

# **International Trade**

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**Abstract:** *In recent years, Small and Medium Enterprises (SMEs) have emerged as vital contributors to economic growth and development globally. However, these businesses often face various risks that can hinder their growth trajectory. Insurance companies play a crucial role in mitigating these risks and supporting the sustainable growth of SMEs. This project aims to analyze the significance of insurance companies in driving the growth of SMEs*

**Keywords:** Small and Medium Enterprises

## **I. INTRODUCTION**

Over the last few decades international trade has increased and become more global along with the emergence of e-business and logistic techniques. It has highlighted the need to have an efficient, fast and reliable movement of goods while eliminating opaque rules and regulations, redundant and lengthy clearance processes and multiple documents requirements in different formats and with different data elements. Thus, it is more important than ever to achieve trade facilitation to enhance administrative efficiency and effectiveness, reduce costs and time to markets, and increase predictability in global trade. An important role in all these processes belongs to mechanisms and instruments of trade facilitation, developed and proposed by international organizations, such as, for example, the World Customs Organization, the United Nations Economic Commission, the World Trade Organization, etc. In this study, the authors presented the national experience of 11 countries on the implementation of reforms to simplify and ensure the safety of international trade. The analytical review is based on Country Profile — a questionnaire prepared by the Economic Commission for Europe (hereinafter - UNECE) — which was kindly provided by experts (Domi, Ristani (Albania) 2013); (Babayev (Azerbaijan) 2013); (Muminovic, Salihagic (Bosnia and Herzegovina) 2013); (Lymperis, Papadopoulos, Zafeiropoulos (Greece) 2013); (Cucino, Carpena, Padua, Severini, Zadro, Belmonte (Italy) 2013); (Mirkovic, Zivanovic (Republic of Serbia) 2013); (Bogdanova, Jeifets (Russian Federation) 2013); (Rasulov (Tajikistan) 2013); (Özergül, Yasal (Turkey) 2013); (Akbarov (Uzbekistan) 2013); (Pavlenko, Triakina, Garmash (Ukraine) 2013). For the experts of UNECE (United Nations Economic Cooperation for Europe) and its UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT, Turin/Italy), trade facilitation is “the simplification, standardization and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payment” (UNECE, <http://tfig.itcilo.org/index.html>). Trade facilitation may be also defined as the systematic rationalisation of procedures and documentation for international trade. In its wider sense, it covers all the regulatory measures that affect the flow of exports and imports, including customs laws and regulations, technical regulations, veterinary inspections and other controls used to ensure that goods and services traded adhere to the minimum international and national standards (United Nations Economic and Social Commission for Asia and the Pacific, <http://www.unescap.org>). Due to its impact on competitiveness and market integration as well as attracting direct foreign investments, trade facilitation is considered as an important factor for accelerating international trade and the economic development of countries. That is why it has been on the agenda of the ongoing WTO multilateral trade negotiations as well as of wide international technical assistance programs for developing and transition economies. The international practice proved that in order to efficiently facilitate and secure trade countries should seek guidance from available trade facilitation instruments, which include international conventions, regional or bilateral agreements, standards and recommendations developed by international organizations, associations or regional bodies, as well as best practices and case studies (UNECE, <http://tfig.itcilo.org/index.html>). The advantages of using these instruments are that they are providing a firm legal framework for trade facilitation measures as well as guidance on technical matter that would allow countries to attain the highest degree of harmonization and uniformity. Besides, guidelines and guides, compilations, case studies and best practices serve the purpose of providing information on technical matters to

encourage countries to take appropriate action together with providing information to deepen the understanding of a particular matter in an applied context. Trade facilitation is carried out at three levels: the national, regional and international level. At the national level, trade facilitation is a reform process that starts with a comprehensive needs assessment, leads to an analysis of the implementation objectives and decisions, strategic planning, and ends in monitoring and evaluating reform initiatives. Being at different development stages and acting in different legal and administrative environments, each country individually determines what trade facilitation measures to implement, for what scope, and in which order. The following data provide a review of the actual implementation of the reform activities carried out by 11 countries, which we grouped into four categories: 1) regulatory reforms aiming at a clear, concise, transparent legal framework; 2) institutional development, private sector consultation, and inter-agency cooperation; 3) introduction and modernization of infrastructure for electronic processing of trade documents and related data exchange; 4) changes in business processes and procedures.

