

SDG 8 UNDER FIRE: MILITARIZATION, MISINFORMATION, AND THE COLLAPSE OF CROSS-BORDER BUSINESS TRUST IN PAKISTAN

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Abstract

This qualitative study explores how militarization and misinformation intersect to erode trust in cross-border business relationships, hindering Pakistan's progress toward Sustainable Development Goal (SDG) 8: Decent Work and Economic Growth. Using an interpretivist paradigm and single-case study design, the research analyzes fifty-five secondary sources including policy documents, academic studies, institutional reports, and media archives through Braun and Clarke's (2006) thematic analysis. The results identify three key themes: (1) securitization of development, where militarization redirects economic priorities toward defense; (2) narrative construction of threat, where misinformation deepens fear and isolation; and (3) emergence of a trust-deficit economy, characterized by declining institutional reliability and weakened regional cooperation. Together, these dynamics form an "information-security trap," where militarization and misinformation reinforce each other to destabilize development. The study presents informational fragility, a condition in which misinformation erodes economic confidence, and is based on Trust Theory, Narrative Economics, and Conflict-Sensitive Development Theory. Therefore, de-securitizing governance, preserving information integrity, and reestablishing institutional trust are necessary to achieve SDG 8.

INTRODUCTION

1.1 Background of the study

The promise of Sustainable Development Goal 8 (SDG 8) to "promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all is at risk (Monaco, 2024) and questionable in regions of geopolitical tensions. South Asia exemplifies this paradox more starkly than any other region where Pakistan and India, two nuclear-armed neighbors, still grapple with chronic military accumulations, (Kazmi, 2024) often started or fueled by the toxic spread of disinformation in the age of the digital world and polarizing media build perceptions (Serrano-Puche et

al., 2023). These stresses, though seemingly political or territorial, resonate strongly into the economic pillars of both countries, undermining trade relations, harming entrepreneurial confidence, and hindering employment opportunities within already weakened labor markets (Petratos, 2021).

Recent literature has highlighted that trust is a key pillar for building productive employment and decent work, especially in conflict-affected areas (Akinbi & Oluwole, 2025). Yet, during the digital media era, public trust is often manipulated by the weaponization of information, a process that reconfigure understandings of economic risk and

"otherness," thus shaping cross-border economic cooperation (Mahmood, 2024). Following flashpoints of big-power conflict such as the 2019 Pulwama-Balakot crisis or the recent clashes along Kashmir, even the formal trade and informal economic engagements, such as cross-border freelancing, outsourcing, and tourism, have suffered huge setbacks (Das). The submission of this paper is that the loss of business confidence due to militarized discourse and disinformation severely devastates the attainment of SDG 8 across South Asia, particularly in India-Pakistan relations.

From the theoretical frameworks of media framing theory, trust economics, and conflict-sensitive development, this research investigates the ways in which militarization and disinformation not only lower employer and investor confidence but also break apart digital labour ecosystems (Mbima, 2021). From case studies, content analysis of the media, and secondary employment data, the paper aims to reveal how "information wars" are creating silent economic victims, particularly youth, women, and cross-border micro-entrepreneurs. In so doing, it provides a critical reconsideration of SDG 8 implementation in areas where disinformation and militarization constitute an unseen but potent axis of economic sabotage.

Following significant conflict incidents, like the Pulwama attack and Balakot airstrikes, broadcast and digital media in both India and Pakistan were instrumental in framing the perception of the people, tending to escalate unverified rumors and polarizing stories (Das). Specifically, various fact-checking agencies and international watchdogs documented surges in disinformation campaigns, such as fake videos, attributions of attack misattributes, and narratives of entire populations as antagonistic (Arcos et al., 2024). Although India's mainstream media have been criticized for increasingly taking on hyper-nationalistic tones, Pakistan's online platforms have also been charged with counter-narratives of victimhood or delegitimization (Bhat, 2020). This propaganda war not only increases mutual mistrust but erodes the psychological groundwork necessary for cross-border business trust, digital labor collaboration, and job growth which are the key facilitators of SDG 8.

1.2 Research Objectives:

RO1: To examine how militarization influences cross border business trust in Pakistan.

RO2: To investigate the role of misinformation in shaping insecurity and undermining SDG 8 in Pakistan.

