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THE *Ace* JOURNAL

ACCOUNTS, COMMERCE AND ECONOMICS

Commerce department and student body

"HOW THE PAHALGAM ATTACK AFFECTED INDIA'S ECONOMY"

"SAVING MONEY: A STUDENT'S GUIDE"

"US-CHINA'S DEBT TRAP"

8th Edition

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Foreword

DEVESH PRAJAPATI

Dear Readers,

Greetings! We hope this year has been rewarding for you so far, and that you're thoughtfully planning the path ahead. In times of economic uncertainty and constant change, making informed and wise financial decisions becomes more important than ever.

In light of this, the ACE magazine aims to offer insight, exposure, and inspiration. This edition presents a collection of thoughtful contributions from our young aviators, reflecting their perspectives and understanding of key economic and commercial issues.

As a Commerce Department, we are committed to fostering curiosity, encouraging research, and providing platforms where learning becomes a joyful experience. We would love to hear your thoughts after reading the insightful articles presented in this issue.

Happy Reading!

LETTER *from the* EDITOR

" ALL THOSE WHO ARE IMPRISONED,
ARE THE THIEVES OF THEIR OWN PRISON KEYS"

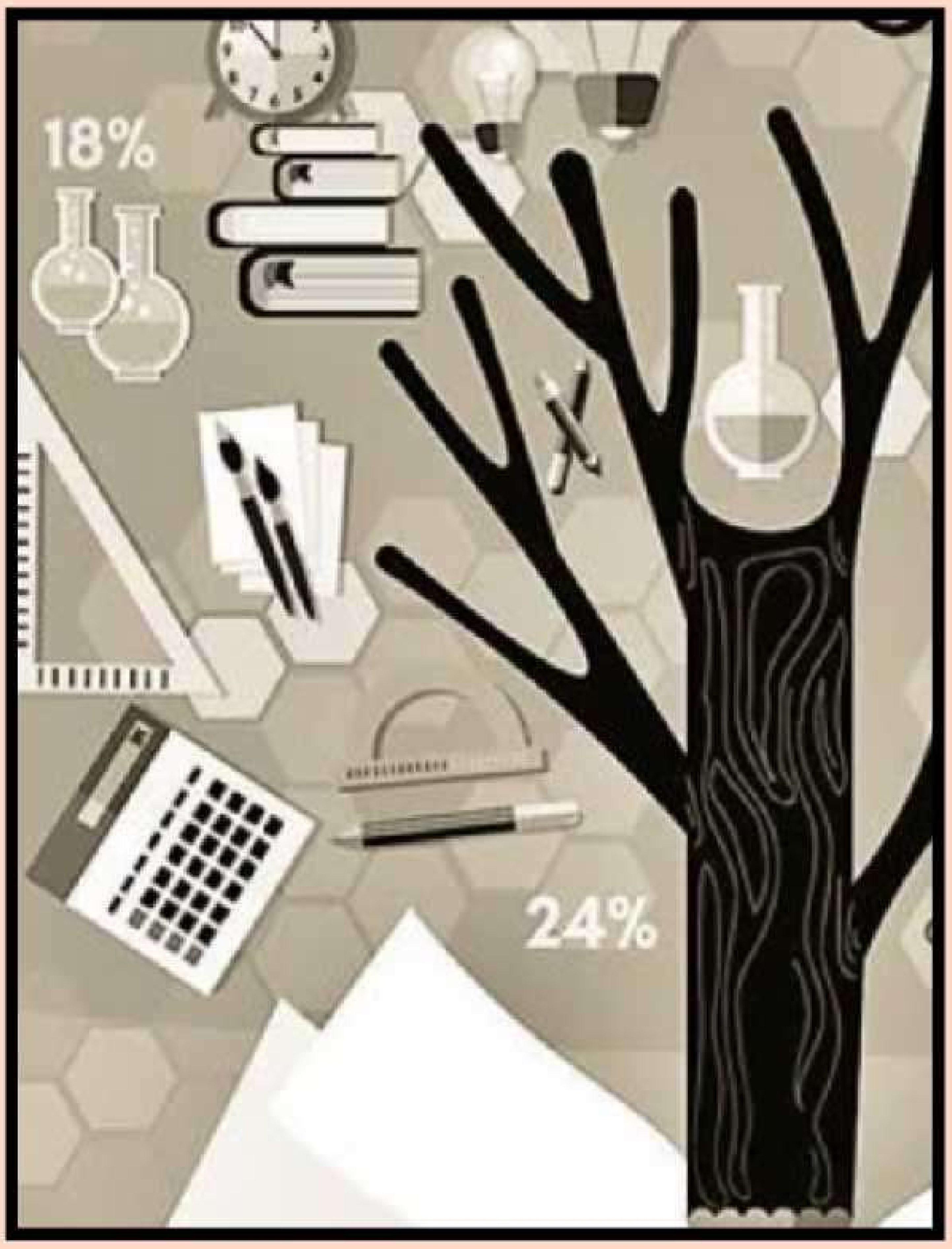
Dear Readers,

It is with great pleasure that I present to you this edition of our Commerce Magazine. It has been nothing short of an honour to have been nominated the editor of this journal. This publication is the result of collective efforts by a dedicated team of student contributors and reflects fresh perspectives on the dynamic domains of commerce, accountancy, and economics.
As a student of Economics, I have always been intrigued by the mechanisms that shape our world. From shifting market trends to strategic financial planning, the exploration of what drives industries and economies remains both essential and endlessly fascinating. Through this magazine, we aim to create a space where such ideas are examined, challenged, and understood—bringing forth the insights of inquisitive young minds eager to engage with the subject.
I sincerely hope this edition inspires curiosity and thoughtful conversation. Thank you for being part of this unanticipated yet enriching journey. May you continue to learn, question, and grow.