Regulatory reforms: Azerbaijan

- 1) "State Program on development of the customs system of the Republic of Azerbaijan in 2007-2011" dated 1 February 2007.
- 2) "Decree on application of the principle of Single Window for inspecting the goods and vehicles moving through the crossing points of the state border of the Azerbaijan Republic" dated 11 November 2008.
- 3) The Presidential Decree "On Measures to simplify procedures and increase transparency in the customs area" from February 25, 2011.
- 4) Presidential Decree "On Measures for the organization of electronic government services" from May 23, 2011.
- 5) The Law "On approval of the Customs Code of the Azerbaijan Republic" dated 24 June 2011 under the number 164-IVQ.
- 6) The Presidential Decree "On some issues in connection with the special permit (license), and permissions that are required to engage in certain types of business activities" from October 26, 2011.
- 7) Action Plan for the development of the State Customs Committee of the Republic of Azerbaijan for 2012-2016.

Regulatory reforms: Russian Federation

The new Customs Code of the Russian Federation which has taken effect since July 1, 2010; creation of the Customs Union of the Russian Federation, the Republic of Kazakhstan and Republic of Belarus. The customs code of the Customs Union is completely based on standards of the international convention on simplification and harmonization of customs procedures (The Kyoto convention). Accession to the Kyoto Convention provides modification of the customs legislation of the Russian Federation, the Federal law "About bases of state regulation of the foreign trade activity", in the Tax code of the Russian Federation (Part One and Part Two), the Code of the Russian Federation about administrative offenses and other federal laws (about 20, by estimation). The agreement between the Russian Federation and Kazakhstan about implementation of joint control on the general customs border is introduced for ratification; the law on the termination of activity of numerous control and supervising services on the Russian border is approved.

"The concept of development of the Russian customs service for the period till 2010" extended on all control system of risks, practice of introduction of modern information technologies, preliminary informing of customs authorities on moved goods, etc. National enterprise initiative of improvement of business climate till 2018. The decree of the President of the Russian Federation of May 7, 2012 No. 596 "About long-term state economic policy", aimed at increase of a place of the Russian Federation in a rating of the World bank on business conditions. National enterprise initiative of 2012 / the PLAN OF MEASURES ("ROAD MAPS") assuming increase at 50% for the actual capacity of system of check points and reduction for 50% for time of passing of customs control. The resolution of the Government of the Russian Federation on modification of the government resolution of December 1, 2009 No. 982 "About the approval of the uniform list of production which is subject to obligatory certification, and the uniform list of production which confirmation of compliance is carried out in the form of adoption of the declaration on compliance". The resolution of October 20, 2012 No. 1071 "About the approval of Rules of creation, reorganization and liquidation of regional customs offices, customs and customs posts". Still earlier, during administrative reform the customs service lost the independence and the right of standard regulation and began to submit to the Ministry of economic development and the Ministry of Finance. The project of a state program "Development of foreign economic activity

(foreign trade activities)” for 2013-2018, developed by the Ministry of Economics. It assumes, in particular, investment of 1,24 trillion rub till 2018 in increase in non-oil export and achievement of customs procedures to level of the best international standards (<http://cargo.ru/news/2010>). The Strategy of Development of Russian Customs Service till 2020

### **Regulatory reforms: Tajikistan**

Measures of the Government of Tajikistan on trade facilitation reforms since 2008:

- 1) Inter-agencies Working Group was created and aimed to develop measures on trade facilitation (led by the Ministry for economic development and trade).
- 2) Action Plan on simplification of administrative barriers in export and import procedures, Government Decree №487 approved on 1/10/2008.
- 3) Single Window Concept for export, import and transit procedures, Government Decree №659 approved on 31/12/2008.
- 4) In 2009 the Governmental WGs worked on Technical-economic justification (detailed description) of SW implementation. As a result, Government approved the “Program of implementation of SW for export-import and transit procedures”, Government Decree №222 dated 3/05/2010

### **Objective: -**

The foremost objective of any trade is to earn profits by selling as much as possible products and services to collect the maximum revenue. International trade caters to this very objective. Access to international markets, there results in an expansion in the consumer base of a company’s products or services. Each nation that is added to the list paves the door for new income opportunities and business success to the corporations. From a consumer’s perspective, the objective that a person chase is that of maximum utility or satisfaction and this is catered to the consumer through international trade. As the consumer gets access to products and services at a lower cost than the alternatives available at the domestic market, the utilisation of the consumer’s hard-earned money is maximised. It is obvious that a nation can’t produce all the products, commodities and services needed and wanted by its citizens. But because of the existence of international trade nations can specialise in manufacturing a smaller variety of commodities, allowing for higher large-scale production efficiency and with the profits earned from these, the nation can import the other products and satisfy the demands of the public. International trade and commerce promote globalisation by bringing together the economies of many countries. It helps in establishing world peace via the development of commercial connections between nations. As more and more trade between different states is realised, states get more reluctant to go on a war with each other resulting in peaceful and harmonious relationships between the citizens of respective countries encouraging cross-national social and cultural management.

### **Importance: -**

International trade between different countries is an important factor in raising living standards, providing employment and enabling consumers to enjoy a greater variety of goods.

International trade has occurred since the earliest civilisations began trading, but in recent years international trade has become increasingly important with a larger share of GDP devoted to exports and imports.

#### **1. Make use of abundant raw materials**

Some countries are naturally abundant in raw materials – oil (Qatar), metals, fish (Iceland), Congo (diamonds) Butter (New Zealand). Without trade, these countries would not benefit from the natural endowments of raw materials.

A theoretical model for this was developed by Eli Heckscher and Bertil Ohlin. Known as the Heckscher–Ohlin model (H–O model) it states countries will specialise in producing and exports goods which use abundant local factor endowments. Countries will import those goods, where resources are scarce.

#### **2. Comparative advantage**

The theory of comparative advantage states that countries should specialise in those goods where they have a relatively lower opportunity cost. Even if one country can produce two goods at a lower absolute cost – doesn’t mean they should

produce everything. India, with lower labour costs, may have a comparative advantage in labour-intensive production (e.g. call centres, clothing manufacture). Therefore, it would be efficient for India to export these services and goods. While an economy like the UK may have a comparative advantage in education and video game production. Trade allows countries to specialise. More details on how comparative advantage can increase economic welfare. The theory of comparative advantage has limitations, but it explains at least some aspects of international trade.

### 3. Greater choice for consumers

New trade theory places less emphasis on comparative advantage and relative input costs. New trade theory states that in the real world, a driving factor behind the trade is giving consumers greater choice of differentiated products. We import BMW cars from Germany, not because they are the cheapest but because of the quality and brand image. Regarding music and film, trade enables the widest choice of music and film to appeal to different tastes. When the Beatles went on tour to the US in the 1960s, it was exporting British music – relative labour costs were unimportant. Perhaps the best example is with goods like clothing. Some clothing (e.g. value clothes from Primark – price is very important and they are likely to be imported from low-labour cost countries like Bangladesh. However, we also import fashion labels Gucci (Italy) Chanel (France). Here consumers are benefitting from choice, rather than the lowest price. Economists argue that international trade often fits the model of monopolistic competition. In this model, the important aspect is brand differentiation.

For many goods, we want to buy goods with strong brands and reputations. e.g. the popularity of Coca-Cola, Nike, Addidas, McDonalds e.t.c.

