

The Impact of The Covid 19 Pandemic on Trade Cooperation Between United States and Indonesia

*Covid 19 Pandemic on
Trade Cooperation
Between United States
and Indonesia*

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ABSTRACT

This Research describes the impact of the Covid-19 pandemic on the trade of the United States and Indonesia. The existence of the pandemic is making it difficult for countries around the world to develop in many ways. In Facts, that the Covid-19 pandemic has not only hit the health care sector, but many other sectors that have been hampered by the pandemic. The purpose of this study is to describe in more detail how Trade growth has attacked the United States, especially after the Covid-19 pandemic, especially in the area of trade cooperation. Researcher use a qualitative approach based on case studies across Indonesia. It focuses on the quality of detailed aspects of his Covid-19 pandemic impact on the trade sector between the US and Indonesia. A descriptive analytical research method was also used in this study. This will help researchers later analyze the trade cooperation of America and Indonesia then explain it in the form of a study. The research provides a clear picture of the state of the post-pandemic trade cooperation situation in the United States and Indonesia.

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Keywords: *Economy, Covid 19, Trade, Government, United States of America, Indonesia.*

ABSTRAK

Penelitian ini membahas mengenai Efek Pandemi Covid 19 pada kerjasama perdagangan Amerika Serikat dan negara Indonesia. Adanya Pandemi menyebabkan Negara negara di seluruh dunia sulit untuk berkembang dalam berbagai aspek. Fakta menunjukkan bahwasanya pandemi covid 19 menyerang bukan hanya dibidang Kesehatan saja namun banyak bidang lainnya yang juga terhambat dikarenakan pandemi. Penelitian ini bertujuan untuk menjabarkan lebih dalam mengenai bagaimana pertumbuhan kerjasama perdagangan negara Amerika Serikat dan Indonesia pasca pandemi covid 19 menyerang, dan lebih spesifiknya pertumbuhan ekonomi yang ada dan berpengaruh di sektor kerjasama perdagangan. Adapun penelitian ini menggunakan sebuah pendekatan kualitatif berdasarkan studi kasus antara negara Amerika Serikat dan Indonesia, yang lebih memfokuskan pada kualitas dari aspek penjabaran dari Efek pandemi covid 19 ini kepada sektor perdagangan antara Amerika Serikat dan juga Indonesia. Penelitian ini juga menggunakan metode penelitian analisis deskriptif yang turut membantu peneliti dalam menganalisis kerjasama perdagangan kedua negara dan mendeskripsikannya di dalam bentuk yang lebih terperinci. Penelitian ini menghasilkan gambaran yang jelas mengenai keadaan dari kondisi kerjasama perdagangan Amerika Serikat dan Indonesia pasca pandemi.

Kata kunci: *Ekonomi, Covid 19, Perdagangan, Pemerintahan, Amerika Serikat, Indonesia*

INTRODUCTION

The pandemic caused by the Covid 19 virus has caused losses, obstacles and also negative impacts in many countries around the world (Onyeaka et al., 2021). This virus is a virus whose origins were discovered in the city of Wuhan, China and spread quite quickly to all countries in the world. Its massive spread has forced countries in the world to implement various policies, both domestic and foreign policies, to prevent the virus from entering their countries. Countries that have succeeded in identifying people who have been exposed to the virus have decided to implement lockdown policies, PPKM, or

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other forms of restrictions on domestic activities. The effects felt by countries around the world during the COVID-19 pandemic are certainly not only in the health sector. Inevitably, the United States as a giant country in the world is also affected in various sectors of the country, especially the one that will be discussed by researchers this time, namely the economic sector. As for the economic sector, there is the trade sector which is one of the sub-factors that increases the economic value of a country.