Regards,
Vidhi Chopra
11HA

HOW THE NEP CONTRIBUTES TO ECONOMIC GROWTH.

India's National Education Policy (NEP) 2020 is a transformative step aimed at modernizing the country's education system to meet the demands of the 21st century. By aligning education with global standards , the NEP is set to play a crucial role in accelerating India's economic growth.



One of the key features of the NEP is its emphasis on skill development and vocational training. By integrating these elements from an early age, the policy ensures a workforce better equipped with practical and industry-relevant skills. This shift from rote learning to competency-based education has enhanced productivity and innovation across the nation.

The NEP also promotes flexibility in higher education. Students can now adjust their learning paths, encouraging creativity and critical thinking—skills vital for entrepreneurship and high-value industries like technologies and services.

Investing in early childhood education and teacher training under NEP also means long-term human resource development as a resource. A more educated, skilled population drives consumer demand, increases income levels, and attracts foreign investment which further contributes to the economic growth.

For example, after the atomic bombings of Hiroshima and Nagasaki in 1945, Japan not only had to bear the consequences of the physical destruction, but also needed to rebuild its economy. One of the most significant areas of reform was education, which played a crucial role in Japan's post-war, economic miracle. It introduced co-educational and compulsory education up to junior-high. It emphasised liberal arts and critical thinking, moving away from military-style rote learning. Japan shifted its curriculum to align education with industrial needs. By investing heavily in education, Japan transformed from a war-torn nation into one of the world's leading economies.

In summary, by creating a more dynamic, inclusive, and skill-driven education system, the NEP lays a strong foundation for sustainable economic growth and a globally competitive India

by AAROHI AGARWAL

by TANISH AGARWAL AND MANAS JAIN

SAVING
A Student's Guide
MONEY

Saving money is an important habit even for students. When we learn to save, we can pay for things we need (like books or school trips) and still enjoy life without worrying. Budgeting and saving are key skills. Experts say that "budgeting helps you achieve financial goals". Simple steps like setting a saving goal, tracking every expense, and "saving first" whenever we get money can make an enormous difference. By putting a little money aside before spending, we build discipline in managing our cash. Budgeting teaches us the value of money and "the importance of saving," because "saving money is hard without discipline and planning". Starting these habits in school gives us a sturdy foundation for the future.

Learning to save early helps students prepare for both small and big needs. Even if your allowance or earnings are small, saving some can pay for emergencies or future goals (like college or a car). When you save, you avoid spending all your money on things you want right now, so you won't run out when you need money later. In other words, good money habits now mean less stress later. Saving also teaches responsibility – the same source says the discipline learned from budgeting "can carry over into other areas of life," helping students grow in maturity Every rupee (or dollar) you save counts: even small savings earn interest over time and add up to more money in the long run. It's easier to save money when you make a plan. Start by listing any money you get (from allowances, gifts, or part-time work) and what you spend (like snacks, school supplies, bus fare). Decide how much you can save first. For example, one student uses a "50-20-30" rule: 50% of money for needs, 20% for savings, and 30% for wants This kind of budget shows that even 20% of a small allowance goes a long way when set aside. Track your spending. Write down every expense, even small ones like a chocolate bar. Keeping records helps you see where your money goes. As one financial blog says, tracking spending "helps to establish a budget and good money habits."

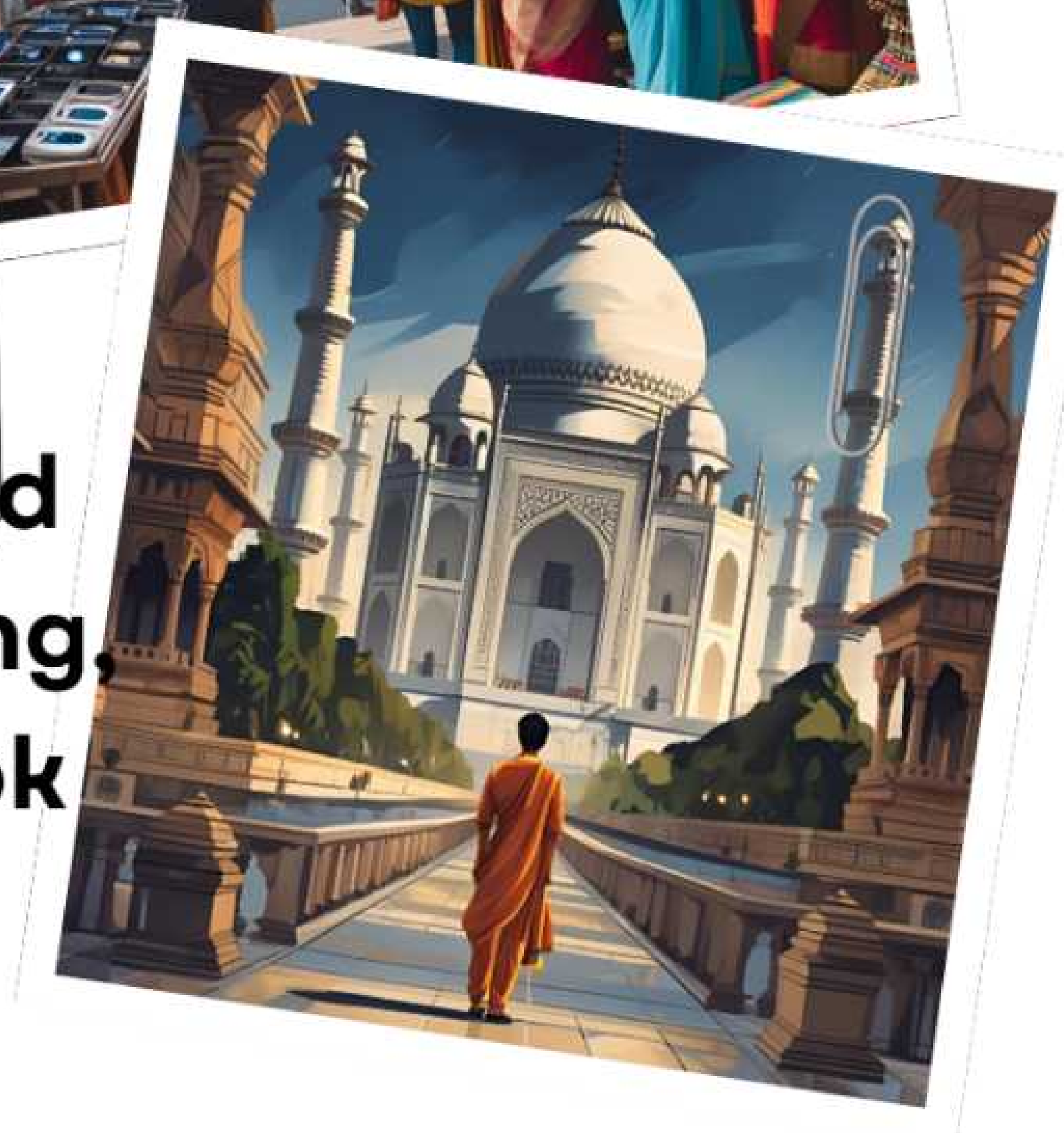
whenever and wherever possible, students should show their school ID for discounts. Many stores, apps, and services give special prices to students. For example, companies like Apple, Adobe, Samsung and Spotify often offer discounted plans for students.