### 4. Specialisation and economies of scale – greater efficiency

Another aspect of new trade theory is that it doesn't really matter what countries specialise in, the important thing is to pursue specialisation and this enables companies to benefit from economies of scale which outweigh most other factors. Sometimes, countries may specialise in particular industries for no over-riding reason – it may just be a historical accident. But that specialisation enables improved efficiency. For high value-added products, multinationals often split the production process into a global production system. For example, Apple designs their computers in the US but contract the production to Asian factories. Trade enables a product to have multiple country sources. With car production, the productive process is often even more global with engines, tyres, design and marketing all potentially coming from different countries.

### 5. Service sector trade

Trade tends to conjure images of physical goods import bananas, export cars. But, increasingly the service sector economy means more trade is of invisibles – services, such as insurance, IT services and banking. Even in making this website, I sometimes outsource IT services to developers in other countries. It may be for jobs as small as \$50. Furthermore, I may export a revision guide for £7.49 to countries all around the world. A global economy with modern communications enables many micro trades, which wouldn't have been as possible in a pre-internet age.

### 6. Global growth and economic development

International trade has been an important factor in promoting economic growth. This growth has led to a reduction in absolute poverty levels – especially in south east Asia which has seen high rates of growth since the 1980s.

#### **Advantage: -**

Though a country may be twice as productive as its trading partners in making clothing, if it is three times as productive in making steel or building airplanes, it will benefit from making and exporting these products and importing clothes. Its partner will gain by exporting clothes—in which it has a comparative but not absolute advantage—in exchange for these other products (see box). The notion of comparative advantage also extends beyond physical goods to trade in services—such as writing computer code or providing financial products.

Because of comparative advantage, trade raises the living standards of both countries. Douglas Irwin (2009) calls comparative advantage “good news” for economic development. “Even if a developing country lacks an absolute

advantage in any field, it will always have a comparative advantage in the production of some goods,” and will trade profitably with advanced economies.

Differences in comparative advantage may arise for several reasons. In the early 20th century, Swedish economists Eli Heckscher and Bertil Ohlin identified the role of labor and capital, so-called factor endowments, as a determinant of advantage. The Heckscher-Ohlin proposition maintains that countries tend to export goods whose production uses intensively the factor of production that is relatively abundant in the country. Countries well endowed with capital—such as factories and machinery—should export capital-intensive products, while those well endowed with labor should export labor-intensive products. Economists today think that factor endowments matter, but that there are also other important influences on trade patterns (Baldwin, 2008).

Recent research finds that episodes of trade opening are followed by adjustment not only across industries, but within them as well. The increase in competition coming from foreign firms puts pressure on profits, forcing less efficient firms to contract and making room for more efficient firms. Expansion and new entry bring with them better technologies and new product varieties. Likely the most important is that trade enables greater selection across different types of goods (say refrigerators). This explains why there is a lot of intra- industry trade (for example, countries that export household refrigerators may import industrial coolers), which is something that the factor endowment approach does not encompass.

There are clear efficiency benefits from trade that results in more products—not only more of the same products, but greater product variety. For example, the United States imports four times as many varieties (such as different types of cars) as it did in the 1970s, while the number of countries supplying each good has doubled. An even greater benefit may be the more efficient investment spending that results from firms having access to a wider variety and quality of intermediate and capital inputs (think industrial optical lenses rather than cars). By enhancing overall investment and facilitating innovation, trade can bring sustained higher growth.

Indeed, economic models used to assess the impact of trade typically neglect influences involving technology transfer and pro-competitive forces such as the expansion of product varieties. That is because these influences are difficult to model, and results that do incorporate them are subject to greater uncertainty. Where this has been done, however, researchers have concluded that the benefits of trade reforms—such as reducing tariffs and other nontariff barriers to trade—are much larger than suggested by conventional models.

