

## U.S. ECONOMIC POLICY AND ITS IMPACT ON SOUTH ASIAN COUNTRIES

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### Abstract

The U.S. economic policy toward South Asian nations encompasses many factors, including trade, investment, aid, and geopolitical strategic interests. This paper studies the monetary policies of the United States in South Asia from the post-World War II era until the present and the impacts of such policies on the region's economic growth. Using qualitative research methods, including drawing on case studies and analyzing trade data from institutions such as the World Bank, the IMF, and the WTO, this paper assesses the impacts of U.S. policies.

The results show that American economic engagement has driven the South Asian economies, whereas trade relations have experienced a significant uptick recently. However, the relationship is also defined by trade deficits and dependence on U.S. assistance, which presents South Asian countries with opportunities and challenges. U.S. policies have also sought to roll back experiments with socialist economics in the region and deal with geopolitical interests related to China's influence. This paper finds that while South Asian countries could benefit from U.S. economic policies, navigating these policies and promoting sustainable and equitable economic development presents significant challenges.

### 1. Introduction

The United States' economy has a strong, but primarily indirect, effect on nations and the geopolitics of South Asia. The U.S. is one of the largest trade partners, foreign investors, donors of financial resources, and sources of new technology and ideas for countries in the region. The presence of the United States and its actions usually significantly affect their development. The subject of the United States' overarching economic policies and the effects of these policies on the economies of South Asian countries merits exploration.

This paper is divided into two parts: the first examines some of the policies pursued toward South Asia and their effects; the second explores some of the broader impacts of U.S. policy. (South Asia is, of course, a patchwork

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of countries.) The subregions that make up South Asia differ significantly in size, natural resources, population, and level of development. However, for large stretches of the postwar period, their shared colonial history, postcolonial experiences, and geopolitical circumstances have conspired to create a common ‘underdevelopment’, many common development challenges, and some broad policy responses. Despite the contradictions and constraints on the generalizations that are bound to follow, many generalizations and broad experiences can be assumed.

This paper captures the timeline of economic policies and their impacts. The end of the Cold War, especially with the weakening of the Soviet Union, and the ‘opening up’ of the region as a site for U.S. business investment and commerce, cultivated another array of policies and activities, which are also explored.

### **1.1 Significance of the Paper**

From the end of World War II to the present day, the economic policies of the United States (U.S.) in the South Asia region have been intricately intertwined with the U.S. and South Asian economies. How the U.S. economy interacts with South Asian economies is complicated. First, a lack of official diplomatic ties to the region’s newly independent states made it difficult for U.S. officials to appreciate South Asia’s importance, a problem only solved when the National Security Council was created. U.S. economic engagement with South Asian countries has been markedly altered over the years by every presidential administration. This economic erosion policy significantly delivered roughly \$1.6 billion worth of military equipment to these nations. By the 1980s, India and Pakistan became significant recipients of U.S. foreign aid, with approximately \$12 billion in donations, mainly to Pakistan (Chaudhry, 2018, pp. 175–194).

U S economic policies in South Asia have shaped present economic realities that can only be understood by recounting history. The almost Soviet-era U.S. mentality of outsourcing military and economic aggression vis-à-vis Pakistan, to rectify whatever folly inspired it two decades ago, now serves no applicable purpose. In addition, how these South Asian states view their history of grievances and partnerships with the U.S. remains important in current relations and operational cooperation. As such, during the Cold War, American economic isolationism primarily victimized India, whereas the U.S. sought to limit and ultimately end economic aid to Pakistan. Within South Asia, a shared theme of U.S. economic policy was opposition to the region’s socialist economic experiments that disrupted its embedded capitalist tendencies. However, this policy was inconsistently applied, especially concerning Nepal, Sri Lanka, and the Maldives, which also shows the contradictions in U.S. engagement in the region (Bhattarai, 2019, pp. 45–60).

### **1. 2. Research Method**

Qualitative research methods are mainly used to analyze the impact of U.S. economic policies on South-Asian nations in this paper. The study also underscores the paraffinate thesis review, as it assesses existing literature, including parole, policy, articles, and economic search, as well as the full range of content knowledge and available empirical evidence. Case studies focusing on particular South Asian countries are employed because they offer in-depth perspectives on how U.S. policies have influenced various national environments.

