

## **Abstract**

This research examines the influence of geopolitical risk on global trade patterns, focusing on how political instability, conflicts, and other geopolitical factors disrupt or reshape international trade flows. In an increasingly interconnected world, geopolitical risks pose significant challenges to trade, often leading to supply chain disruptions, shifting trade alliances, and altered market dynamics. The study aims to analyze how political instability influences the decision-making of multinational corporations, trade policies, and global commerce more broadly.

A mixed-methods approach is used, combining quantitative analysis of trade data and geopolitical risk indicators with qualitative case studies and interviews from businesses, trade experts, and policymakers. The study investigates the impact of events such as trade wars, political unrest, and regional conflicts on trade volumes, the diversification of trade partners, and the geographic reorientation of supply chains. Special attention is given to regions frequently affected by political instability, such as the Middle East, Eastern Europe, and parts of Asia.

The findings reveal that geopolitical risk significantly alters trade patterns, prompting businesses to diversify markets, adapt supply chains, and adopt risk mitigation strategies. The study underscores that political instability can lead to trade slowdowns, higher costs, and reduced investment, particularly in volatile regions. The paper concludes with recommendations for businesses and governments on how to enhance resilience to geopolitical risks and maintain stable trade flows in uncertain political environments.