

Tariffs and opportunities by Sami Ullah Batch # 88 -

Article II of General agreement on Tariffs and trade prohibits countries from increasing tariffs unilaterally above their agreed commitments. However, in the world of real politik, legal arguments often take a back seat to political and economic realities.

The newly Trump's administration has put wholesome tariffs on china and its allies, opening doors for others to jump into the market. To fill the vacume Pakistan is one of the country to prevail this opportunity and increase their exports. We have seen this before during the 2018-19 trade war when our exports to the US increased as buyers sought substitutes for Chinese products. The sectors that is going to be affected would be textiles, which accounts for more than 70% of Pakistan's export to US. On the other hand it can be handy if the opportunity is grasped.