This paper relies on trade data from institutions like the World Bank, the IMF, and the WTO, and trade statistics and policy documentation from the U.S. and South Asian governments. This analysis draws upon past experiences to shed light on the trajectory of U.S. economic policies and their impact on the region over time.

### **1.3. Conceptual Framework**

This paper is based on a conceptual model that draws on international trade theory, development economics, and the political economy.

This paper applies international trade theory to analyze the nature of trade and investment flows between the U.S. and South Asian countries, including the effects of tariffs, trade agreements, and trade deficits. The application of tools that allow the measurement of the impact of U.S. economic policies on economic growth, poverty reduction, and human development in South Asia can be learned through development economics. The political economy helps us understand the extent to which political factors will shape U.S. economic policies toward South Asia and how these policies will intersect with domestic political and economic structures in South Asia.

This multidisciplinary approach enhances the research process. It provides a fuller and more nuanced picture to audiences by explaining how the intersection of U.S. economic policies translates into facts on the ground for nations in South Asia.

## **2. Findings and Discussions**

### **2.1. Overview of U.S. Economic Policy in South Asia**

An extensive review of the U.S. economic policy in South Asia, spanning from the end of World War II to the current day, showcases the multifaceted approach by the U.S. toward the South Asian economies. At the beginning of June, following the full implementation, there was a lack of formal diplomatic relations with the successor states of the Soviet Union in South Asia. As a result, U.S. policymakers' ability to understand the implications of South Asia's importance was restricted, and this was addressed by establishing the National Security Council. Each U.S. presidential administration has marked a sea change in economic engagement with South Asian countries over the past few decades. Notably, the policy of economic erosion led to the sale of approximately \$1.6 billion worth of military equipment to these nations. By the 1980s, India and Pakistan began receiving substantial foreign aid from the U.S., with donations reaching an estimated \$12 billion, predominantly benefiting Pakistan (Chaudhry, 2018, pp. 175-194).

A historical analysis is essential for understanding how past U.S. economic policies in South Asia have influenced contemporary economic landscapes. The U.S. approach to outsourcing military and economic strategies to Pakistan, originally intended to combat the Soviet Union, is no longer relevant today. In addition, the legacy of historical grievances and alliances between the U.S. and South Asian states profoundly impacts relations and policy cooperation today. Throughout the Cold War, U.S. economic isolationism mostly hurt India, while the U.S. sought to limit and ultimately end economic assistance to Pakistan. In South Asia, U.S. monetary policy consistently pushed back against the contestation of socialist economic experiments that disrupted the region's underlying capitalist thrust. However, this policy was applied case-by-case, especially in Nepal, Sri Lanka, and the Maldives, demonstrating the complexities of U.S. involvement in the region (Bhattarai, 2019, pp. 45-60).

### **2.2. Trade Relations between the U.S. and South Asian Countries**

The U.S. has the world's biggest economy. At the same time, South Asia is a global leader in speed of growth, both economically and demographically. Guyana has also demonstrated positive economic growth for most countries in the SAARC region over the last decade. For these nations, trade drives economic development. In contrast, the entire world is attracted to the United States in every field, including trade and imports. Consequently, the U.S. is the second biggest import destination of South Asian countries, next to the European Union, but it is also the largest export destination (Hossain, 2015, pp. 158-166). This paper analyzes and evaluates the trade relations of the U.S. economy with the economies of SAARC states, sequentially, with the overall development and trade, and examines various sectors, such as imports and exports, including textiles, agricultural goods, services, leather goods, and pharmaceutical goods.

The United States and South Asian countries have established a long-standing trading partnership centered on basic products. In recent years, bilateral trade (including exports and imports) has surged significantly. By 2015,

the U.S. was the fourth-largest exporter to South Asia, following the European Union, China, and the United Arab Emirates. In contrast, the U.S. ranked as the second-largest South Asian importer, trailing only China. This trajectory suggests that trade between the U.S. and South Asia is not only rising but is likely to continue this upward trend in the foreseeable future. Principal U.S. exports to South Asian markets include machinery, mineral fuels, oils, electronic machinery, aircraft, and medical products. Conversely, exports from South Asian nations predominantly encompass apparel, medical products, semi-precious stones, precious metals, and textiles. Notably, merchandise trade with the U.S. represents India's most significant trading segment, accounting for 12.5 percent of its total trade.