There are a number of international organisations like the World Trade Organisations that are working towards making the international trade process smoother. The multilateral and bilateral forums are trying to ensure that the trade between nations becomes easier, which will also end up increasing the overall volume of goods and services exchanged. It is important to note that trade between nations is not easy because of the difference in their economic situation, rules and regulations, customs and several other factors. But with the increasing advent of globalisation in the past few decades, international trade has increased by leaps and bounds. So, it is important for us to understand the main benefits of international trade, explained below:

- Optimal use of the natural resources of a country – The international trade between two or more nations helps all of them to make the best possible use of their natural resources. Every country can focus on the production of goods and services using these resources and sell them to other nations to earn foreign exchange and shore up their economy. It also helps to avoid the wastage of crucial resources and use them to improve the overall economic standing of the country.
- Availability of different types of goods and services – One of the major benefits of international trade is that it enables a country to obtain goods and services that it is unable to make on their own due to lack of resources or higher costs of production. They can get these goods from outside the country at relatively lower costs.
- Specialisation in the production of certain goods and services – Some nations are endowed with certain advantages like natural resources, workforce, technology and capital. These resources allow them to engage in the production of certain kinds of goods and services at relatively cheaper costs and sell it to other nations who need them. They can engage in large scale production to cater to the needs of home domestic as consumption as well as serve the international markets. They can also dispose of goods and services which they possess in large quantities to other countries and improve their foreign exchange reserves in return.



- Stability in prices of products and services – It is one of the major benefits of international trade. It helps to iron out the benefits and put a stop to the wild fluctuations that can arise due to the non-availability of these products.
- Exchange of technical expertise – International Trade allows countries with a lack of knowledge in terms of production, manufacturing and technology to access it from other nations. Underdeveloped countries can take the help of the developed ones to establish and develop industries apart from increasing their economic prosperity.
- Improve efficiencies in terms of production and distribution of goods and services – Countries can take advantage of international trade to increase their scale of production and make it more efficient to cater to the demands of other nations. They can also focus on producing better quality products and services while minimising the overall costs.
- Development of transport and communication – International trade between nations can flourish only if the means of transport and communications are robust and highly efficient. Or else, it will lead to bottlenecks that can hamper the viability of the transactions. International trade often acts as an incentive for nations to improve their transportation and communication with other countries to facilitate the continuous exchange of goods and services.
- Improved relations – International trade between nations also leads to a greater scope of communication between the two nations. It enables the exchange of knowledge and ideas as well. This can foster greater cooperation and understanding and act as a cornerstone for developing more cordial relations between the two countries.

**Disadvantage: -**

Though foreign trade has many advantages, its dangers or disadvantages should not be ignored.

(i) Impediment in the Development of Home Industries:

International trade has an adverse effect on the development of home industries. It poses a threat to the survival of infant industries at home. Due to foreign competition and unrestricted imports, the upcoming industries in the country may collapse.

(ii) Economic Dependence:

The underdeveloped countries have to depend upon the developed ones for their economic development. Such reliance often leads to economic exploitation. For instance, most of the underdeveloped countries in Africa and Asia have been exploited by European countries.

(iii) Political Dependence:

International trade often encourages subjugation and slavery. It impairs economic independence which endangers political dependence. For example, the Britishers came to India as traders and ultimately ruled over India for a very long time.

(iv) Mis-utilisation of Natural Resources:

Excessive exports may exhaust the natural resources of a country in a shorter span of time than it would have been otherwise. This will cause economic downfall of the country in the long run.

(v) Import of Harmful Goods:

Import of spurious drugs, luxury articles, etc. adversely affects the economy and well-being of the people.

(vi) Storage of Goods:

Sometimes the essential commodities required in a country and in short supply are also exported to earn foreign exchange. This results in shortage of these goods at home and causes inflation. For example, India has been exporting sugar to earn foreign trade exchange; hence the exalting prices of sugar in the country.

(vii) Danger to International Peace:

International trade gives an opportunity to foreign agents to settle down in the country which ultimately endangers its internal peace.

(viii) World Wars:

International trade breeds rivalries amongst nations due to competition in the foreign markets. This may eventually lead to wars and disturb world peace.

