

How COVID-19 Has Affected Countries Negotiation

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Abstract: As COVID-19 becomes more severe, countries begin to negotiate in purpose of getting through the harsh time. COVID-19 enormously impacted countries negotiation, no matter the topics of negotiation, the way of negotiation, the re-negotiation of old agreements as well as negotiations over new challenges and problems.

1. Introduction

The COVID-19 pandemic has caused the world to stall. During this unprecedented time, industries, business models and interpersonal rules all have shifted dramatically, thrusting a knife into the hearts of many businesses. In other words, every aspect of our life has been affected. And in this article, we will elaborate on how COVID-19 has affected countries' negotiations.

2. Problems after the Event

Starting with talking about the negative impact brought by the pandemic and how are the countries taking measures. Take traveling as an example.

Quarantine and travel restrictions are presented to prevent interaction among people and reduce the chance of infection. People are required to quarantine for fourteen days when they arrive in a new country. In addition, population flow is the key factor of spreading coronavirus. Therefore, people intentionally reduce their activity range to stay safe and healthy. This tremendously affects the travel business in the world. Travel companies are facing severe situations, based on travel restrictions and an expected global recession, IATA estimates that global air transport industry revenues could fall \$252 billion, 44 percent below 2019's numbers. The decline of the travel industry leads to unemployment, companies have to suspend staff in order to keep minimum loss. This causes many families hard to afford their life. Vacation was supposed to be the most profitable season for travel business, however now it is enduring a great depression under COVID-19 pandemic.

Countries have taken actions to solve the problems. Businesses and workers from the tourism sector already benefit from EU measures taken in response to the COVID-19 crisis, including liquidity support, fiscal relief and an easing of state aid rules, as well as the temporary suspension of EU rules on airport slots to avoid empty flights. To protect travelers, the EU has updated the guidelines on passenger rights and the package travel directive. It has also facilitated the repatriation of

tens of thousands of Europeans stranded abroad, through the EU Civil Protection Mechanism. EU measures to support the tourism industry complement and reinforce measures taken at national level. Also, the European Commission published specific guidelines and recommendations on tourism and transport to help EU countries gradually lift travel restrictions, restore transport services and reopen tourism businesses. A common EU approach would help the sector recover from the current crisis and give people the possibility to travel again safely.

From the examples above, we can see explicitly that negative impacts brought by COVID-19 are becoming more and more severe, meanwhile, countries are taking measures to mitigate their losses. To conclude, things are becoming different than before, and negotiation began to take place. So then, let's move onto how negotiation has been changed and affected due to the pandemic.

3. Changes

3.1 New Agreements

Firstly, because old agreements have to be re-negotiated due to the pandemic, the number of negotiation enormously increased. Let's take the contractual law as an example, there are conflicts between the tenants and the landlords. Tenants are looking forward to terminating office leases while landlords are still expecting them to keep renting the offices so as to earn money. However, in the status quo, courts interpret these clauses vaguely, meaning that if there is not explicit cause for not obeying the clause, for instance, viral infections, then there will be no excuse for not performing under that clause. Moreover, law also requires that unless being interfered by the landlord, there is no reason to quit the performance by the tenant. In either case, landlords are not the source of the COVID-19 pandemic, which would further undermine such claim. Taking trade as another example. The COVID-19 pandemic represents an unprecedented disruption to the global economy and world trade, as production and consumption are scaled back across the globe. Supply chains have changed a lot. For example, because of the spread of the virus, the demand for masks was increasing in an unbelievable way. However, the supply of the masks cannot increase in such a short time. As a result, the company can raise the price of the masks they produce. Because the company which can offer a consistent supplement of masks monopolized the market. By this way, the highest price of masks at the beginning of the explosion of the virus is even 10 times higher than the normal price. Furthermore, the trade in private services fell by 7 percent for imports and exports, resulting in tremendous economic loss. It is estimated that world merchandise trade is set to plummet by between 13 and 32 percent in 2020 due to the COVID-19 pandemic. However, many countries have set up broad laws that protect consumers and regulate how companies operate their businesses. The goal of these laws is to provide an equal playing field for similar businesses that operate in a specific industry while preventing them from gaining too much power over their competition. Simply put, they stop businesses from playing dirty in order to make a profit. These are called antitrust laws. Although these rules have already existed, still, governors in different countries needed some negotiation to adjust the policy due to the pandemic. In such cases, when conflicts exists while old regulations are out dated, renegotiation becomes the only solution. Under limited, stated circumstances, one or both parties will be excused from performance under a contract or regulation, and they can even reach new agreements due to the result of renegotiation. Thus, the number of negotiations will dramatically increase.^[1]