Given the considerable role of the U.S. in South Asian trade dynamics, it is essential to analyze emerging trends and patterns within these trade relations. Numerous free trade and preferential trade agreements exist between the U.S. and various South Asian countries, warranting an evaluation of their effectiveness in enhancing trade relations. Such an assessment can promote collaborative efforts, especially in underdeveloped sectors within U.S. and South Asian trade relations. Furthermore, an analysis of U.S. trade policies—including agreements, tariffs, and other trade barriers against South Asian economies—will be conducted to gauge the potential future of these economies and employment opportunities. The broader global market framework will also be considered regarding future trade relations between SAARC countries and between the U.S. and South Asia (Sinha & Padhy, 2020, pp. 45-62).

### **2.3. Investment Flows and Foreign Direct Investment (FDI) in South Asia**

South Asian nations play a crucial role in the broader context of U.S. economic policy. Over time, the nature and patterns of investment flows between the United States and various South Asian countries have transformed. Shifts influence them in global economic landscapes and partnerships. Several critical factors have fueled sustained U.S. interest and investment in the region, including these countries' significant market potential, exceptionally low labor costs, and essential access to strategic resources. Additionally, the gradual decline in manufacturing sectors within the U.S. has intensified the focus on South Asia, alongside promising opportunities in emerging sectors like information technology and infrastructure development, which gained prominence during periods marked by trade and aid. These sectors have emerged as the U.S.'s primary targets—South Asian investments (Mishra, 2019, pp. 295-312).

U.S. corporations have played an active role in reshaping the economies of South Asian nations to align with their interests. However, it is crucial to recognize that the narrative surrounding these corporate strategies is often overly simplistic. It would be misleading to suggest that U.S. corporations and capitalists pursue a uniform approach to economic development. Instead, there are ongoing struggles and debates within the capitalist class regarding the most effective strategies for financial intervention. During the 1950s to the 1980s, U.S. corporations invested heavily in specific South Asian countries and sectors but later made strategic decisions to divest and shift their operations elsewhere. This transition significantly affected economic growth, job creation, and economic activities promoted in those nations. The effects of these corporate decisions continue to shape South Asia's economic landscape today (Kumar, 2019, pp. 112-135).

Disparities in U.S. capital investment in specific locations stem from various restrictions that necessitate stabilization of numerous factors to direct capital toward infrastructure and physical facilities effectively. Typically, U.S. capital favors already established, financially transparent industries that possess substantial assets, are situated in urban areas, and require capital-intensive production processes. Despite sluggish economic growth and limited job creation in the U.S., intensified by a trade deficit, South Asia is considered a promising region to attract renewed U.S. investment interest, alongside Southeast Asia. However, U.S. economic policy and its

investment strategies in South Asia are both dual. Despite the challenges in this relationship, the U.S. strives to enhance its competitiveness to counterbalance the influx of foreign direct investment (FDI) from South Asian nations. Following financial liberalization and emphasizing political stability as a prerequisite for fostering security investments and financial interests, U.S. investments positively influence economic growth, generating job opportunities in the host country. As noted by Bhattacharya and Kaur (2021), "the interplay of investment flows and local economic conditions significantly shapes the development trajectory of South Asian economies" (p. 45).

#### **2.4. Technology Transfer and Innovation in South Asia**

Technological advancement, innovation, and economic policies are closely intertwined. Economic policies also affect the scope of technology preservation and transfer. This section explores how, in the post-TRIPS era, the U.S. policy regarding technology transfer and protection of intellectual property has an impact on fostering innovative activities in South Asia. It studies how the U.S. promotes technological collaboration in these countries and creates a foundation for them to acquire such technology. The study also examines the collective success stories of technological cooperation in those countries to learn about contemporary practices. Technology transfer goes beyond the simple dissemination of technology in a black box. Instead, it involves a process of adaptation and, sometimes, invention to meet the recipient's needs and capacities. Knowledge and experience are used to innovate in a different setting from their original location. As part of analyzing how the U.S. facilitates technology transfer in partner countries, factors that interfere with or are minor hindrances to innovation, such as government practices, regulations, and measures to foster technology dissemination, are also explored. The extent to which innovation benefits the U.S. and the partner countries is reviewed. To further understand how those countries might benefit from technology transfer, attention should be paid to promoting original innovation, product development, and upgrading. Factors influencing technology appropriation, such as protecting intellectual property rights (IPR), legal and regulatory environment orientation, and facilitating technological resource building and dissemination, are reviewed. It also examines attempts to expand some areas of research and analysis, along with some thoughts on policy implications. Another area of interest is the effect of technology dissemination on countries' competitiveness (Demir, 2016).