Plan needs vs. wants. Always cover essentials (school fees, uniforms, food) before spending money on fun items (games, movies). If you know you have 5000rs, decide to save a part of it first. For example, the “50-20-30” student rule above sets aside 20% for savings. This way you enjoy treats without breaking your budget. Shop smart with friends. When you and a friend both need something (like school supplies or pizza), buy together and split the cost. Working together can help both of you stick to a budget and save money. Aside from these steps, consider learning more: there are many student-friendly blogs and YouTube channels that explain budgeting in fun ways. The key is to practice regularly.

In conclusion, budgeting is not just a financial tool but a life skill that empower to students to navigate the difficulties of independent living. By understanding their income and expenses, students can avoid debt, reduce financial stress, save for their goals, and build a strong foundation for their future financial success. Embracing budgeting during their academic years equip students with the discipline, responsibility, and financial literacy necessary to thrive long after they’ve left the lecture halls.

by AGNIVH PRAKASH BORA

India: The Smart Player in a Global Tug-of-War



Sometimes, when two big personalities clash, the smaller get caught in the crossfire. That's exactly what happened when the United States and China started their big economic squabble. Tariffs flying, accusations of unfair play – it really shook up the whole world. But instead of just getting swept away, India, a rising star, saw an opening.

Initially, it was a bit of a bumpy ride for India.

Think of it like a ripple effect- global trade got wobbly, the Indian Rupee felt a bit weak, and for a while, economic growth slowed down. Indian businesses that relied on raw materials from China, like electronics or pharmaceuticals, became jittery about disruptions and rising costs. There was even a worry that cheap Chinese goods, suddenly without a market in the US, might flood India and hurt local businesses. And yes, India itself got a few nicks, with the US putting tariffs on Indian steel and aluminium.

But here's where India's cleverness came in. When companies worldwide started thinking, "We shouldn't put all our eggs in one basket (i.e., China)," India stepped forward. It was like saying, "Hey, I'm right here! I can manufacture, I can supply." This "China Plus One" strategy, where companies stared to look beyond China for their operations, was a huge opportunity. India capitalised on this opportunity. India's factories started buzzing, and money from abroad began pouring in.

And let's not forget India's tech wizards! As American companies looked for alternatives for their IT and software development, India's booming tech sector was perfectly placed to grab that business. Even Indian farmers could see a brighter future if China's imports from the US dropped.

All this global shifting, combined with India's own strong inner game solid domestic demand, smart government spending, and key international agreements—really kicked its economy into high gear. From the bustling services sector to a recovering construction industry and a consistent boost in agriculture, everything just clicked. The government even rolled out schemes to encourage local manufacturing, which boosted production locally.

And what's the result of all this smart play? India has officially become the fourth-largest economy in the world! It's a huge moment, with India's economy now worth over $4 trillion. It means India is right up there with the big hitters: US, China, and Germany. Many believe India could even climb to the third spot in just a couple of years.

Looking ahead, India knows it needs to keep up the good work. It's all about keeping policies stable, making it even easier to do business, and investing in things like better roads and infrastructure to keep attracting foreign money. Building up its own manufacturing so it doesn't rely too much on imports is also key for long-term strength.