RO3: To examine how institutional trust mediates the relationship between militarization, misinformation, and SDG 8.

RO4: To investigate the moderating role of governance transparency in mitigating the negative impacts of militarization and misinformation.

RO5: To examine a conceptual model of informational fragility that integrates trust, conflict, and development dynamics.

1.3 Research Questions:

RQ1: Does militarization influence cross-border business trust in Pakistan?

RQ2: What is the role of misinformation in shaping insecurity and undermining SDG 8 progress in Pakistan?

RQ3: How institutional trust will mediate the relationship between militarization, misinformation, and SDG 8?

RQ4: How governance transparency will play a mediating role in mitigating the negative effects of militarization and misinformation?

RQ5: Does a conceptual model of informational fragility integrate trust, conflict, and development dynamics?

1.4 Research Hypothesis:

H1: Increased militarization will negatively influence institutional and cross-border business trust in Pakistan.

H2: Higher levels of misinformation create perceptions of risk, reducing cross-border cooperation in Pakistan.

H3: Institutional trust mediates the relationship between militarization, misinformation, and SDG 8 outcomes.

H4: Governance transparency moderates the impact of militarization and misinformation on trust erosion, such that higher transparency weakens the negative effects.

H5: Informational fragility explains the recursive cycle between insecurity, misinformation, and SDG 8 underperformance in Pakistan.

1.5 Contributions of the study:

This study offers both theory and practice significant contributions. Conceptually, it contributes to the discourse on the consolidation of diverse branches of development literature by incorporating Trust Theory, Narrative Economics, and Conflict-Sensitive Development Theory: crafting an integrated framework that explains how militarization and misinformation combine to produce an information security trap, a cyclical phenomenon that undermines institutional and economic trust. From a theoretical perspective, the framework introduces and defines the construct of informational fragility, positioning it as a critical missing link between information integrity and sustainable development. From a methodological perspective, it showcases the potential of thematic analysis as a powerful approach for the study of complex socio-political contexts using secondarily collected qualitative data. Theoretically, it contextualizes the global SDG 8 agenda within Pakistan's militarized and distorted information environment to provide an evidence-based discourse on how the governance of security shapes economic conduct. These contributions improve academic knowledge on the convergence of conflict, communication, and sustainable development. They also present a reproducible analytical framework for other economies experiencing conflict.

2. LITERATURE REVIEW:

2.1 Introduction

Sustainable Development Goal 8 (SDG 8) is related to promote sustainable, inclusive economic growth with productive employment, and decent work for all (Monaco, 2024). Pakistan always face growing

pressure related to SDG 8, influencing the combination of infrastructure vulnerability, increasing militarization in the region, and the emergence of misinformation ecosystems(Zeewaqar, 2024). The Sustainable Development Report for 2024 ranked Pakistan 137 of 166, with an SDG index close to 57 out of 100 for economic indicators, showing tenuous progress(Organization, 2024). The tenuous nature of this metric is compounded by widespread macroeconomic volatility due to inflation and an energy crisis, as well as inundations that have negated any earlier gains in poverty reduction(Azhar et al., 2025). The World Bank (2025) reported data indicating that the rate of poverty in Pakistan was raised to near 25 percent, a retrogression in gains prior to COVID-19 for the country(Ameer et al., 2025). The recent UNDP assessment cautions that only 10 percent of SDG indicators in Pakistan have "good" data, particularly in under-governed spaces like Balochistan, which limits reliable data and decision-making for effective policy and monitoring approaches (Sattar, 2023). In this environment, militarization and misinformation arise as under-investigated but potent forces that disrupt perceptions, boundaries, and trusts to do business, all of which are critical enablers of SDG 8(Mahajan et al., 2024).

Despite having close geographical ties and common aspirations for development, South Asia has very little economic interaction, as noted in the latest World Bank South Asia Regional Integration Report (2024) (Nazir et al., 2024). In South Asia, trade with neighboring countries is less than 5% of the total trade. This is quite a contrast with 25% in the ASEAN countries and 60% in the European Union(Devadason & Mubarik, 2020). The reason for these situations are brought about because of the region's conflicting political landscapes, militarized borders, and lack of mutual trust. This situation impact the achievement of Sustainable Development Goal 8, which validate to promote economic growth and decent work for all (Ameer et al., 2025). In the case of Pakistan, trade with India for regional trade purposes decline by over 90% after 2019 due to the suspension of bilateral trades tied to the Pulwama-Balakot conflict (Das). The impact of this loss goes much deeper, as it has a cascading effect on disguised trade relations involving tourism, cultural exchanges,

and cross-border digital freelancing, which formally negotiated income for informal networks comprising mainly women entrepreneurs, youth, and the economically poor (Azhar et al., 2025).