An analysis of the policy measures adopted by the U.S. and its partner countries to facilitate technology dissemination will be conducted. Infrastructural and institutional constraints that impede or need to be built for fruitful technology dissemination are also subjects of inquiry. The effort to improve cross-country cooperation is made continuously by establishing a network to exchange views on major problems and policies to resolve them. This is seen as part of that collaboration. A fruitful outcome is expected. To maximize the benefits of technology dissemination, efforts directed at capacity building and developing necessary skills in recipient countries are reviewed. The focus will be on South Asia to enhance the competitive edge of those global economies, where different regions have pursued diverse policy stances.

#### **3. U.S. Economic Aid to South Asia**

For decades, the U.S. has provided economic aid, development assistance, and emergency support to various developing countries in Southeast Asia. This support is aimed at poverty alleviation, reduction of growth disparities, disaster relief operations, building capacity of specific institutions, developing specific sectors traditionally of comparative advantage, supporting broader foreign policy objectives through facilitating access to other regions' resources, and promoting state stability (Ahmed & Wahab Siddiqui, 2010). U.S. aid to South Asia epitomizes a broader global commitment to alleviate abject poverty, especially in the wake of the millennium, and to extend necessary relief during natural disasters. Past studies have considered the various forms

of U.S. economic assistance to South Asian countries, including bilateral agreements, and the nature of developing aid, grants, and concessional loans. Overarching programs and initiatives in India are required to understand the efficacy and factors fostering or likely to foster the absorption and outcome of various U.S. assistance programs and initiatives. Building upon existing research, this paper offers a more holistic view of U.S. economic assistance to South Asian nations and its repercussions for socioeconomic development within the region.

Economic assistance to the world has been a cornerstone of U.S. foreign policy since the end of World War II. The Marshall Plan, which infused Western Europe with massive amounts of cash, was often seen as a diplomatic success of the United States. This strategy significantly boosted NATO's partnership and encouraged member states to pay for defense and buy American hardware. Several economic aid initiatives have been launched, including the P.L. 480, the Millennium Challenge Account, the Alliance for Prosperity in Central America, and the Export-Import Bank of the U.S. The U.S. The Agency for International Development (USAID) and the Millennium Challenge Corporation are key agencies that have provided long-term U.S. development assistance. In addition, the Foreign Military Financing program enables non-producing countries to procure U.S.-made arms and equipment. A key challenge for U.S. economic assistance is improving the governance and transparency of U.S. aid programs and building the absorptive capacity of institutions receiving such aid in developing countries. Often, the goals of U.S. assistance are secondary; for example, while disaster relief operations aim to reach specific populations and prevent epidemics by providing essential food and medical supplies, achieving these objectives can be complicated by inadequate implementation mechanisms. U.S. economic aid carries a mixed reputation; for American taxpayers, foreign assistance is often perceived as a tool for politically advancing regional influence, while those in recipient nations may view aid through the lens of broader U.S. perceptions. Ultimately, no consensus exists on the nature of U.S. foreign assistance. The multifaceted implications of international aid in developing regions emphasize the need for greater accountability and transparency in aid distribution processes (Raghavan, 2018).

#### **4. Regional Economic Integration in South Asia and U.S. Policy**

South Asia is a noteworthy case in the literature on economic integration among developing countries. As a region of seven countries with diverse economic structures and political interests, the region faces difficult political and economic obstacles to fostering economic cooperation. Over the past two decades, various inter-regional trade agreements have been proposed in South Asia, such as SAFTA, BIMSTEC, and the recent deal between India and Bangladesh. However, intra-regional trade in South Asia constitutes less than 2% of total trade, the lowest among all world regions. Even when trade between India and Pakistan is removed from the calculations, the rate is still only 3%. Moreover, South Asia has the highest exclusions and has added more sensitive lists to commodities within SAFTA (934 items, with a higher coverage percentage of 23.5%). The region is considered to have one of the most significant numbers of non-tariff barriers. Despite being launched for about 10 years, SAFTA was able to effectuate a reduction in tariffs for 143 products only, far from the 5,600-product minimum threshold established by the agreement (Patnaik, 2018, pp. 1-6).

