

Discuss about the role of stakeholders which can build a strong momentum in shaping the trade policy of India and Pakistan (200 words)

The trade between India and Pakistan have ups and downs due to the political and geopolitical conditions prevailing since partition. The trade policy must be shaped to be sustainable in trading activities exclusively between the two countries. This is possible only by the effective lobbying of stakeholders to the Government.

The main stakeholders are importers, exporters, people living in border and the Government of the countries.

→ Politically deadly Pakistan Govt. has never given most favoured nation status to India inspite India giving it MFN in 1995 which was revoked after Pulwama attack. India also imposed 200% tariff on ~~ex~~ imports from Pakistan. Pakistan suspended trade with India in 2019 and revoked the decision in April 2021 amidst pandemic

→ This play of imposing and revoking restrictions are for the welfare of traders (stakeholders).

Eg: Cotton, Plastics are exported surplus to Pakistan similarly India imports lime, cement, nuts, oil etc

→ Further due to unstable condition of trade around 50,000 people are affected near border (Amritsar) and are facing loss of USD 4.2 million

→ This has also added additional burden of illegal trade across borders for government

Way Forward

Hence stakeholders like traders, people in border and governments should shape a long term solution for trade which is not affected by political reasons. Being geographically near interdependency is unavoidable