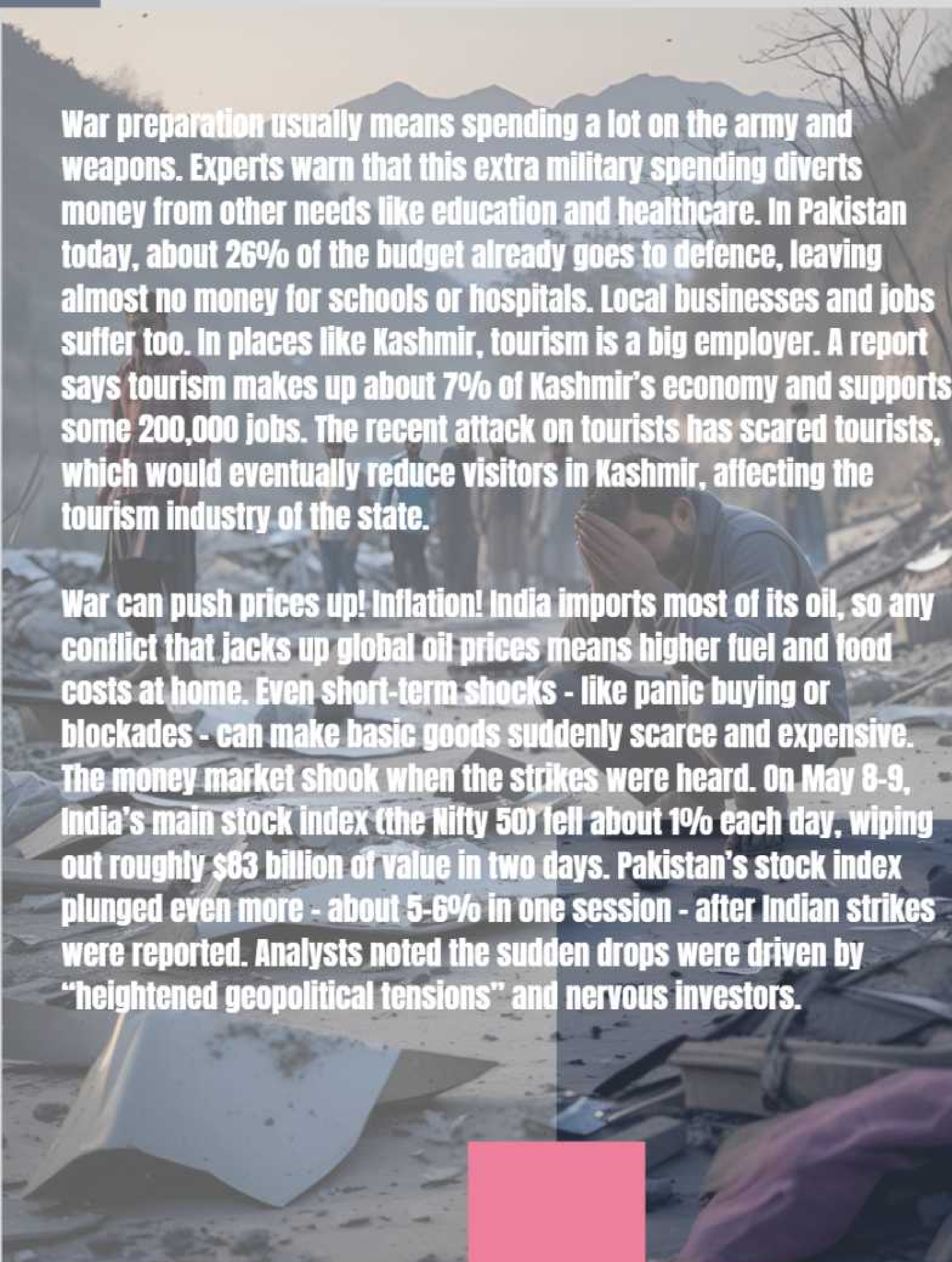
So, while that US-China trade spat was a bit of a shake-up, it definitely gave India the push it needed to shine even brighter on the global stage. It's a real testament to how a nation can turn challenges into stepping stones.

What do you think—does this "human" take make the economic story more engaging?