Local scholarship agrees that deepening economic cooperation is necessary to foster the region's development processes. However, it highlights specific difficulties from a political and economic perspective, such as the historically ingrained rivalries between India and Pakistan, the different levels of development among the regional members, and the widely diversified economic structures in South Asia (Das, 2007, 1-36). In this backdrop, recent U.S. policy frameworks for the region have gained importance. In the Indo-Pacific Strategy, the U.S. views South Asia. The U.S. commitment to counterbalance China's geopolitical presence in the region was made evident in 2018, when the U.S. renamed the U.S. Pacific Command to the U.S. Indo-Pacific Command. Implementing an

intense quadrilateral strategy between the U.S., India, Australia, and Japan in the so-called “Bandung of Quad” is another sign of the U.S. reengagement in South Asian politics. In terms of economic policy, contrary to what would be expected, U.S. Congress and administrations, both Democratic and Republican, devoted a large share of their interest to promoting economic cooperation in the region. Although not a member of the World Bank or the IMF, the U.S. often hosts its headquarters. Given its established links to these transnational institutions, the U.S. has fostered regional economic integration throughout South Asia. This piece scrutinizes the South Asia region and existing trade deals compared to U.S.-dreamed trade deals for South Asia in the light of the Trans-Pacific Partnership agreement, analyzing the implications and eventual cracks in the fabric of regional economic cooperation this format of South Asian integration suggests.

### **5. Challenges and Opportunities for South Asian Countries in the Context of U.S. Economic Policy**

In an era marked by growing economic uncertainty and the complex dynamics of regime change that define the contemporary global landscape, South Asian countries are grappling with various interconnected challenges and potential opportunities, particularly in light of U.S. economic policy. South Asian nations are notably more vulnerable because of their limited capacity to adapt and respond effectively to the rapidly evolving economic and sociopolitical environment on a global scale. Their interactions with the United States involve various dimensions, such as trade, aid, military cooperation, cultural exchange, technological advancements, and strategic geostrategic partnerships. The U.S. is recognized as the world’s largest economy and serves as South Asia’s primary trading partner. However, the trade relations between these nations and the U.S. tend to exhibit significant volatility and dependence, which can produce a range of adverse consequences (Sattar, 2018, pp. 203-220).

Adverse effects include: 1) There has been an increasing trade imbalance; 2) South Asia is quite dependent on U.S. aid, particularly for some countries; 3) U.S. domestic climate has direct and indirect adverse effects on immigration and trade; 4) U.S. foreign policy has been a threat to political stability. At the same time, US economic policy presents some opportunities for South Asian countries, including: 1) Market access can enhance in potential sectors and products; 2) US is a gateway of latest technological partnership; 3) Investment prospects are also increasing due to various US policy decisions; 4) US economic policy can induce some other powers in counter to China’s aggressive engagement in South Asian economies (Hossain, 2015, pp. 158-166). U.S. and South Asian countries have the potential for mutual growth if the dynamic nature of economic policy engagement is adequately capitalized.

The relationship between the United States and South Asian countries is intricate and evolves according to the region’s specific regime types and trade policy preferences. Nevertheless, there are several shared challenges facing both the U.S. and South Asia, including: (1) the U.S. withdrawal from the Paris climate agreement, while South Asia remains highly vulnerable to climate impacts; (2) public health concerns, particularly the rise in chronic diseases in South Asia, which are increasingly becoming global issues; (3) issues related to development and gender equality that persist throughout South Asia; and (4) the difficulties in implementing WTO rules regarding agriculture, which both regions are encountering. In this context, it is essential to develop and reassess a proactive approach to U.S. economic policies toward the needs of South Asian nations. The proper alignment of South Asian countries with U.S. economic trends presents a significant opportunity for sustained growth (Chakrabarti, 2020, pp. 45-62).