The Covid 19 pandemic has attacked countries in the world almost completely. The impact of the pandemic can be felt from the health sector to the country's economy (Aduhene & Osei-Assibey, 2021). Countries in the world are very shaken due to the death of direct interaction activities carried out to suppress the spread of the Covid 19 virus. Meanwhile, the economy is currently an aspect that has a full impact on political patterns in the international world. Countries in the world interact and carry out a lot of cooperation in the world due to the aim of advancing their country's economy. What will be studied in this research is the pattern of trade interactions after the Covid pandemic struck. That is, trade is one way for countries in the world to improve their country's economy. Vice versa, the state of the country's economy also influences the dynamics of national and international trade (Teza et al., 2018).

Most countries in the world have made Covid 19 a state concern at the moment, mainly due to concerns about the losses caused by the emergence of the virus. Most of the aspects most affected came from the economic sector, where when Covid 19 attacked, several activities that supported the economy such as trade, tourism, and also domestic and foreign business were also fully affected. (Sumarni, 2020). The United States is a developed country which in taking a policy certainly requires very in-depth research, even at the beginning of the pandemic appearing in early 2020, the United States has done a lot of research on how to approach the appropriate approach to formulating policies taken by the country so that it does not experience many losses caused by the pandemic (Mahmoudi, 2023). In the second quarter of 2020, the United States announced that the country had experienced a recession, so that like it or not, partner countries were threatened with also experiencing a recession if they did not immediately find a solution to the problem. (Purwono et al., 2022).

The significant differences between the 3 literature studies above lie in the topics discussed by each author. Which, with the differences in the topics above, will complement the topic or study that will be discussed by the researcher. The explanation of the correlation between literature studies and this work is contained in the discussion concept where one study topic will complement other studies in order to become an empirical basis for the researcher's views. The researchers want to discuss further regarding "The effect of the Covid pandemic on the economy of the United States, especially Indonesia as a trading partner of the United States. The main topic of each author, namely Covid 19 as a challenge for the economy and business, the impact of Mitra Dadang's economic growth on the value of Indonesian exports, and finally what steps can be taken to overcome the problems caused by Covid, will really help researchers in discussing topic taken by the researcher.

Based on several literature studies above, it can be said that it is proven that the Covid-19 pandemic is an event that greatly affects the economic aspects of a country. Primarily here, the United States made the announcement regarding a recession at the end of 2020, thus also affecting its partner countries. Specifically what will be discussed in this article is Indonesia as one of several trading partner countries of the United States. The constraints of the United States economy have certainly made the country start to improve and issue several new policies for its own country and foreign policy. With several foreign policy policies issued by the United States, trade interactions between Indonesia and the United States have also changed, requiring several adjustments. So, after the Covid-19 pandemic spread, what impact did Covid-19 have on trade dynamics between the US and Indonesia?.

RESEARCH METHODS

This research on "The impact of the Covid-19 pandemic on trade cooperation between the United States and Indonesia", is a form of research that is still relatively recent and almost no one has discussed it before. Especially for its impact on the United States and Indonesia. This is the main focus in this research so it is very interesting to study further. This research also uses descriptive analysis research methods which will help researchers analyze case studies and describe them in a more in-depth form of research. This research produces a clear picture of the economic conditions of the United States and Indonesia after the pandemic, especially in the field of trade cooperation between the two countries. This research uses a qualitative approach based on a case study between the United States and Indonesia, which focuses more on the quality of the description aspect of the effects of the Covid-19 pandemic on the trade sector between the United States and Indonesia.

The researcher chose a descriptive analysis research method along with a qualitative approach based on the results of a literature study because this method is the most appropriate method to help answer the author's problem formulation, namely "What is the impact of Covid 19 on the dynamics of trade between the US and Indonesia". The research question above will be further helped to clarify through the perspective of Marxist theory, which is a type of theory that according to researchers will be a better explanation of the economic conditions between the United States and Indonesia. This research will focus more on the latest economic situation data for the United States after the Covid 19 pandemic, the dynamics of trade between the United States and Indonesia, as well as the impact of the recession experienced by the United States on its trade cooperation sector with Indonesia.