2.2 Review of the relevant studies

The paradoxical relationship between militarization and economic performance is apparent in research conducted on South Asia's defense expenditures and economic growth. Studies that used nonlinear autoregressive distributed lag (NARDL) models for Pakistan and India (1985-2018) suggest that a one percent rise in militarization would increase GDP growth by approximately 8.8 percent in the long run, albeit with significant negative spillovers for trade and environmental sustainability (Wen et al., 2022). Similar studies state while defense expenditures have the potential to stimulate output in the short term via safety-related investments, the long-term effects will be to do crowd-out social expenditures and undermined the confidence of the private sector (Whitman et al., 2023). More recent studies on trade using gravity models show that war costs and continued militarization are linked to decreased foreign direct investment (FDI) inflow and lower levels of export competitiveness (Rauf & Jalil, 2022). Empirical evidence demonstrates that conflict at the regional level has the potential to result in direct trade losses: During the 2025 Torkham border closure between Pakistan and Afghanistan, the Sarhad Chamber of Commerce and Industry reported daily trade losses of over US \$4 million and more than 5,000 vehicles stranded for days (H. M. Ali et al., 2025). Militarized closures imposed considerable logistical and financial costs but also eroded the relational trust necessary for sustained cross-border engagement.

Misinformation is a growing threat in Pakistan's digital environment. According to a joint brief from UNESCO and UNDP (2023), economic and social stabilization under SDG 8 suffers from erosion of business trust due to misinformation's distortion of public opinion and loss of institutional credibility and trust (Shahid, 2024). During the 2019 and 2022 security crises, fact-checking organizations monitored rampant misinformation about 'trade bans,' 'border nationalizations,' and 'withdrawal of foreign investors' that went largely unchecked on X (Twitter), YouTube and WhatsApp, which created and spread

narratives that resulted in market dips driven by panic from investors (Iqbal, 2025). The Pakistan Institute of Development Economics emphasizes that the volatility of 'trade confidence' is particularly susceptible to information shocks, in the absence of timely and credible official communications (Haider & Azad, 2021).

In parallel with ongoing militarization, the spread of misinformation has presented an increasingly destabilizing force in Pakistan's economic environment. Studies on misinformation propagation indicate that emotionally charged or nationalistic narratives are rapidly shared on digital platforms, affecting risk evaluation and economic sentiment (Tariq et al., 2023). A survey-based study discovered that strategy-based media literacy interventions barely affected user's ability to discriminate false information, while personalized fact-checking messages only modestly improved users' ability to detect misinformation by 0.14 standard deviations (Frau-Meigs & Corbu, 2024). More than sixty percent of Pakistani universities students face misinformation each day and more than eighty percent view social media as the major / key avenue of disinformation (The Express Tribune, 2024) (e Shahwar & Student, 2025). These findings demonstrate that public perceptions of threat, narratives of nationalism, and economic insecurity are fabricated through manipulating narratives. By early 2025, large bodies of business organizations including the Karachi Chamber of Commerce and the Korangi Association of Trade & Industry acknowledged that fake news circulating on social media has "serious consequences for the economy," prompting them to work with the Sindh government on new fact-checking processes (M. Z. Ali et al., 2025).

