suppliers. This dependence creates a bottleneck that threatens to halt production if even a single supplier experiences delay. Moreover, the increasing integration of optical technologies into consumer electronics, medical devices, and automotive systems amplifies the potential impact of these disruptions. The situation underscores a critical need for the electronics and optics industries to reconsider their supply chain strategies. Building more resilient networks, expanding supplier bases, and maintaining larger safety stocks could be vital steps toward mitigating such risks in the future.

When the pandemic struck in early 2020, Volkswagen, like other automakers, faced immediate challenges. Factory closures in Europe and around the world halted production. Initially, automakers -including VW- anticipated a prolonged downturn in demand for new vehicles and reduced their orders for semiconductors. This proved to be a miscalculation. By mid-2020, demand for vehicles, particularly electric vehicles (EVs) and hybrid models, rebounded more quickly than expected, as governments introduced stimulus measures to support the green energy transition and incentivized EV purchases.

However, during the early months of the pandemic, semiconductor manufacturers had redirected their production capacity to serve the booming consumer electronics market. As global demand for personal computers, smartphones, and gaming consoles surged due to the shift to remote work and online entertainment, semiconductor suppliers, many of which are based in Asia, prioritized orders from tech companies over automotive firms. As a result, when Volkswagen and other automakers sought to ramp up production in late 2020 and early 2021, they found themselves at the back of the queue for semiconductor supplies.

For Volkswagen, the timing could not have been worse. The company was in the midst of an ambitious plan to scale up production of its electric vehicle lineup, which was central to its strategy to lead the global EV market and meet stringent EU environmental targets. The

shortage of semiconductors, particularly chips used in advanced driver-assistance systems (ADAS) and battery management systems, severely hampered VW's ability to produce EVs and other high-tech models.

### **5.3. VW's Response: Production Halts and Strategic Shifts**

The impact of the semiconductor shortage on Volkswagen was severe. In early 2021, the company announced significant production cuts across its global operations, including at its main factories in Wolfsburg, Germany, and other key plants in Europe. Volkswagen's flagship brand, alongside its Audi and Porsche subsidiaries, was forced to delay the release of new models, including several highly anticipated EVs. The shortage led to production halts at multiple plants, with VW temporarily suspending operations or reducing shifts to cope with the lack of components.

In total, VW's production cuts in 2021 were estimated to be in the hundreds of thousands of vehicles. The company reported that it lost the ability to produce approximately 800,000 vehicles during the year due to the semiconductor shortage, leading to a significant impact on its revenue and market position. The financial cost of these disruptions was immense, with VW estimating that the shortage reduced its operating profit by billions of euros. The company's CEO, Herbert Diess, described the semiconductor shortage as the "biggest supply chain disruption" in VW's history.

The shortage also had a ripple effect on the broader European economy. Volkswagen is one of the largest employers in the Eurozone and a critical part of the German economy. The production cuts led to layoffs and furloughs across the supply chain, from component suppliers to logistics companies, amplifying the economic impact of the crisis.

To mitigate these challenges, Volkswagen implemented several key strategies:

1. **Diversification of Semiconductor Suppliers:** Volkswagen, like many other automakers, sought to diversify its supplier base to reduce its reliance on a small number of semiconductor manufacturers. While much of the world's semiconductor production is concentrated in a few companies, primarily based in Asia, VW began negotiating with other suppliers to secure a more stable flow of chips. This included exploring partnerships with European semiconductor manufacturers to reduce reliance on imports from Asia.
2. **Long-Term Supply Agreements:** VW pursued long-term agreements with chip manufacturers to ensure a steady supply of semiconductors in the future. This included commitments to prioritize the automotive industry during periods of high demand for semiconductors. While these agreements were designed to address future shortages, they did little to alleviate the immediate crisis.
3. **Increased Inventory Buffering:** In response to the disruption, VW reconsidered its reliance on JIT models. The company began building up larger inventories of critical components, including semiconductors, to guard against future disruptions. This shift from JIT to "just-in-case" inventory management reflects a broader trend in the global automotive industry, where companies are willing to bear higher inventory costs in exchange for increased resilience.
4. **Collaboration with Governments:** Volkswagen, along with other major automakers in Europe, lobbied the European Union and national governments for greater support in securing semiconductor supplies. This included advocating for EU investments in semiconductor manufacturing capacity, as well as public-private partnerships to build more resilient supply chains within Europe.