by KHUSHI TODI

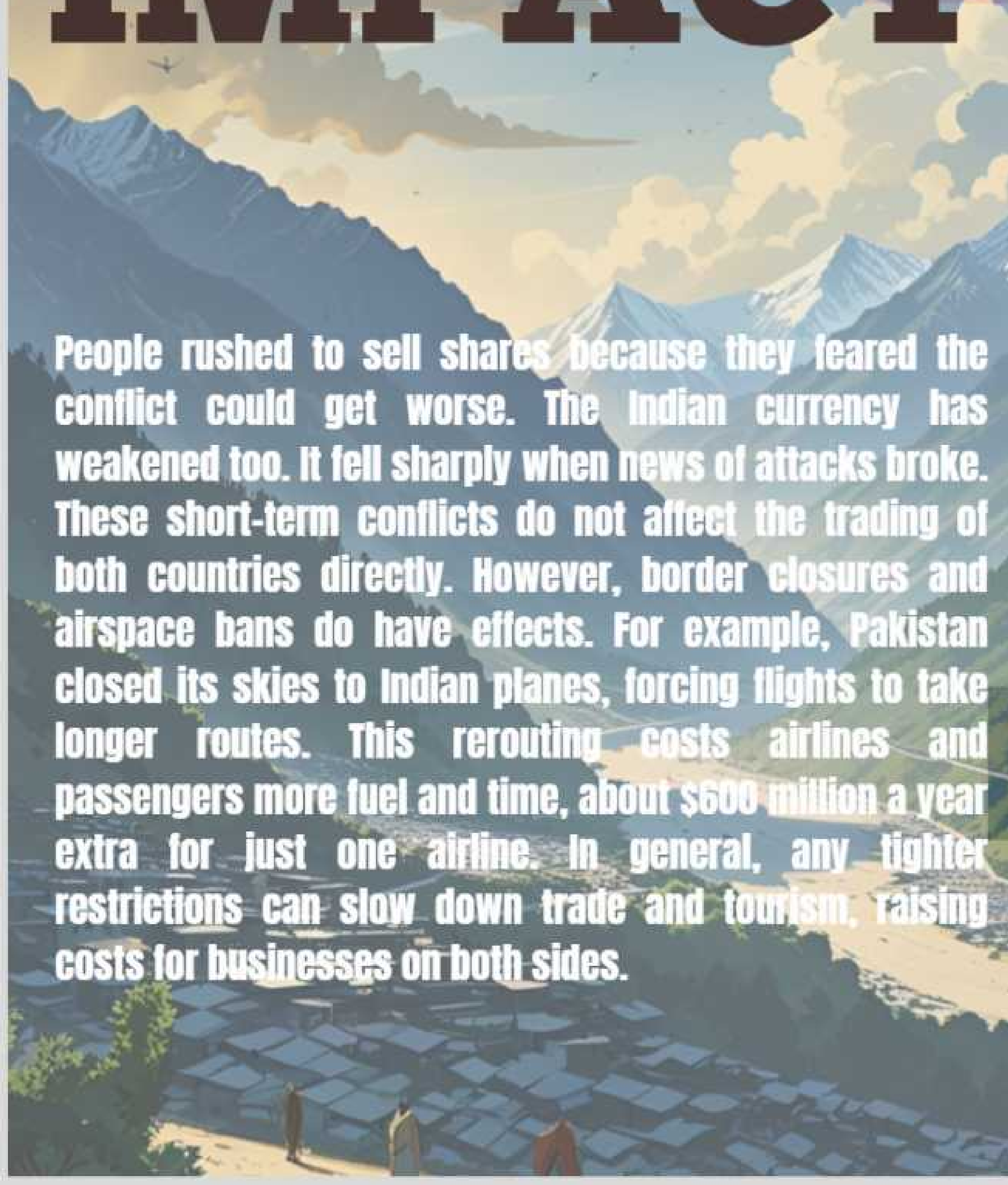
India-Pakistan: ECONOMIC IMPACT

India and Pakistan, where did it even start? From partition to failed ceasefires, the tension between the countries continues to grow with time. The recent Pahalgam attack on 22nd April 2025, which killed 26 innocent tourists, made the Indian government furious and urged them to take action. India accused Pakistan of sponsoring the militants, though Pakistan denied its involvement. Officials called it the "worst clash in more than two decades" between the two nuclear-armed neighbours. Beyond just fear or military tension, it is touching our daily lives, such as the prices we pay for goods. In this article, we will discuss the impact that this international tension can have on the economies of both countries.



War preparation usually means spending a lot on the army and weapons. Experts warn that this extra military spending diverts money from other needs like education and healthcare. In Pakistan today, about 26% of the budget already goes to defence, leaving almost no money for schools or hospitals. Local businesses and jobs suffer too. In places like Kashmir, tourism is a big employer. A report says tourism makes up about 7% of Kashmir's economy and supports some 200,000 jobs. The recent attack on tourists has scared tourists, which would eventually reduce visitors in Kashmir, affecting the tourism industry of the state.

War can push prices up! Inflation! India imports most of its oil, so any conflict that jacks up global oil prices means higher fuel and food costs at home. Even short-term shocks - like panic buying or blockades - can make basic goods suddenly scarce and expensive. The money market shook when the strikes were heard. On May 8-9, India's main stock index (the Nifty 50) fell about 1% each day, wiping out roughly $83 billion of value in two days. Pakistan's stock index plunged even more - about 5-6% in one session - after Indian strikes were reported. Analysts noted the sudden drops were driven by "heightened geopolitical tensions" and nervous investors.



People rushed to sell shares because they feared the conflict could get worse. The Indian currency has weakened too. It fell sharply when news of attacks broke. These short-term conflicts do not affect the trading of both countries directly. However, border closures and airspace bans do have effects. For example, Pakistan closed its skies to Indian planes, forcing flights to take longer routes. This rerouting costs airlines and passengers more fuel and time, about $600 million a year extra for just one airline. In general, any tighter restrictions can slow down trade and tourism, raising costs for businesses on both sides.

Overall, the uncertainty makes businesses and investors cautious. One fund manager put it this way: "Markets are jittery because further retaliation could make this conflict last longer" However, history shows stock markets often recover once tensions ease, and many investors in India still believe in the country's growth prospects even during these flare-ups. Without the threat of war, oil and commodity prices are less likely to spike. Local farmers and businesses would not fear sudden shutdowns of borders. Foreign companies would feel safer investing in both countries. All this confidence helps keep inflation low and growth steady.

The recent clashes between India and Pakistan are a stark reminder of how fragile peace can be – and how much is at stake when it breaks. War comes at a devastating cost, not only in lives but also in livelihoods. Textbooks risk being replaced by missiles, and hospitals by bunkers.

As engaged readers and responsible citizens, we must ask: Who truly benefits from conflict? And how should a nation choose to spend its resources – on weapons or on welfare?

Economists, educators, and students – the architects of tomorrow – have a deep stake in this conversation. By fostering dialogue and investing in peace-building, we can help ensure that our future is shaped in classrooms, not on battlefields.

Let us hope that wisdom prevails and our leaders choose cooperation over confrontation – a path that allows both nations to grow together in peace rather than unravel what they've worked so hard to build.

After all, as both history and experts remind us: peace pays.

Facts and Notes

- The U.S. is the largest economy in the world, with more goods and services bought and sold than any other country.

- Scarcity is the fundamental economic problem, meaning that resources are limited while human wants are unlimited.

- Opportunity costs are the value of the next best alternative that is given up when making a choice.

- The law of supply and demand states that as the price of a good or service increases, the quantity demanded decreases, and as the price decreases, the quantity demanded increases.

- Microeconomics focuses on individual decisions and markets, while macroeconomics focuses on the overall economy.

- GDP (Gross Domestic Product) is a measure of a country's economic output, and is a key indicator of economic health.

- The Industrial Revolution, the Great Depression, and the Equity Premium Puzzle are examples of unsolved economic problems.

by AHONA CHOUDARY

CONTRIBUTION OF JAPAN

THE GROWTH OF INDIA'S ECONOMY

"INDIA AND JAPAN SHARE A STRONG COMMITMENT TO PEACE AND DEVELOPMENT. OUR PARTNERSHIP IS ROOTED IN MUTUAL RESPECT AND SHARED VALUES.

India and Japan are two of the most prominent countries of Asia. They have always been natural allies with no conflict between them. After World war II, the axis powers, which included Japan, were defeated terribly. They suffered a huge loss in economy and military power.
Now after the bombing of Hiroshima and Nagasaki, when the Japanese were completely destroyed and defeated. India tried its best to help them. The Japanese were forever grateful for India's support. The Japanese imperial army had committed horrendous crimes for which they were supposed to receive punishment. however Dr. Radhabinod Pal, the only one of the11 judges, who mentioned not guilty verdict for Japan's top wartime leaders at the post-World War II International Military Tribunal for the Far East, or the Tokyo trials.