RESULTS AND DISCUSSION

Influence of The Covid 19 Pandemic on The Economies of The United States and Indonesia

According to several literature studies originating from national and global news, one of the factors at the start of the recession experienced by the United States was Covid 19 (Zhou, 2023). This research explains in more depth how economic growth, especially in the United States after the Covid-19 pandemic struck, and more specifically the economic growth that exists and has an influence in the trade cooperation sector (Bhujabal & Sethi, 2020; Saif et al., 2021). In this research, researchers used a qualitative approach based on case studies between the United States and Indonesia. The case studies discussed are more focused on the quality aspects of the explanation of the effects of the Covid-19 pandemic on the trade sector between the United States and Indonesia. In this research, the researcher also used descriptive analysis research methods and used Marxist theoretical views which helped researchers in analyzing case studies and describing them in the form of research. This research produces a clear picture of the economic conditions of the United States and Indonesia after the pandemic, especially in the field of trade cooperation.

Donald Trump, as president of the United States in the early era of the Covid-19 attack, was considered quite late in implementing policies to suppress the spread of the Covid-19 virus in the United States. The President of the United States tends to underestimate the case of the Covid virus which first appeared in the city of Wuhan, China. In fact, Trump did not hesitate to say that the Covid virus was a Chinese virus, where Trump's way of speaking was considered quite rude and devoid of empathy. Meanwhile, the delay in policy decisions for dealing with Covid 19 is one of the factors that has shaken the country's economy. Many activity sectors that help support the economic growth of the United States have come to a complete halt due to the pandemic, thus hampering state income and also improving the economy of course. (Nainggolan, 2020).

Economic growth is an indicator of the success of economic development in a country, both developed and developing countries (Kleemann & Abdulai, 2013). If economic growth in a country appears to continuously reflect the country's economic condition to a better condition over time, in general, economic growth is seen as an increase in income

resulting from increased production of goods and services. Significantly, this country's economic growth will be equivalent to an increase in production capacity which will be realized through an increase in national income. International trade is certainly one thing that has quite a strong impact on the production of goods and services on economic growth in a country (Gani, 2017). If a country can then import more, then the national income of that country will continue to increase, which then affects domestic economic growth. The advantage of international trade is that a country can show its commodity specialization and characteristics in producing goods and services for export abroad, especially this is what also happens in developing countries like Indonesia..

Especially for international trade activities, economic growth cannot be separated from capital or labor and technology. In this case, these three aspects will certainly be influenced by the Covid-19 pandemic which will then hamper many export activities in any country, especially here in Indonesia. The global economic crisis caused by the corona virus epidemic or Covid-19 pandemic, logistics, has made the tourism and trade sectors very affected industries. This is because several governments prohibit foreign travel and several tourism industries are closed due to a lack of foreign tourists (Kartikasari, 2017; Putri & Siladjaja, 2021). The influence of trade, especially exports and imports, is raw materials and capital goods. The Covid-19 pandemic then caused production to fall, goods became scarce and prices continued to rise, thus continuing to cause inflation which then made export-import activities increasingly affected. Rising commodity prices and falling incomes are fatal conditions for the purchasing power of other countries, especially the United States, which has announced that it is experiencing a recession. Some raw materials for Indonesian industry are still supplied from China, where there are production restrictions in several places due to quarantine to contain the Covid-19 pandemic, thus having a continuing impact on the import process from Indonesia to other countries.

The global economy is currently experiencing a crisis due to the Covid-19 pandemic, and the global stock market index is certainly experiencing a decline (Saraswati, 2020; Alfira et al., 2021). Currently, the rupiah exchange rate against the US dollar appears to be weakening, this is because a large number of foreign investors are leaving the Indonesian financial market, the stock market is falling, which is affecting the domestic economy. The strengthening of the US dollar due to panic in world markets due to Covid-19 and turmoil in the oil market then makes it possible that the rupiah will continue to weaken against the US dollar (Kumar & Robiyanto, 2021). The Covid-19 outbreak is not only a disease that has an impact on health, but also has an economic impact, because the more employees who experience infection from the Covid-19 virus will then increase the country's medical and production costs. Health risks are increasing and this is of course increasingly having an impact on the economy and on productivity levels and high medical costs because of the large number of people affected. Efforts by the governments of Indonesia and the United States are certainly needed to solve the economic crisis in both countries. This requires serious consideration and policies that are determined and goal-oriented. The necessity of implementing social distancing not only has an impact on the distance between people's physical relations, but also on people's economic behavior (Shiller, 2020).

