Ramesh Didn't Know About the Tariff.

But the Tariff Knew About Ramesh.

A paper on Economic Wellbeing and Peace During Turbulence and Trade War

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ABSTRACT

This paper tells the story of a trade war through one man, Ramesh, an Alphonso mango farmer from Ratnagiri, Maharashtra. He has never been to a trade summit. He has never heard of Section 232 tariffs. But in 2019, decisions made in Washington and New Delhi quietly destroyed his export season. This paper uses Ramesh's story and the stories of thousands like him, to argue something simple but overlooked: **trade wars are not fought between nations. They are fought on people who never chose to fight.** Using data from APEDA, NABARD, the Global Peace Index (2019–2024) and RBI reports, this paper talks about an idea called the **Tariff Trickle Burden (TTB),** the invisible weight of trade war decisions that always falls on those at the bottom. It ends with three things governments must do differently, before the next Ramesh runs out of options.

Keywords: *Trade War, Tariff Trickle Burden, Rural Wellbeing, Alphonso Mango, Global Peace Index, India, Agricultural Economy*

1. MEET RAMESH - UNDERSTANDING WHY HIS STORY IS YOUR PROBLEM TOO

Ramesh Patil is 44 years old. He lives in a village outside Ratnagiri, on the western coast of Maharashtra. His family has grown Alphonso mangoes for three generations. Every summer, from April to June, his trees produce what many call the finest mangoes in the world, deep orange, impossibly sweet, the kind that people in Tokyo and New York pay serious money for.

For most of Ramesh's life, the export season was good. A buyer from Mumbai would come, weigh the boxes, and Ramesh would have enough money to pay his children's school fees, repair the roof and save a little for the next season.

Then, in 2019, something happened that Ramesh had no way of knowing about. **Two of the world's most powerful countries got into a very expensive argument.** The United States and India began a trade dispute, the US was unhappy with India's tariffs on American products like motorcycles and medical devices. India was unhappy with US restrictions on Indian steel and aluminium. Both sides started putting extra taxes, called tariffs on each other's goods.

None of this was about mangoes. But mangoes got caught in the middle anyway.

> *"Nobody called Ramesh. Nobody asked him. The argument happened far away. But the consequences landed in his farm."*

American buyers, nervous about the trade tension and higher costs, started looking elsewhere, Egypt, Mexico, Thailand for their fruit imports. Indian exporters, unsure what the next month's rules would be, stopped taking big orders. Ramesh's boxes piled up. The mango season is only eight weeks long. Once it's over, it's over. There is no second chance that year.

That summer, Ramesh earned 40% less than the year before. He took a loan to cover his losses. He is still repaying it.

2. WHAT EXACTLY IS A TRADE WAR?

Imagine two neighbours, let's call them Ajay and Bob. Ajay sells Bob his homemade pickle. Bob sells Ajay American cereal. One day, Ajay decides to charge Bob extra money every time Bob brings cereal into his house. Bob gets angry and says: *"Fine. I'll charge YOU extra for the pickle."* Now both of them are paying more. And the person who suffers? The third neighbour, Ramesh, who sold mangoes to Bob's wife, and suddenly Bob's wife is cutting her grocery budget because everything costs more.

That is a trade war. Countries put tariffs, extra taxes on each other's goods. It starts as a fight between powerful people. It ends as a problem for ordinary people who had nothing to do with the fight.

Between 2018 and 2025, India faced or nearly faced trade friction with the United States over: pharmaceutical exports, agricultural market access (poultry, dairy, mangoes), digital services taxation, and steel and aluminium tariffs. Each of these friction points hurt real people in specific places.

- The mango growers of Ratnagiri (like Ramesh) lost export buyers.
- The leather artisans of Agra faced higher input costs.
- Shrimp farmers in Andhra Pradesh saw prices fall when export demand slowed.
- Dry fruit vendors in Chandni Chowk raised prices when American almond imports got expensive and their customers bought less.

These people never met each other. They live in different states, speak different languages, sell different things. But the same trade war touched all of them.

3. THE TARIFF TRICKLE BURDEN: A DIFFERENT WAY TO SEE THE DAMAGE

This paper talks about a concept to describe what happened to Ramesh and millions like him known as **Tariff Trickle Burden or TTB.**

Think of it like water. When two big rocks (powerful countries) crash into a river (global trade), the waves don't stay between the rocks. They spread outward. They reach the banks. They reach the small boats. The small boats didn't cause the crash. But they feel every wave.

The TTB has three channels, three ways the wave reaches ordinary people:

Channel 1 - Export Contraction: When tariffs reduce demand for Indian goods abroad, farmers and exporters face a pile-up of unsold product at home. Prices fall. Income falls. APEDA data shows Indian agricultural export growth dropped from 12.3% in 2017–18 to just 2.8% in 2019–20, the peak trade war years.

Channel 2 - Import Inflation: Where India imports things, fertilisers, crude oil, electronic parts, tariff-driven price rises make everything more expensive to produce. The farmer pays more for fertiliser. The cost is passed to the consumer. Everyone's plate gets slightly smaller.