(ix) Hardships in times of War:

International trade promotes lopsided development of a country as only those goods which have comparative cost advantage are produced in a country. During wars or when good relations do not prevail between nations, many hardships may follow.

Explanation: -

The first explanation offered by anti-war protest organizers and activists following the demonstration on 15 February 2003 was that the Bush administration had played a role in encouraging the police to disrupt the demonstration. Proponents of this point of view offered two main pieces of evidence to support their claim. The first was that lawyers from the Justice Department filed a brief with the federal courts during the lawsuit requesting a march permit. The brief asserted that the federal government had a substantial interest in the case because of its treaty obligations to keep the United Nations (UN) secure. The asked the court to give substantial weight to security concerns in the post-9/11 environment, though they took no specific position on the granting of a permit. The organizers of the demonstration from United for Peace and Justice (UFPJ) took this as evidence of federal interference and publicized the existence of the brief on their website and at planning meetings. The second piece of evidence of federal interference was the changing of the national terrorism alert status to “Orange” on 8 February, the day of the federal court hearing and one week before the demonstration. Organizers viewed this as an attempt to intimidate people from coming to New York for the demonstration. The federal government never released any information about specific threats and the threat level was reduced back to “Yellow” a few weeks after the demonstration

It is not possible to know for sure whether federal officials played any role in the outcome of the 15 February demonstration, though federal officials from the White House, the Department of Justice, and the Federal Bureau of Investigation (FBI) have denied any involvement. The NYPD and Mayor Bloomberg’s office have also denied that the federal government played any role in their planning for or actions at the demonstration. While these assurances are significant, they are not sufficient. There are, however, several other forms of evidence that undermine the claims of federal influence. First, there were no reports of federal law enforcement agents being present during the actual demonstration. None of the over 300 written accounts from participants mentioned them, and none of the dozens of legal observers reported seeing any. Second, no federal agents were present during the negotiating sessions between demonstrators and the police at which important compromise “on the spot” decisions were made. Third, the decision to deny a march permit was part of a broad police policy that had been implemented the previous fall. Since that time, the police had denied march permits to all applicants except for a few traditional annual cultural events. Clearly that part of the city’s position was not influenced by the federal government. Fourth, Mayor Bloomberg, according to a report in the Village Voice (Barrett, 2003), intervened with the police to force them to allow UFPJ to receive a permit for a rally near the United Nations, when the police had wanted to keep them away from the UN and midtown Manhattan. Finally, the basic tactics used that day by the police were not new. As will be shown in detail below, the practices of restricting access to the demonstration, dividing the crowd up into small groups through the use of metal pens, and a zero-tolerance approach to disorder had been consistently utilized by the NYPD for several years. While the Bush administration’s views and political objectives may have coincided with those of the mayor and police commissioner, there is no evidence that they actually exerted any direct influence on the events that transpired. The second explanation put forward as to why 15 February went the way it did was that it was an extension of a growing militarism or paramilitarism of the police. Many advocates pointed to the excessive use of force, preemptive arrests, aggressive dispersal of demonstrators, and the denial of permits. At the 1999 WTO meetings in Seattle, police used armored jeeps, rubber bullets, tear gas, and riot officers with shields and body armor to disperse non-violent crowds blocking traffic. At the 2000 Republican National Convention in Philadelphia, police conducted surveillance of organizing meetings, raided meeting spaces, targeted organizers for arrest, and held arrested demonstrators for long periods on serious felony charges, which were later dismissed. Following the 2003 meetings to organize the Free Trade Area of the Americas in Miami\*in which there was widespread police use of force\*/this new aggressive form of protest policing became dubbed the “Miami model.” There has been a great deal of discussion in the academic literature about the definition of “paramilitary policing” and whether it has become more prominent. P.A.J. Waddington (1987) argued that there has been some increase in paramilitarism, but that this has some positive qualities, including enhanced control over police at demonstrations. Tony Jefferson (1990) argued against this position on two fronts. First, he claims that there has been a marked increase in the use of police units at demonstrations who use “(quasi)-military training, equipment, philosophy and organization”. Examples include the use of heavily armored special police units specially trained to control demonstrations, although at the time of his writing this was largely a European phenomenon. Second, Jefferson is critical of the transfer of military discipline and command structures to