The government's lockdown efforts can further accelerate the pace of healing and recovery from Covid 19 so that the economic situation will slowly improve. Consumption levels due to the weakening pandemic situation then affect several supporting indicators for the economy. The decline in domestic supply or stock as well as various demands for food in the domestic and global markets caused prices to rise (Tadasse et al., 2016). This causes a shortage of goods, which ultimately leads to social unrest. In order to continue economic growth amidst the economic crisis caused by the Covid-19 outbreak, the Indonesian government then issued an economic stimulus package which was summarized into three stimulus steps, namely fiscal stimulus, non-fiscal stimulus and economic stimulus. These three incentives are related to community needs in the fields of economics, business, taxation, etc. Minister of Finance Sri Mulyani is collaborating with

several institutions such as Bank Indonesia, the Financial Services Authority (OJK), the Deposit Insurance Corporation, and the Financial System Stability Committee (KSSK). This coordination resulted in several decisions and these were further stated in the Decree of the President of the Republic of Indonesia, namely President Jokowi. Three incentives are offered to reduce the greater negative impact of Covid-19 affecting various sectors of society.

Tax incentives to encourage community economic growth, Temporary exemption from PPh or PPh § 21 for 6 months for the manufacturing industry. the purchasing power of employees in the industrial sector can be maintained. This regulation applies from April to September 2020. Delay in payment of import tax or income tax § 22 for 6 months. This order is valid from April to September 2020. Article 25 PPh tax reduction is 60% for 6 months. This regulation applies from April to September 2020. This is expected to provide cash flow freedom for the industry with tax deferrals from April to September 2020. Restaurant and hotel tax exemption for 6 months. This policy applies to 10 destinations and 33 cities and districts. This regulation applies from April to September 2020. Accelerates the introduction of income support, public housing allowance and employee cards. Airfare discounts of up to 50% for every 25 seats on flights to and from top 10 tourist attractions. Insurance and compensation for nurses who care for patients affected by the coronavirus outbreak. H. VAT reduction or accelerated VAT refund for 6 months. This is to increase the company's liquidity due to the Covid-19 pandemic.

Non-tax incentives related to exports and imports. The government has released non-fiscal stimulus measures to support exports and imports during the Covid-19 virus outbreak.

- a. Accelerated export and import processes for leading operators.
- b. Accelerate imports and exports through the national logistics system.
- c. Simplify or reduce limited restrictions on export operations to ensure smooth export operations and increase export competitiveness.
- d. Simplify or reduce limited import restrictions for strategic food companies, horticultural producers and products, medicines, pharmaceuticals and foodstuffs.

Business to the financial industry and then the government provides several incentives to support the commercial sector. The Financial Services Authority (OJK) has made it easy or flexible for issuers to buy shares without a GMS mechanism. Mitigation or mitigation of credit restructuring will reduce social security payments for workers working in industries affected by Covid-19. i.e. Option to hedge the rupee exchange rate has been added to BI regulations on foreign investors' underlying asset transactions. Indonesia's benchmark interest rate was cut by 50bps and foreign exchange reserves were denominated in rupiah and foreign currency. Fiscally, the stimulus policy provides tax incentives to various businesses including tourism, transportation, aviation, trade, manufacturing, and hospitality to encourage the tourism industry.