## **6. Lessons learned and the Eurozone's Response**

The semiconductor shortage highlighted the vulnerability of the Eurozone's automotive industry to global supply chain shocks. Volkswagen's experience illustrates how deeply integrated the automotive supply chain is with global manufacturing hubs, particularly in Asia, where the majority of semiconductors are produced. The crisis underscored the need for greater resilience and diversification within the Eurozone's supply chain, particularly as the automotive industry transitions toward electrification and autonomous driving technologies, both of which depend heavily on semiconductors.

The Eurozone has responded to the crisis with a combination of short-term measures and long-term strategies aimed at reducing dependence on foreign suppliers. The European Commission, under its Industrial Strategy, has prioritized increasing semiconductor production within Europe. The EU's Digital Compass strategy, announced in 2021, set an ambitious goal for Europe to double its share of global semiconductor production by 2030, from 10% to 20%.

To achieve this, the EU is investing in research and development, fostering innovation in semiconductor technologies, and providing incentives for semiconductor manufacturers to set up production facilities within the Eurozone. These efforts are aimed at reducing Europe's dependence on imports from Asia and ensuring that critical industries, like automotive, have a stable and secure supply of chips.

Volkswagen, along with other European automakers, is likely to benefit from these initiatives. However, building semiconductor manufacturing capacity in Europe will take years, and the automotive industry will need to navigate ongoing supply chain challenges in the meantime. VW has acknowledged that semiconductor shortages may continue into 2023, as global demand for chips remains high across multiple industries.

According to Sheffi (2005), companies that embed resilience into their operational strategies not only recover more quickly from disruptions but also gain a competitive advantage. The shift towards more diversified and localized supply chains post-pandemic echoes Sheffi's argument that resilience is not merely a defensive strategy but a pathway to sustainable growth.

## **7. Implications for the Future**

The semiconductor shortage has fundamentally altered the way Volkswagen and the broader Eurozone automotive industry approach supply chain management. The reliance on a few key suppliers for critical components like semiconductors has been identified as a major risk, and efforts are now underway to build more resilient and diversified supply chains. Volkswagen's shift from JIT to more buffered inventories, along with its efforts to secure long-term supply agreements, reflects a broader recognition that the global automotive industry must be better prepared for future disruptions.

The Economist Intelligence Unit (2021) notes that governments are now playing a more active role in promoting supply chain resilience, with initiatives aimed at supporting local production capabilities and reducing dependency on critical imports.

For the Eurozone, the crisis has accelerated efforts to boost domestic semiconductor production and reduce reliance on imports from Asia. While these initiatives will take time to bear fruit, they represent a significant shift in the Eurozone's approach to industrial policy and supply chain management.

Volkswagen's experience during the pandemic serves as a cautionary tale for the automotive industry and highlights the need for a more resilient and adaptable supply chain in an increasingly uncertain global economy.

Kleindorfer and Saad (2005) outline a strategic framework for managing disruption risks, focusing on anticipation, mitigation, and recovery. This approach aligns with recent trends



towards 'just-in-case' supply chain strategies adopted by companies in response to pandemic-induced disruptions.

### **8. Conclusions, Limitations of the Research and Suggestions for Future Research**

The COVID-19 pandemic exposed the vulnerabilities of global trade systems, forcing businesses and governments to reevaluate their reliance on efficient but fragile supply chains. The disruptions caused by the pandemic led to a shift toward building more resilient and diversified supply networks. Companies are moving away from just-in-time inventory models in favor of "just-in-case" strategies that prioritize stockpiling and supplier diversification to mitigate future risks. The COVID-19 pandemic revealed the fragility of global trade systems reliant on just-in-time inventory models. Volkswagen's semiconductor shortage serves as a case study (Gurnani, Mehrotra & Ray, 2011).

