

AI SHAPING

THE FUTURE OF ECONOMICS AND TRADE

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PREFACE

The dawn of the twenty-first century has been marked by an unprecedented convergence of digital technologies, among which Artificial Intelligence (AI) stands as the most transformative force reshaping the contours of global economics and trade. As we advance into 2026, AI is no longer a speculative frontier but a pervasive reality influencing production systems, market structures, financial ecosystems, and international trade dynamics. This edited volume, *AI Shaping the Future of Economics and Trade*, emerges as a timely scholarly endeavour to examine, interpret, and critically evaluate these sweeping transformations through a multidisciplinary lens.

Recent global estimates suggest that AI-driven innovations could contribute up to \$15.7 trillion to the global economy by 2030, with significant implications for productivity, efficiency, and trade expansion. Furthermore, projections indicate that AI-enabled technologies may increase global trade volumes by over one-third by 2040, provided that technological diffusion, policy alignment, and institutional readiness are adequately addressed. These figures underscore the urgency for deeper academic inquiry into how AI is redefining comparative advantage, altering labour markets, and reshaping economic governance across both developed and developing economies.

This volume brings together contributions from scholars, researchers, and practitioners who explore AI's multifaceted impact on economics and trade. The chapters collectively examine how intelligent systems are enhancing productivity, optimizing supply chains, and lowering transaction costs while simultaneously posing challenges related to employment displacement, data governance, and economic inequality. The book does not merely celebrate technological progress; rather, it seeks to present a balanced discourse that acknowledges both the opportunities and the disruptions associated with AI-driven transformation.

A distinctive feature of this edited work is its integrative approach. It bridges theoretical frameworks with empirical insights, offering readers a comprehensive understanding of AI's role in shaping modern economic systems. Contributors analyse AI's influence on key domains such as global supply chains, digital trade, financial markets, and consumer behaviour. Special attention is given to the ways in which AI enables small and medium enterprises (SMEs) to access international markets, thereby democratizing trade opportunities while also intensifying global competition.

At the same time, the volume critically engages with emerging policy and ethical concerns. International organizations have repeatedly cautioned that without inclusive strategies, AI adoption may exacerbate income disparities, widen digital divides, and create structural imbalances in labour markets. In response, this book highlights the importance of designing robust policy frameworks that promote equitable growth, safeguard data privacy, and ensure responsible AI deployment. Discussions on regulatory mechanisms, cross-border data flows, and intellectual property rights provide valuable insights for policymakers navigating the complexities of the AI era.

Another significant contribution of this volume lies in its focus on developing economies and emerging markets. While much of the global discourse on AI has been dominated by advanced economies, this book emphasizes the unique opportunities and challenges faced by countries striving to integrate AI into their economic and trade systems. By examining case studies and regional perspectives, the volume sheds light on how AI can serve as a catalyst for inclusive development, provided that investments in digital infrastructure, human capital, and institutional capacity are prioritized.

The structure of the book reflects the diversity and depth of the subject matter. The themes covered range from the economics of intelligent machines and AI-driven productivity gains to the geopolitics

of technological power and the future of trade policy. Each chapter contributes to a broader narrative that seeks to understand not only how AI is transforming economic systems but also how societies can shape this transformation to achieve sustainable and inclusive outcomes.

This edited volume is intended for a wide audience, including academicians, researchers, policymakers, business leaders, and students of economics and commerce. It aims to serve as both a reference work and a platform for further research, encouraging critical engagement with one of the most significant technological shifts of our time.

In bringing this book to fruition, the editors acknowledge the collaborative efforts of all contributors whose scholarly insights have enriched this work. Their dedication and intellectual rigor have made it possible to present a nuanced and comprehensive exploration of AI's impact on economics and trade.

As we stand at the intersection of technological innovation and economic transformation, the questions we ask today will shape the trajectory of global development for decades to come. It is our hope that this volume will inspire informed dialogue, foster innovative thinking, and contribute to the responsible and equitable integration of AI into the global economic order.

Dr. Prabhakar Poddar
Dr. Md. Mahtab Alam
Dr. Sandhya Seth

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