The Covid-19 pandemic has had an impact on the tourism industry. This is reflected in the decline in the number of foreign tourists or tourists. This also caused a decrease in foreign exchange transactions carried out through non-bank foreign exchange. Indeed, the entertainment industry is the industry that suffers the most losses. In the event of restructuring, the entrepreneur may be placed in the current legacy account category. The Government's economic recovery policy can encourage banks and other financial institutions to be competitive and efficient by expanding business scope and digital transformation. Hopefully SMEs can rise and prosper in the midst of the Covid-19 pandemic. This situation is different from the economic crisis (1998) when the MSME sector became the mainstay when several banking sectors in Indonesia were liquidated. Meanwhile, MSMEs are a sector directly affected by the Covid-19 outbreak. The reason is a serious weakness in purchasing power, especially at the lowest levels.

In circumstances like this, all countries are softening their stimulus measures, shifting their budgets to the health sector, food supply and people's purchasing power. The funds

are used to purchase equipment and tools to deal with epidemics and fund virus control research. Budget changes were also made to maintain the availability of basic necessities for the community which increased due to panic buying or market panic. This also helps increase people's purchasing power to meet their daily needs. This incentive financing is related to increasing domestic production in the agricultural sector. In the current situation, the need for good food and nutrition such as vegetables and fruit is increasing.

Until now, Indonesia is still importing its products to meet its needs for raw materials. Credit reduction as a tax incentive to encourage industrial production where jobs are abundant. This generates direct income for the employee concerned. Optimization of collective legislation on the Job Creation Law, taking into account the possibility of termination of employment relations (HK) in the form of gifts in the form of money, training and new job opportunities, as well as the need to relax import policies. Raw materials for industrial needs. The economic stimulus that needs to be maximized is monetary and macroprudential policy by reducing interest rates and maintaining the stability of the rupiah exchange rate. Limiting the spread of negative information and fake news is an important step in maintaining public trust and building resilience which has an impact on price stability and also the availability of people's needs.

The Impact of The United States Recession on Trade Cooperation with The Country of Indonesia

The recession experienced by the United States will certainly have an impact on the price of the country's dollar, causing many obstacles to cooperation between countries. According to data from the Indonesian Ministry of Trade and also the Ministry of Finance of the Republic of Indonesia, in 2021, Indonesia was recorded as having a trade cooperation value with the United States of 12.61%. This also causes Indonesia to be quite dependent on trade cooperation with the United States. Meanwhile, due to the recession experienced by the United States, the dollar exchange rate as the official trade currency between Indonesia and America tends to be unstable and also makes trade interactions between the two countries difficult. This recession makes the Indonesian currency, namely the rupiah, tend to be lower and requires more when it is exchanged into the United States Dollar. Furthermore, this also means that prices for products that will be exported to Indonesia and the United States need to be increased, even up to 10% of their original price.

The instability of the dollar when the United States experienced a recession is what hampered trade cooperation between Indonesia and the United States. (Ministry of Finance 2020) Based on reality, the United States can be said to have entered the category of countries experiencing a recession. This can be seen from the country recording negative growth twice in a row for two quarters in the same year. The United States Gross Domestic Product (GDP) in the second quarter of 2022 recorded a contraction or negative 0.9% on an annual basis (year-on-year/yoy). And then in the first quarter of 2022 yoy, growth was recorded as negative at 1.6%. The Minister of Finance of the Republic of Indonesia, Sri Mulyani, on one occasion stated that "The United States economy appeared to experience negative growth in the second quarter, which technically meant that the country entered a recession. The People's Republic of China (China) last week came out with second quarter growth of almost 0, " explained Sri Mulyani. "What does this have to do with us (Indonesia) again? The United States, the People's Republic of China and Europe are the destination countries for Indonesia's exports. So, when these countries weaken, then demand for exports falls and commodity prices fall." (Drechsel & Tenreiro, 2018)