As the world adapts to the lessons of the pandemic, regionalization and technological advancements, such as blockchain and artificial intelligence, are likely to play a key role in shaping the future of global trade. While global trade volumes have rebounded, the post-pandemic world will not revert to pre-pandemic norms. Instead, the focus on resilience, regional supply chains, and digitalization will define the next era of international trade.

The automotive industry's struggles with semiconductor shortages serve as a case study in how global supply chains can collapse under pressure. As governments and companies invest in domestic production and secure long-term supply agreements, the future of supply chain management is likely to emphasize resilience over efficiency. The pandemic has indelibly altered the landscape of global trade, highlighting the need for flexibility and preparation in an increasingly uncertain world.

The theoretical usefulness of the this research contributes to the theoretical understanding of global trade disruptions and supply chain resilience in the context of large-scale systemic shocks. By integrating established frameworks such as Christopher and Peck's (2004) resilience model and Tukamuhabwa et al.'s (2015) adaptive capability framework, the study builds upon and contextualizes existing theories within the unprecedented scenario of the COVID-19 pandemic. The research provides an empirical basis for testing these frameworks under real-world conditions, highlighting both their strengths and limitations.

Moreover, the study advances the discourse on global supply chain management by emphasizing the shift from efficiency-driven strategies, like just-in-time (JIT) inventory models, to resilience-driven approaches, such as just-in-case (JIC) strategies.

The research's practical utility for businesses is to provides a roadmap for building more resilient supply chains. It highlights the importance of diversification, digital transformation, and long-term supplier relationships, offering concrete strategies to mitigate future disruptions. For example, the Volkswagen case study provides a practical example of how companies can adapt to supply chain shocks through proactive risk management, such as supplier diversification and rethinking inventory practices.

One of the most valuable aspects of this research is its ability to bridge the gap between theoretical exploration and practical application. By grounding its analysis in empirical data and real-world case study, the study ensures that its theoretical contributions are not only academically robust but also directly relevant to practitioners.

While this paper provides a comprehensive analysis of the impact of the COVID-19 pandemic on global trade and supply chains, certain limitations must be acknowledged to contextualize the findings and guide future research.

1. **Data Availability and Reliability:** The analysis primarily relies on secondary data sourced from international organizations, industry reports, and academic literature. While these sources are credible, they may suffer from limitations in scope, granularity, and timeliness.
2. **Case Study Generalizability:** The case study on Volkswagen and the semiconductor shortage provides a detailed exploration of supply chain disruptions in the automotive sector.

However, the findings from this case study may not fully capture the heterogeneity of experiences across other sectors, such as pharmaceuticals, electronics, or food production. The selection of one focal company, though illustrative, limits the generalizability of sector-specific insights to the broader landscape of global trade.

3. Timeframe of Analysis: The research predominantly focuses on the pandemic's immediate impacts (2020–2022) and the subsequent recovery period. While this timeframe is critical for understanding the crisis, it may overlook longer-term shifts in trade patterns and supply chain strategies that could emerge over the next decade. Predicting these future trends requires a more dynamic approach, including longitudinal studies and scenario planning.

To address these limitations, future studies could:

- Collect primary data through surveys, interviews, or focus groups with key stakeholders across different industries and regions.
- Expand the scope of analysis to include underrepresented regions and sectors, offering a more holistic view of global trade dynamics.
- Investigate the role of qualitative factors, such as leadership decision-making and organizational adaptability, in shaping supply chain resilience.

By addressing these areas, future research can build on the foundations established in this paper and contribute to a deeper understanding of the complexities of global trade in an increasingly uncertain world.

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### **Bio-note**

I am an associate professor at Babeş-Bolyai University Cluj Napoca since 2007 at the Faculty of Economic Sciences and Business Administration, respectively at the College of Political, Administrative and Communication Sciences.

In 2014, I obtained the PhD title in economics, specializing in accounting, the title of the thesis: Valuation and Revaluation of Tangible Fixed Assets of Economic Entities in Romania and Hungary – Requirement of a True and Fair View in Accounting.

Areas of interest: public finance, financial accounting, taxation, macroeconomics, monetary economics and financial markets.