civil policing. He argues that it undermines the true strength of the police, which is their individuality, discretion, and flexibility in the face of civilian populations, unlike the militias that they replaced which had to rely on impersonal and often deadly methods. A later permutation of this argument occurred in the pages of this journal in which P.A.J. Waddington and Peter Kraska debated the relative merits of paramilitary policing. Waddington (1999) backed away from his prior position, and argued instead that much of what Jefferson calls paramilitary policing is not that at all. Instead, he argued that there is very little that is military-like about these new policing methods. Kraska (1999) responded that there has been a dramatic increase in the use of SWAT teams and other police units that utilize military weapons and tactics to carry out “no knock” raids and other forms of police use of force. For the purposes of this article, I would prefer to rely on the definitions applied by activists organizing around this issue, since it is their assessment that I am challenging. Following the events of 15 February, a new organization was started in New York City called “The Campaign to Demilitarize the Police”. The aim of the group was to develop an analysis of the new tactics of protest policing, educate the public\*/especially other activists\*/about these new tactics, and organize resistance to them. In their mission statement, they claim that the intensified policing of demonstrations is tied to a federal agenda\*/going back to the 1960s\*/of suppressing dissent: The sixties, the formation of SWAT and the creation of police para-military units around the country, (one thousands of them presently), the politicization of law enforcement and the spying on the dissenting public (uncovered in part during the mid- seventies Church Committee hearings), the Military Cooperation With Law Enforcement Act, during Reagan and other 1980’s congressional edicts sanctioning the involvement of military expertise in the first war on terror, the so-called drug war, legislated “exceptions” to the Posse Comitatus Act (PCA), the criminal statute which bars the military from enforcing laws domestically, technology transfer agreements between the Department of Defense and the Department of Justice under Clinton, the proliferation of non-lethal weapons, designed for use against non-combatants, civilians for the suppression of dissent, the imminent repeal of the PCA. And with the proliferation of TV brainwash JAG etc, SWAT film, the pieces are in place for the complete consolidation of the military and police function within America, designed for social control. (Morales, 2003) In essence their definition of “paramilitary policing” is based on its political intent rather than specific tactics. They do, however, describe a variety of tactics they associate with this style of protest policing. The main emphasis is on the use of specialized “less lethal” weapons including tear gas, rubber bullets, body armor, water cannons, and flash grenades as well as the use of the police to undermine political organizations through infiltration and disruption using methods similar to those used by the FBI during COINTELPRO (Glick, 1989). In addition, methods used to directly suppress political activity should be included, such as the denial of permits and the violent dispersal of peaceful protestors. I will therefore define “paramilitary policing of demonstrations” as consisting of: surveillance and infiltration of nonviolent political organizations; the denial of permits or tight restriction of demonstration locations; the heavy deployment and use of defensive equipment, such as body armor; the use of “less lethal” weapons on non-violent protestors; the deployment of highly trained specialized police units to control demonstrations; preemptive arrests and targeting of protest leaders; and coordination between local and federal law enforcement officials. Some of these methods were in fact used on 15 February. A march permit was denied and peaceful protestors were subjected to dispersal by mounted units. The police did not, however, use a whole range of “less lethal” weapons that were at their disposal. There was no use of body armor or shields, and while they had water cannons and armored jeeps nearby, none of this equipment was utilized. While the police did use force, it was not of the same intensity as seen in Seattle or Miami. Most of the officers deployed were not in special units, but were drawn instead from regular patrol units throughout the city. In a deposition, the commander in charge of the event testified that he and other commanders had not gone through any special training in the deployment of mounted officers for crowd control, undermining the notion that this was an example of the diffusion of military-style training. No organizations have charged that their groups were infiltrated or disrupted or that their leaders were targeted for arrest or harassment. Finally, as stated earlier, there was no evidence of coordination with federal law enforcement officials. The final explanation offered was that the police response represented a return to the doctrine of “escalated force” discredited in the 1970s and replaced by one of “negotiated management” as described above. Following the 15 February demonstration, the New York Civil Liberties Union (NYCLU) wrote a report, which I coauthored, that made this argument. The report points out that the police failed to follow each element of the doctrine of negotiated management. The NYPD refused to make any counter offers of a march location, developed a control model based on preventing



