

THE IMPACT OF TARIFFS ON PRODUCTIVITY OF PAKISTAN'S TEXTILE INDUSTRY

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ABSTRACT

Trade liberalization by reducing tariff barriers has enhanced industrial productivity as well as raised global economy. But open trade impact was different on developed as compare to developing countries. In this study impact of trade barriers in terms of tariff peaks, tariff escalation and tariff rate quota, by the developed countries, on export performance of the textile industry of Pakistan were empirically evaluated. A model was formulated which represented tariff peaks, tariff escalation, tariff rate quota and export performance as variables.

This research study is a comprehensive attempt to expose the true affect of trade liberalizations under WTO regime on the export performance of textile industry of Pakistan. It fills gap in the literature by contributing on ground research facts and figure from Pakistan. Provide an understanding of the impact of trade barriers on the industrial productivity.

KEYWORDS: Industry Productivity, Tariff Escalation, Tariff Peaks, Tariff Rate Quota, Trade Liberalization