3.2 New Topics

Secondly, there are new challenges requiring negotiation coming out, so there will be a major change in the topic of negotiation. For example, passenger testing has become one of the trending

topics of negotiation. Airports are offering preflight coronavirus testing to boost public confidence in flying during the pandemic and help restore their businesses. More than 100 countries now require proof of a negative coronavirus test for entry. However, when setting up those restriction, a lot of negotiations have been done. Airline companies had to negotiated pre-departure, in-flight, and post-arrival health education and permission for passenger testing for passengers, and need to prepare emergency illness response at airports. Also, quarantine policy, a post-arrival passenger recommendations for self-monitoring and precautions to protect others, with enhanced precautions, including staying home to the extent possible for 14 days for people arriving from high-risk destinations, had already been discussed by government and citizens. With the condition becoming more and more severe, more negotiations have been done in order to overcome and resolve new challenges due to the pandemic.

3.3 New Ways

Thirdly, the way of negotiation has also been affected. In-person negotiations are turning into online negotiations. During this special period of time, people are more likely to stay at home rather than going outside, thus, face-to-face communication tremendously decreased. Instead, people began to negotiate online. For instance, because students are prohibited from going to school and college, online education has dramatically developed and the number of online negotiations rapidly increases. What's more, since a lot of universities are using Zoom as a platform, some students even tell jokes by saying their dream school is Zoom University. Although it's just a joke, it mirrors the fact that the way of negotiation has completely changed. Also, digital infrastructures are becoming crucial during this period of time. Taking telemedicine as an example. Telemedicine is the use of electronic information and telecommunication technology to get the health care you need while practicing social distancing. All you need is a phone or device with the internet to continue your medical care while protecting yourself and your healthcare provider from COVID-19. Telemedicine can decrease your contact with healthcare facilities, other patients, and healthcare staff in order to reduce the risk of COVID-19 and keep you and your family healthy. As a result, there had been a 154% increase in telehealth visits during 2020, compared with the same period in 2019 might have been related to pandemic-related telehealth policy changes and public health guidance. The McKinsey findings demonstrate that while COVID-19 drove the surge this year, 76% of customers surveyed are likely to use telehealth in the future. The data shows that telehealth is filling a critical gap in care that will create the opportunity to take the industry from \$3 billion in 2019 to up to \$250 billion of current US healthcare spend potentially being virtualized. It further proves the trend of the change in the way of negotiation. Furthermore, a lot of international conferences and negotiations are also held online. For instance, WHO has held a conference online in May 18, regarding and estimating the current condition of the pandemic. ITU also held an online meeting on September 30, negotiating AI for health focus group due to the effect of COVID-19. All around the world, the negotiation mode alters significantly. ^[2]

4. Conclusion

The novel coronavirus has spread so rapidly that it has changed the rhythm of the world. The stability of international relations has been tested both from the perspective of individual countries and from a multilateral perspective. Personnel exchanges, cultural exchanges and tourism exchanges are restricted. It's just the tip of the iceberg though. Pandemics are nothing new in human history. However, what's special about the COVID-19 pandemic is that it took place in an unprecedented context, when the interrelationship and interdependence among people, countries and continents were so profound.

All in all, COVID-19 enormously impacted countries negotiation, no matter the topics of negotiation, the way of negotiation, and the renegotiation of old agreements. Hope that the pandemic can be regulated and everything can go back to normal soon.

References

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