Apart from the recession, one of which was caused by Covid 19, this also resulted in trade cooperation between Indonesia and the United States in the process of exporting goods. At the beginning of the pandemic, the process of sending many goods was stopped and this resulted in shipments experiencing communication because the United States carried out strict selection for the process of sterilizing goods from the Covid 19 virus. This then of course also hampered the process of cooperation between the United States

and its trading partner countries. The same incident also applies in Indonesia, the existence of PSBB, PPKM and other forms of policies to suppress the growth of Covid also require the country to maximize strict health protocols so that goods and services imported from the United States and other partner countries undergo a thorough sterilization process. tight too. Of course, some goods experiencing delays in delivery also cause both countries to suffer losses in time and material. The existence of obstacles to the distribution of imported and exported goods is hampered, forcing the country to think about other solutions that will help reduce the various existing obstacles. The country must also be prepared to spend more funds to sterilize imported and exported goods so that everything, including sterilization goods and storage warehouses for imported goods, needs to be prepared considering that the Covid 19 virus obtained from research can only last for two weeks.

Details of United States Import Export Data with Indonesia

Delays in imports and exports between the United States and Indonesia have of course caused food prices to rise and several businesses in Indonesia to close. If the business world, companies and various export-import organizers lose their income, of course unemployment will increase significantly. The impact of the decline in exports and imports during the pandemic continues due to restrictions on individuals, government institutions and other economic activities, and has a significant impact on state income figures in terms of national economic value. The sharp decline in consumer spending in the United States and other large countries has also caused these countries to reduce the value of imports of consumer goods from developing countries. As a developing country, Indonesia is quite dependent on income from trade cooperation with the United States, which is also Indonesia's second largest trading partner for exports of goods, and this of course risks causing a major economic recession for the country. Then, in 2020, the Indonesian government issued a non-fiscal stimulus to reduce the negative impact of the pandemic on export and import activities. This recovery will certainly have a positive impact on the Indonesian government's exports and imports.

Sri Mulyani as Minister of Finance has taken steps to overcome the impact of the COVID-19 pandemic by taking the following steps:

1. Simplification and elimination of Prohibitions and Restrictions on Export Activities (Lartas). By implementing this policy, export trade can run smoothly and increase the competitiveness of domestic exporters
2. Simplification and reduction of the number of prohibitions and restrictions on import activities, especially raw materials. This is intended to ensure that the supply of raw materials remains smooth and available.
3. The government will create reputed traders, viz. H. Provide accelerated procedures for export/import companies that meet high-level requirements.
4. Increasing and accelerating the export and import process under the supervision of the National Logistics Ecosystem (NLE).

With the implementation of the four policies above, it is hoped that export and import activities can run smoothly. It also ensures the availability of materials required for economic activities. 749 goods with HS codes have been registered in the Lartas simplification, which is around 55.19 percent of the total number of goods exported with Lartas so far. Goods without pallets include code 443 HS for fish and fish products and code 306 HS for forest products. The aim of simplifying the number of pallets is to increase the flow and availability of raw materials. The opportunity above is offered to companies with a manufacturing importer position that imports 1,022 HS code raw materials or around 9% of the goods included in Lartaks so far. These products include steel, horticulture, industrial salt, sugar, flour, corn and potatoes, as well as other commodities. Therefore, several regulations related to the export and import of goods have been revised, namely Minister of Trade Regulation 44 of 2019 concerning regulations for the import of

horticultural products, Minister of Trade Regulation 72 of 2019 concerning regulations for the export and import of goods, import of animals and animal products and Decree of the Head of the POM Agency No. 30 of 2017 concerning Medicines and Food for Controlling Arrivals in Indonesian Territory. The government is also creating conditions to speed up cargo flows, namely speeding up the export and import process for reputable traders, i.e. H. Companies involved in export-import activities with a high level of regulation. These companies are members of 136 AEO companies and 626 Main Customs Partners (MITAs). These companies are offered additional incentives to speed up the export and import process, e.g. B. introduce automated processes and approvals and eliminate required physical inspection reports (Yuniarti, 2022).