This became a symbol of Indo-Japan relations. The Japanese gave a lot of respect to Dr Pal and built a memorial for him in the Yasukuni Shrine. Other than that the first prime minister of India, Jawaharlal Nehru gifted two elephants to Japan's zoo, as Japan had lost two elephants in the war and had no more left. In the year 1952 Japan and India signed a peace treaty. This was Japan's first peace treaty after the Second World War. India by doing this showed a symbolic gesture that Japan is equal in stature.

It's obvious that Japan and India are two distinct countries, as they are all unique and diverse in their own way. There aren't many ideas that come to mind when we think about the similarities between India and Japan. It's surprising to learn that Japan and India share many similarities. Japan and India have a common belief in a joint family system. In Japan, an extended family is composed of grandparents, parents, aunts and uncles, as well as their children. The same is true in India's joint family. A grandfather is the head of the family in both countries. The Japanese and Indians hold their elders in high esteem. Japan is a place where there are shrines everywhere, while India has temples everywhere. Festivals like O-Bon, which is the festival of the dead, are similar

Following the Second World War, the Japanese economy began to deteriorate day by day, especially after the bombing of Hiroshima and Nagasaki. The harmful gases contained in the bomb caused many deaths and continued to impact health. India, as a friend of Japan, gave Japan financial aid. India's iron ore helped Japan a great deal in post-war reconstruction and recovery. However Japan had no access to pre-wartime sources from neighboring nations. Goa was thus an alternative for the long-term supply of iron ore for its industries. In addition to financial aid, India provided trade relations, technical expertise, knowledge sharing and cultural exchange programmes. Japan had to improve its economy and therefore it began to prioritize industrialization. The transformation of Japan came to be known as 'Japan's economic miracle.' The key element of Japan recovery was the desire of the people to restore it to its economic position. One notable example was the financial support extended by India through the Colombo Plan, it was an initiative aimed at promoting economic development in Asia. India's contribution to this plan helped Japan's various infrastructure projects including rebuilding cities destroyed by bombings. After Japan's economy began to rise, it became a developed nation. Japan was grateful to India for its contribution and helped India a great deal to strengthen its economy. Japan has invested a lot in India for its development in infrastructure such as transportation, energy and urban development. Initiatives like the Delhi metro and the Mumbai-Ahmedabad high speed rail project are a few investments made by Japan to enhance the transportation of India. Since Japan is known for its technology, it can help India to strengthen its technological resources and boost productivity and innovation in industries. In addition to technology and investments, these countries also collaborate in areas such as defense and infrastructure development. The robust bilateral trade relations between Japan and India serve as a cornerstone of their economic partnership. In September, 2023 Narendra Modi held a bilateral meeting with H.E Mr. Fumio Kishida, Prime Minister of Japan. Both the leaders held discussions on various aspects of the Indo- Japanese bilateral partnership including infrastructure development, technological collaboration and global partnership. Trade plays a major role in the economy of all countries. Recently in 2021 the trade and industry ministers of India, Japan and Australia formally launched the supply chain initiative on 27th April 2021 to enhance the resilience of the supply chains in Indo-Pacific region and to develop dependable sources of supply and attract investment.

BALOCHISTAN

By NAMAN AGARWALA

EFFECT ON INDIAN'S ECONOMY

Is the poorest province of Pakistan. It has the highest poverty rates, lowest literacy rates, and is among the least developed provinces in the country. Despite being rich in natural resources, a significant portion of the population lacks access to basic necessities like safe drinking water, electricity, and education.

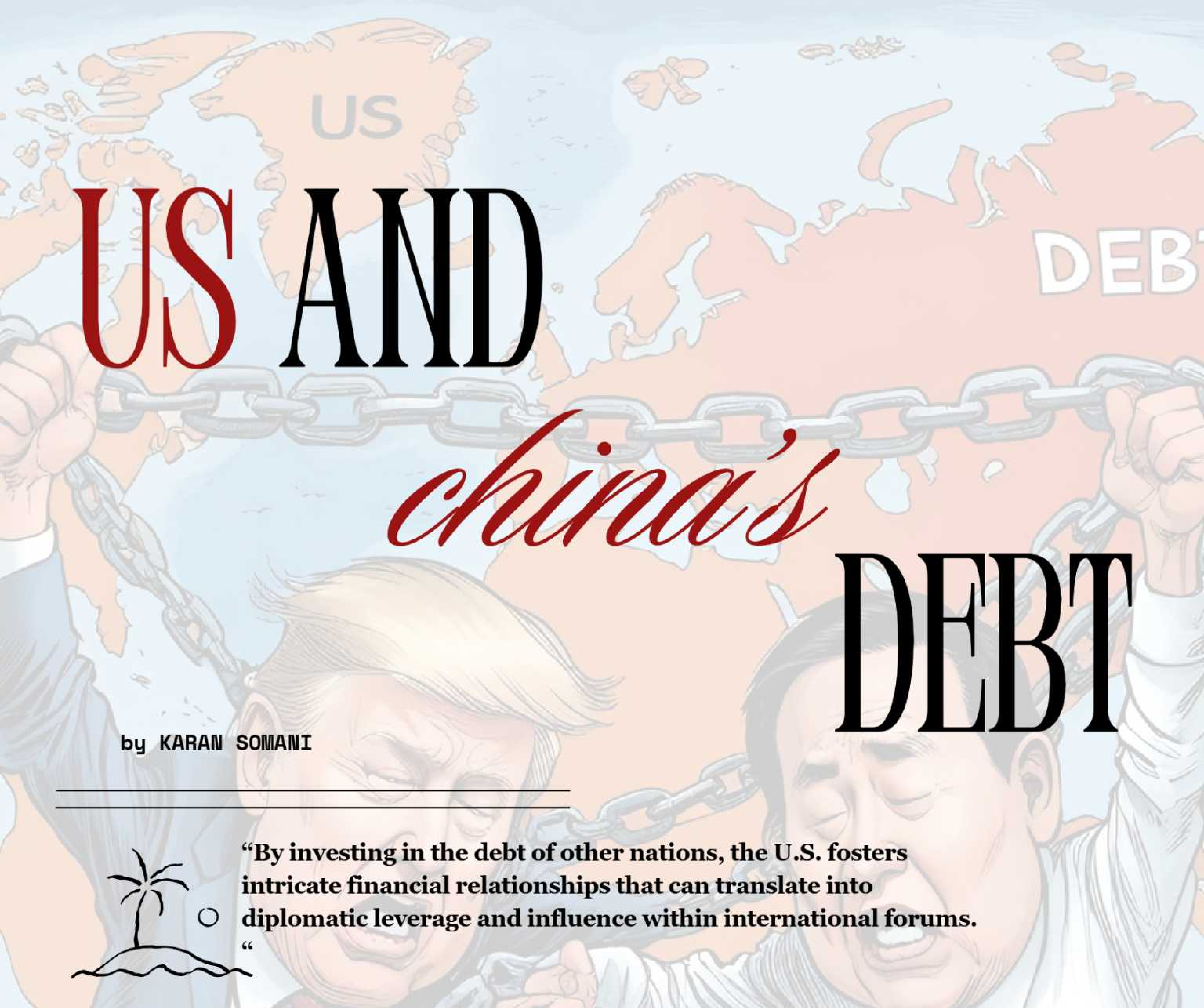
The Balochistan Liberation Army (BLA), a Baloch separatist group, has declared independence from Pakistan and sought recognition from India. This declaration comes after a series of armed attacks against Pakistani military and intelligence sites, infrastructure, and mineral transport vehicles. While the Indian government has not yet officially recognized the Republic of Balochistan, the declaration has heightened tensions between Pakistan and India.

