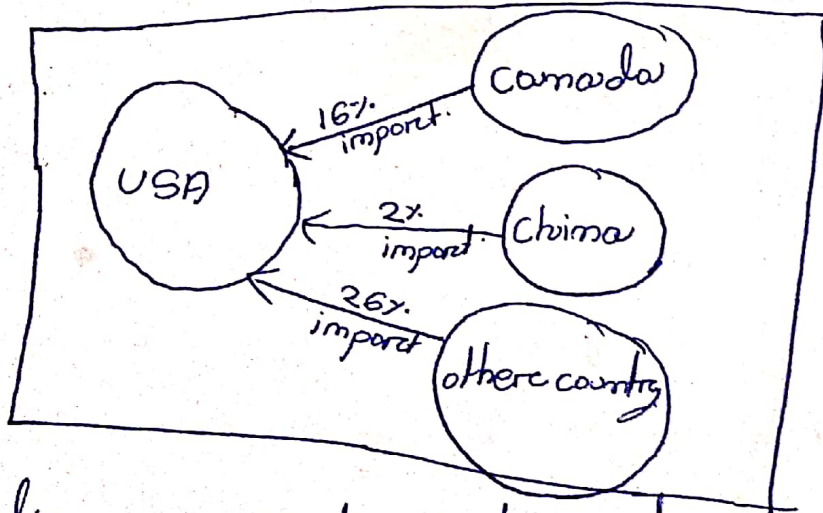


Q There are various instances where USA had tried to bend the rule of global trading system in its favour. What should India do to have a stable economy at the global level?

"our current economy model is inequality by design" → Shantanu Burelrow

USA is a major country in international system, recently USA tried to bend the rule of global trading system because Trump realized that their domestic industry much more affected by the other country import industry specially steel and aluminium.



This diagram refers to steel and aluminium imported in USA, that's why other country provide steel and aluminium very cheap rate so USA home industry do not produce steel, aluminium in cheap rate, that's why Donald Trump use tariffs for import goods. both positive and negative impact create this types of decision.

positive impact → USA strong set up steel, aluminum industry.
Domestic productivity increases

this tariff condition create such types of positive impact.

negative impact → Global economy breakdown
international trade war create.

each country loses their economic stability.

These are bad impact and it's not suitable for international relation.

For India this tariff taxes situation

- ① India is a developing country so this tariff create a big obstacle towards global economy.
- ② India much try to provide trade relation with other country (if USA impose that).
- ③ India try to develop own small industry that's why they don't depend other country.
- ④ India and USA relation is very better in contemporary period so some concession might be done.

For USA it's not a solution, it create Global trade war and some developing country might be affected for this. so for Global relation and cooperation USA might be restricted for tariff taxes.