almost any disruption of community activities, cut off negotiations with organizers and failed to establish adequate communication with organizers during the demonstration, used arrests indiscriminately, and finally used batons, pepper spray, and horse charges merely to clear streets, when there was no threat of injury or property destruction. (NYCLU, 2003) It is clear from the report that the police were not utilizing negotiated management. At the same time, however, it does not appear that they were using escalated force either. Escalated force is predicated on the notion that the use of force by demonstrators trigger the use of force by the police. In this case, there was no force used by demonstrators. The police were taking action in response to people standing passively in the street in violation of traffic laws. There was no property destruction or violent actions either among demonstrators or directed at the police. The decision to use force by the police was motivated by the desire to clear the streets, not to prevent violence or regain control of a destructive, violent crowd. If the explanation for the police action on 15 February cannot be tied to federal political influence, paramilitarism, or escalated force, then what does explain their uniquely aggressive response? The answer lies in the NYPD's infatuation with the "broken windows" theory (Wilson & Kelling, 1982; Kelling & Coles, 1996), and its doctrine of eliminating disorder. Beginning in the early 1990s, the NYPD began experimenting with new policing methods that emphasized controlling low-level disorder through the use of a variety of policing tactics including zero tolerance enforcement of minor crimes, flexible deployment of officers to address specific crime trends, police enforcement of civil violations, and the creation of new laws and regulations criminalizing disorderly behavior (Vitale, 2005a, 2005b). By 1994, this was the dominant philosophy of policing in New York and, beginning in 1995, could be seen in the handling of large demonstrations at which the police felt there might be illegal or overly disruptive behavior. By 1998, this had become the predominant method for handling almost all demonstrations. What was distinctive about 15 February was not the tactics used by the police, or the aggressiveness of the demonstrators, but the size of the crowd. In essence, it was the inability of the existing "command and control" tactics to handle a crowd of hundreds of thousands that led to the widespread use of force by the police. To clarify this analysis, I will now review the philosophy and methods of "command and control" policing, and then show how it had been used in three large demonstrations beginning in 1998.

## II. CONCLUSION

The purpose of this research is to highlight the English language requirements for business police officers working in Pekin Barrow. The picture of the results illustrates that in terms of difficulty four language abbreviations are relatively difficult for commercial police officers. But with regard to special difficulties in cutting the tongue the following conclusions are reached (1) foreign wanderings when listening to loud speech unfamiliar words strange foreign accents and lack of opening which is very difficult to remember (2). Inadequate knowledge. Alphabet and structure make speaking process more fluent (3) Reading skill refers to someone who has knowledge of words who is shy or does not understand words and verbal details in travel documents is very difficult and is just beginning (4) How cares writing skills Lack of knowledge about alphabet Inadequate notation of parts shy words and lack of opportunities to write is another major difficulty. Respondents observed that similar motivational factors were needed (1) for placement abroad for job advancement (2) to obtain sufficient grades in public and international examinations (3) to interact with expatriates. to communicate with those who do not speak Indonesian (4) to meet people from different countries and companies (5) to participate in English-speaking international peacekeeping operations. Actors consider active use of English important such as asking or answering questions about a person's profile telling strangers what to do over the phone or asking for help face-to-face and answering work questions or problems.

he benefits of International Trade far outweigh the risks, and it also leads to greater economic prosperity for the economies involved. The size of the world economy has jumped manifold in the past decade, and it is a result of the increased volume and value of the exchange of goods and services between nations.