Here's a breakdown of why Balochistan desires independence:

- <u>Decades of Resistance:</u> Balochistan has a history of resistance against Pakistani rule, with armed separatist groups like the BLA emerging in the early 2000s.
- <u>Natural Resources:</u> Balochistan is rich in natural resources, including gas reserves, but the province is also plagued by poverty, repression, and a lack of economic opportunities for the Baloch people.
- <u>Perceived Marginalization:</u> Balochistan feels marginalized within Pakistan, with grievances over the distribution of resources, political autonomy, and human rights violations.
- <u>Human Rights Concerns:</u> Baloch separatists claim that the Pakistani government has been engaging in human rights abuses, including extrajudicial killings, arbitrary arrests, and torture, against Baloch activists and civilians.
- <u>Regional Dynamics:</u> The broader regional geopolitical landscape, including the India-Pakistan conflict and the presence of other separatist movements, also contributes to the desire for independence.
- <u>Historical Grievances:</u> Some Baloch leaders view the 1947 accession of Balochistan to Pakistan as illegitimate and a result of coercion.

Balochistan's potential declaration of independence could have significant – and largely negative – repercussions for the Indian economy, particularly in the areas of trade, infrastructure, and regional stability.

- <u>Disruption to Trade and Infrastructure</u>: Balochistan plays a critical role in regional trade and energy routes, most notably as a key component of the China-Pakistan Economic Corridor (CPEC). Any instability following a declaration of independence could disrupt these vital corridors, affecting trade flows between India and other nations that depend on these routes, directly or indirectly.
- <u>Impact on Natural Resources:</u> The region is rich in natural resources, especially natural gas, and contributes significantly to Pakistan's domestic supply. Political unrest or conflict could disrupt resource extraction and distribution. If India has economic interests, investments, or indirect dependence on these resources, such disruptions could have a ripple effect on its energy security and industrial inputs.
- <u>Increased Geopolitical Tensions:</u> A declaration of independence may heighten geopolitical instability in South Asia, potentially leading to strained diplomatic relations, increased military expenditure, and reduced investor confidence. This uncertainty could negatively impact capital inflows, trade agreements, and regional economic cooperation – all of which are essential for sustained economic growth.



US AND *china's* DEBT

by KARAN SOMANI

> "By investing in the debt of other nations, the U.S. fosters intricate financial relationships that can translate into diplomatic leverage and influence within international forums. "

The USA and China are in debt due to their extensive lending practices to other countries, driven by economic strategies and geopolitical interests. The U.S. invests in foreign debt to maintain global leadership and foster trade, while China uses loans to expand its Belt and Road Initiative and secure resources. The Intertwined Debt of the USA and China: A Deeper Look

Both the United States of America and the People's Republic of China find themselves carrying substantial debt burdens, a consequence largely stemming from their active and expansive lending practices to a diverse range of nations across the globe. This pursuit of foreign debt investment is not arbitrary but is deeply embedded within their respective economic strategies and intertwined with their broader geopolitical ambitions on the international stage.

The United States engages in the acquisition of foreign debt for multifaceted reasons that are central to its long-standing role as a global superpower. A key driver is the aim to maintain its position of global leadership, both economically and politically. By investing in the debt of other nations, the U.S. fosters intricate financial relationships that can translate into diplomatic leverage and influence within international forums. Furthermore, these lending practices are intrinsically linked to the promotion of international trade. By providing financial support, the U.S. aims to stimulate economic growth in borrowing countries, thereby creating potential markets for American goods and services, and ensuring the smooth functioning of global supply chains that ultimately benefit the U.S. economy. This strategy also serves to project American economic influence and promote a global financial system aligned with U.S. interests.