Channel 3 - The Uncertainty Tax: This one is invisible but maybe the most damaging. When traders don't know what next month's rules will be, they stop taking risks. They don't place big orders. Banks tighten credit. Farmers plant less. This fear - this frozen uncertainty, costs money even when no tariff has officially been applied yet.

> *"Ramesh didn't lose his income because of a tariff on mangoes. He lost it because everyone around him got scared and fear, in trade, is contagious."*

The TTB framework says: any honest accounting of a trade war must count all three channels. Not just the official tariff numbers. The real cost is what lands on Ramesh's kitchen table.

4. WHAT DOES ANY OF THIS HAVE TO DO WITH PEACE?

Ramesh repaid his loan slowly. His eldest daughter had to postpone her college admission by one year. His wife started selling vegetables at the local market to bring in extra income. Ramesh himself started attending meetings of a local farmer group: men who were angry, who felt ignored, who were looking for someone to blame.

He didn't become violent. He is not a dangerous man. But he became a man with less to lose. And history tells us, again and again, that a society full of people with less to lose is a society that is quietly becoming less peaceful.

The **Global Peace Index (GPI)**, published by the Institute for Economics and Peace, ranks countries on how peaceful they are. It looks at things like crime rates, political stability, and conflict. But here's what it doesn't measure well: **the period before things fall apart.** The months when farmers are angry but quiet. When workers are scared but not yet protesting. When communities are stressed but not yet broken.

When we compare GPI scores from 2019 to 2024 with periods of economic stress in South Asia, a pattern appears. Countries where rural incomes fell sharply and informal workers lost income showed rising social tensions, farmer protests, political polarisation, community friction within 12 to 18 months. Every time. Like clockwork.

India saw this too. Between 2017 and 2020, a combination of demonetisation shock, GST disruption, and trade uncertainty created rural distress that eventually found its way into the streets. These weren't random events. They were the predictable result of economic pain that had nowhere else to go.

> *"A hungry, hopeless farmer is not just a welfare statistic. He is an early warning sign that nobody in power is reading."*

Trade policy and peace policy are not two different conversations. They are the same conversation, happening in different rooms, by people who refuse to talk to each other.

5. THE NUMBERS THAT BACK THIS UP

This paper is not just a story. Here is the data that supports it:

APEDA (2015–2024): India's agricultural export growth rate fell from 12.3% to 2.8% during peak trade war years (2018–2020).

NABARD Rural Survey (2021–22): Over 52% of agricultural households reported income insufficient to meet basic expenses, with trade-exposed regions showing higher distress.

RBI Annual Reports (2019–2023): Credit flow to agriculture slowed during periods of high trade uncertainty, suggesting banks were also absorbing the fear.

Global Peace Index (2019–2024): India's GPI rank declined from 141 to 116 over the period with economic grievance cited as a contributing factor in multiple sub-indicators.

WTO Trade Monitoring (2018–2024): Over 1,200 new tariff measures were introduced globally in 2019 alone, the highest in the WTO's recorded history.

Behind every one of these numbers is a Ramesh. Behind every percentage point of export decline is a school fee delayed, a loan taken, a dream deferred.

6. THREE THINGS THAT MUST CHANGE

This paper talks about three recommendations. They are not complicated. They are just uncomfortable because they ask governments to care about people they currently ignore.

Recommendation 1: Before any trade war, calculate the Ramesh cost. Every time a government imposes or retaliates with tariffs, it must be legally required to calculate the impact on rural income, food prices, and informal employment, not just trade balance and industrial output. e Trade Wellbeing Impact Score, to be maintained jointly by the Ministry of Commerce and NITI Aayog.

Recommendation 2: Put people in the trade agreement. All bilateral trade deals involving India should include a 'People's Peace Clause', a binding rule that triggers a review if trade measures cause measurable harm to rural or informal sector livelihoods within six months of imposition. Data from NABARD and NSSO can measure this. The will to act is the only missing ingredient.

Recommendation 3: Teach the Global Peace Index to read the warning signs. The GPI must add economic vulnerability as a leading indicator, not a lagging one. Falling rural income, food inflation, and credit contraction in informal sectors must be treated as early signals of peace deterioration. By the time protest happens, it is already too late to call it prevention.

7. CONCLUSION: THE MANGO SEASON IS ONLY EIGHT WEEKS LONG

Trade wars end eventually. Diplomats shake hands. Tariffs are rolled back. Summits are declared successful. The news cycle moves on.

But Ramesh's daughter missed one year of college. That year doesn't come back. The loan he took is still in the ledger. The confidence he lost, that his hard work would be enough, that the market was predictable, that his children's future was in his hands, that confidence is harder to rebuild than any trade agreement.

This paper has argued that the real cost of a trade war is not measured in deficits or stock indices. It is measured in eight-week mango seasons that go wrong. In school fees that can't be paid. In the quiet, simmering anger of people who feel that every big decision in the world is made by someone who has never met them and never will.

That anger is not a law-and-order problem. It is an economics problem. And until trade policy is written with Ramesh in the room or at least in the mind of the person writing it, the burden of trade wars will continue to trickle. Always downward. Always to those least able to carry it.

Peace is not the absence of war. Peace is Ramesh being able to sell his mangoes, pay his daughter's fees, and go to sleep trusting that tomorrow will be fair.

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