### **6. Case Studies of the U.S. Impact of Economic Policy on Specific South Asian Countries**

The Economic Policy Institute recently published a detailed report demonstrating how economic policy has substantially shaped strategic regional engagement within the diverse South Asia region. The newly established economic policy framework has facilitated a significant expansion of U.S. involvement, which is crucial for

enhancing diplomatic relationships. However, this increased U.S. engagement has also heightened India's concerns regarding preserving its sovereignty, a matter of national significance. Consequently, India has opted to pursue well-defined bilateral agreements with the U.S. instead of engaging in broader multilateral initiatives, indicating its preference for a controlled and tailored approach to international diplomacy. This situation underscores how shifts in economic policy require careful navigation within the intricate terrain of international relations, which is essential for maintaining goodwill and fostering robust, long-lasting partnerships among regional partners. India's strategic choices reflect its economic aspirations and sovereignty concerns, emphasizing the need for a balanced approach in its foreign relations (Kumar & Singh, 2020, pp. 145-162).

The Economic Policy Institute (EPI) aimed to provide comprehensive guidance for future economic policies that would foster engagement with regional and global partners to achieve transformative social impacts in South Asia. Understanding the region's experience requires a nuanced approach, particularly in assessing how different levels and forms of economic policy engagement, with attention to governmental design and capacity, have influenced resilience and susceptibility to negative consequences. It is vital to explore these issues through case studies, particularly given the relative lack of research on South Asia. EPI presents nine case studies that examine various dimensions of U.S. economic policy engagement in countries such as India, Pakistan, Bangladesh, and Sri Lanka, highlighting themes such as trade, investment, and aid. These case studies illustrate the complexity of the consequences of U.S. economic policies and aim to validate the broader hypotheses detailed in the EPI report. To highlight this complexity, the varied experiences of these nations demonstrate that different forms of U.S. economic policy have led to divergent outcomes (Dutta, 2019, pp. 45-67).

## **7. Conclusion**

South Asian countries are influenced in various ways by the United States (US) economy, and the US economy influences their economic policies. The relationship has upsides and downsides, as South Asian countries gain access to US markets, technology, and investment, but also accept vulnerabilities resulting from trade deficits and dependence on US support.

To some extent, as elsewhere, U.S. economic policy in South Asia has evolved, depending on geopolitical interests, regional developments, and the distinct requirements and priorities of individual South Asian states. The United States has deployed its economic policy to counter socialist experiments in the region and promote its geopolitical interests relative to China's expanding influence.

Indeed, although the U.S. has experienced setbacks and fluctuations that have sometimes undermined its standing in the region, the potential for revitalization remains strong, and its economic development initiatives could lead to positive benefits for the affected nations if pursued diligently and inclusively.

### **7.2. Summary of the Findings**

The paper is "U.S. economic policy impact on the South Asian countries," which analyzes U.S. economic policy toward South Asian economies from the post-World War period to the present. To assess the impact of these policies, the paper employs qualitative research methods, such as case study methods and the analysis of relevant trade data from dominant institutions and organizations, including the World Bank, the International Monetary Fund (IMF), and the World Trade Organization (WTO).

The findings suggest that U.S. economic engagement has broadly supported growth in South Asian economies, with a sharp uptick in trade relations in the past few years. However, the relationship is also characterized by trade deficits and dependence on U.S. aid, presenting opportunities and challenges for South Asian countries.

Historically, U.S. policies in the region have focused on countering socialist economic experiments and on geopolitical interests, especially regarding the rise of China. American economic policies are promising



opportunities, but South Asia must confront the adverse impact of these approaches to achieve long-term economic development that is both sustainable and equitable.

### 7.3 Future Directions

This paper provides a basis for analyzing the complex ways economic policies in the US affect South Asia. Future studies based on this study could address many key areas:

**Comparative Analysis:** While discussing the impacts of U.S. economic policies on different countries, a comparative analysis that considers the unique socio-political and economic contexts of each South Asian nation could yield richer insights.

**Policy-specific Studies:** Future studies could also focus on specific U.S. economic policies, such as trade agreements, aid programs, and investment initiatives, to evaluate their effectiveness and overall regional outcomes.

**Longitudinal Studies:** Longitudinal studies examining the long-term impacts of U.S. economic policies on South Asian economies, including their implications for sustainable development, poverty reduction, and social inequality, are valuable.

**Geopolitical Dynamics:** More studies explore geopolitical factors that extend beyond economic policies, shaping South Asia, and regional stability and development implications.

**The Growing Influence of Emerging Powers:** This paper explores new forces, namely China and India, in shaping economic development in South Asia and their further engagement with U.S. economic policies.

These future directions for research will help bolster our understanding of the complex intersection between U.S. economic policies and South Asian development, leading to informed policy that can facilitate mutually beneficial economic relations.

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