Another tool to reduce the impact of the pandemic outbreak is import-export processing services and control through the development of a national logistics ecosystem (NLE). NLE is a channel that facilitates collaboration in information systems between government and private agencies for simplification and synchronization. Simplification concerns the flow of information and documents in export-import operations of ports and commercial companies or distribution of domestic goods through differentiated information, simplifying business processes, eliminating repetition and duplication. With NLE, there is an integration process between INSW, Inaport, Inatrade, CEISA, transportation systems, storage systems, transportation systems, terminal operator systems and others. There has been a change in the field import process to submit the Certificate of Origin (COO) or Certificate of Origin (SKA) documents to customs. It will also change the process of managing and exploiting import opportunities when using preferential tariffs. Currently, the issuance of SKA is often hampered by the policies of partner countries that carry out closures. To adjust to these conditions, the Customs and Excise Agency issued directions contained in Minister of Finance Regulation (PMK) Number 45/PMK.04/2020. Thanks to the guidelines for implementing the SKA, there is legal certainty in international trade with partner countries, especially regarding the use of ASnS (Attached Signature and Stamp).

This rule was created to support the principles of stability and reciprocity in international trade with free trade agreement partner countries. To maintain physical distance, Customs and Excise also changed the PPK/SKA submission category from SKA submission or Customs Bill and Additional Document Notification (Dokap) to SKA survey (Yuniarti, 2022). The previous PPK/SKA regulation (PMK 229, 2017) stipulated that the importer must physically submit the original SKA sheet with a manual signature from an official and the exporter must sign it and verify the existence of the back. Note After that, the original documents must be sent to the customs authority within 3 days (green line) or 5 days for companies with AEO and MITA customs status. The SKA must now be sent via email or other electronic means within 30 calendar days of receipt of the Import Customs Notification or PPFTZ-01. This provision applies to Imported Goods (PIB) issued after WHO was formed during the Covid-19 pandemic. Importers, entrepreneurs in bonded zones, entrepreneurs in bonded warehouses and entrepreneurs in free zones benefit directly from the above regulations. (Yuniarti, 2022).

CONCLUSION

Based on the brief explanation above, it can be concluded that the Covid-19 pandemic has caused a recession in the United States. The recession is a reciprocal effect of the United States government's slow performance in dealing with the Covid 19 pandemic. The government's slowness in taking policies when Covid 19 attacked caused state losses to increase when the number of infections and even deaths of United States citizens caused by Covid 19 increased drastically. This recession has also become an obstacle to the process of trade cooperation between the United States and Indonesia. The post-recession dollar exchange rate has become an obstacle in determining the prices of imported and exported goods. Furthermore, the provisions on export and import regulations in the pandemic era are quite an obstacle, causing additional costs for health protocols and slow distribution of goods. This research shows that export growth has a

positive and significant effect on economic growth. This shows that the higher the exports during that period, the higher the country's economic growth during that period. The results of this research are also supported by previous research which examined the relationship between the export effect on GDP and the import effect on GDP. Increasing imports has a negative and significant effect on economic growth. This is in accordance with the GDP formula, where the GDP value is the net export ratio, where net exports are the amount of exports minus the amount of imports. This suggests that higher import volumes weakened economic growth in the period under review. This research can accept the hypothesis that import volume has a significant negative effect on economic growth. The results of this research are in line with research, whereas in other studies the level of imports has a positive effect on economic growth.

Why the author in conducting this research focuses more on various policies and regulations issued by the Indonesian state is because there is more effort from Indonesia as a developing country which carries out more export and import activities to developed countries such as the United States so that the obstacles from this country are recorded quite many and also require a variety of advanced solutions. The next question that needs to be developed further is what concrete steps the United States and Indonesia will take to restore the economic growth of the two countries during the current Covid 19 pandemic? This is due to the author's awareness of the author's shortcomings in going into greater detail regarding concrete solutions and steps for the two countries in recovering their economies and focusing more on the sub-branch sector of the economy, namely the dynamics of trade between the two countries.

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