Conversely, China's extensive lending activities are primarily channeled through ambitious initiatives such as the Belt and Road Initiative (BRI). This massive infrastructure and investment program spans across continents, aiming to connect Asia with Africa and Europe via land and maritime networks. China's provision of loans to participating countries is a crucial component of this strategy, facilitating the construction of vital infrastructure projects like railways, ports, and energy pipelines. While these investments promise to boost economic development in recipient nations, they also serve China's strategic objectives. The BRI aims to secure access to crucial natural resources, expand China's export markets, and enhance its geopolitical influence across the Eurasian landmass and beyond. By establishing these economic dependencies through lending, China seeks to solidify its position as a major global power and reshape the international order in ways that align with its national interests.

In conclusion, while the USA and China are significant holders of debt originating from their foreign lending, their emphasis differs in their underlying motivations and strategic goals. The U.S. employs this practice to uphold its existing global leadership and foster a favorable international trade environment. In contrast, China utilizes it as a key instrument in its pursuit of expanding its global influence, securing resources, and establishing a new era of interconnectedness through initiatives like the Belt and Road. This dynamic of intertwined debt and strategic lending has significant implications for the global economy and the future balance of power.

by VIDHI CHOPRA

COST OF TERROR

How the Pahalgam attack affected the economy of the two nations

On April 22, terror cast a long shadow over the subcontinent when Pakistan-backed militants stormed a village in Pahalgam, killing 26 people after inquiring about their religious identity—a blatant attempt to incite communal violence. This event marks a disturbing shift from previous cross-border hostilities to tactics aimed at deepening internal divisions within India. The attack is not an isolated incident; it follows a turbulent history of conflicts—from the wars of 1947 and 1965 to the Kargil conflict—that have repeatedly strained relations between India and Pakistan. While the military outcomes of such episodes are immediate and visible, the economic repercussions, in contrast, remain subtle, latent, and far-reaching (but worse). Moreover, with both nations today being nuclear-armed, any escalation threatens not only the stability of South Asia but also the economic well-being of neighboring nations and the global community.

In the aftermath of the attack, the tourism industry—one of Kashmir's most vibrant economic veins—was dealt a severe blow. Once brimming with travellers drawn to its enchanting landscapes, the region witnessed an abrupt and drastic decline in visitor numbers. Taxi stands in Pahalgam, once lively hubs of local commerce, fell silent as hundreds of vehicles sat parked, their drivers idly watching time pass by on their smartphones. Hotels and popular local eateries emptied, and flight cancellations soared with over 15,000 bookings withdrawn within days. This downturn in tourism, which had buoyed the local economy with an anticipated influx of 2.3 crore visitors earlier in the year, can be likened to a once-flourishing garden that has been left barren by a sudden frost—a stark transformation from vibrant sun kissed valleys to desolated, barren heaths.

The economic fallout was not restricted solely to tourism. In a swift and stern response to the attack, India implemented five punitive measures against Pakistan that continue to reverberate even after a ceasefire was declared on May 10. Among these measures were the suspension of the historic Indus Waters Treaty, closure of airspace, and a comprehensive ban on both direct and indirect trade across borders. The Indus Waters Treaty, a vital accord signed in 1960 that underpins 80 percent of irrigation over Pakistan's 16 million hectares, now stands suspended. As memes and tweets on social media have already amplified the message loud and clear, this disruption threatens not only Pakistan's agriculture but also critical industries such as textiles and fertilizers, setting the stage for potential food scarcity, water shortages, and broader economic instability. Adding to the effect, the once-nourishing rivers of trade and water that fed these economies now seem to have run perilously dry.

The price of conflict in South Asia is simply too high; history is clear on this. "India's provocations in inflaming regional tensions will have significant economic consequences, potentially costing it far more than Pakistan." An author in Pakistan today argues. However, the situation appears more contradictory when examined closely.

Beyond the immediate and sector-specific disturbances, the overall economic landscape in both countries has been thrown into disarray. In India, stock markets reeling after an 880-point plunge on the BSE SENSEX (though eventually recovered) , investors remain wary of further escalations. On the Pakistani side, the closure of the Attari border—a key conduit for goods—coupled with strict bans on imports as per the latest DGFT notification, has exacerbated an already weak economic scenario, pushing inflation to soaring heights.

"The attack has had a devastating impact on all businesses in the Valley," said Qazi Touseef, spokesperson of the Kashmir Economic Alliance (KEA).
"It has severely affected overall trade, including fast-moving consumer goods (FMCG)."

Daily necessities, such as rice and chicken, have seen unprecedented price hikes, while pharmaceutical and essential commodity supplies are now at risk of severe shortages. As these intertwined economic systems continue to buckle under pressure, the stability and prosperity of both nations agree as fragile as a house of cards, teetering at the slightest hint of further disruption.

In conclusion, the Pahalgam attack has not only deepened the historical fissures between India and Pakistan but has also unleashed a cascade of economic challenges that extend far beyond immediate military confrontations. This incident serves as a somber reminder that while political maneuvers and measures may appear decisive in the short term, they can inflict damage akin to a relentless winter on regions that still yearn for the warmth of peace and stability. The path to recovery will require concerted diplomatic, economic, and social efforts—a task as daunting as coaxing life from a frozen landscape, difficult but not impossible.

Notes And Facts

- IMF data projects India's GDP to reach $4.187 trillion in 2025, marginally surpassing Japan to become the fourth largest economy.
- Global X ETF's Malcolm Dorson says India is a "fine-tuned compounding machine," and gaining a spot in the top four by GDP ranking "is a done deal."
- While India has strong tailwinds supporting its growth story, it needs to undertake several reforms to ensure that economic expansion is sustained.
- The word "economy" comes from the Greek word "oikonomia," which means household management or thrift.
- Adam Smith is considered the father of modern economics, with his book "The Wealth of Nations" published in 1776.
- The three questions of economics are: what to produce, how to produce it, and who to produce it for.

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