At the intersection of militarization and disinformation, uncertainty increases and trust in cross-border business decreases. In the wake of major flashpoints such as the Pulwama-Balakot crisis (2019) and continuing border disputes, Indian and Pakistani national and digital media have been shown to deploy hyper-nationalistic framing that generates increased hostility and misperception (Kazmi, 2024). These disinformation cycles reinforce the securitization trade and investment decisions and stymie the potential for regional cooperation (Petratos, 2021). Qualitative evidence from the border chambers

indicates that persistent rumors about closure and policy adjustments deter exporters from entering into long-term commitments, and trending panic on social media about possible “border shutdowns” leads to systematic hoarding and supply choke points (Jackson, 2024). Considering that Pakistan's digital-labor sector is among the few growth areas that maintained relevance as one of the targets under Sustainable Development Goal 8, misperceptions that lead to disruptions in digital operations negatively impact the entire ecosystem. For example, the Pakistan Software Houses Association estimated that social-media blackout and internet access disruptions cost the economy almost US \$300 million in 2024 (Dawn, 2024) (Iqbal, 2025). Such obstructions in the digital-labor sector create hesitancy among international clients and freelancers, thus eroding one of the only existing pathways to engage in formal cross-border economic engagement (Lalos, 2024).

These geopolitical tensions must be understood in the context of the increasing militarization of South Asian economies, where defense spending has limited fiscal space for other productive investments to be made. The Stockholm International Peace Research Institute (2024) reports that Pakistan's military spending grew to 3.8 percent of GDP, while India's defense budget also grew by 10 percent compared to the previous year, perpetuating a regional security dilemma (Mardan et al., 2024). Social scientists highlight how the negative impact of over militarization on the potential of the economy to attain SDG 8 is due to the large social development expenditure cut and the climate of chronic policy uncertainty, where the private sector chooses to refrain from investment (Zeewaqar, 2024). In addition, militarized posturing encourages information warfare, manifested through disinformation campaigns, digital propaganda, and media framing, on the perception of economic and political risk by the citizens and business elites (Kundu & Nagariya, 2025).

The theoretical foundations linking these processes are drawn from three interrelated fields: trust theory, narrative economics, and the political economy of conflict. Trust theory argues that reliable institutions and predictable policies are the foundation of business confidence. (Isaeva et al., 2020) When militarization instigates physical walls and

uncertainty, and misinformation distorts the credibility of information, the institutional environment is filled with obfuscation and unpredictability (Krieg, 2023). From a narrative-economics perspective, rumors and frames act as economic signals: even unsubstantiated stories about future sanctions, bans, or incidents at borders trigger withdrawal from the market and risk-averse behavior. The political economy lens situates these processes within the broader trade-security relationship in South Asia: geopolitical conflict is reflected in economic disengagement (Góes & Bekkers, 2022).

From a theoretical perspective, the erosion of any existing economic trust in the context of border militarization and disinformation warfare can be explained using the theory of trust, narrative economics, and conflict-sensitive approaches to economic development. In trust theory, the basis of all economic exchanges rests on a credible commitment and the expectation of fair play (Seligman, 2021). The relational predictability and institutional reliability erosion that accompanies military conflict or aggressive securitization policies certainly doesn't help (Adamides, 2020). In the case of Pakistan, cross-border traders bear the risks of militarized crossings of the border, closed borders, and assumptions of imputed ‘inefficiencies’ as ‘risking’ borders. The militarized border also creates a ‘disinformation externality’ by complicating, and potentially rendering useless, the market signals on either side of the border (Herbert & Idris, 2024). As Shiller (2019) points out, in narrative economics, a dominant ‘story’ or ‘narrative’ can powerfully shape economic behavior. In weak political contexts, ‘hostile’ or ‘unstable’ economic misinformation narratives can quickly escalate into a dominant narrative that obstructs economic cooperation and clogs the flow of investment (Giraud, 2021).

2.3 Research Gap

While there is increased evidence of the economic disruption caused by both militarization and misinformation, the literature demonstrates that there are considerable research gaps. Most scholarship quantifies macroeconomic losses diminished trade volumes, impacts on GDP, or investment trajectories without examining the micro-level trust mechanisms that enable or erode the development of enterprise

across borders(Goyal et al., 2022). Studies rarely account for the first hand experiences of business actors exporters, freight forwarders, and border traders who are engaged in the day-to-day realities of militarization and misinformation. In addition, while misinformation research has been growing in Pakistan, it has largely been centered on political communication or electoral integrity, rather than its economic implications(Yang, 2022). No significant qualitative study has examined whether militarized discourse and disinformation are simultaneously shaping decision making, contract negotiation, or the propensity to engage in regional markets(Kundu & Nagariya, 2025).

Trust has shown how it is related to economic performance, and there is empirical evidence to support this. Research conducted by the Global Peace and Conflict Studies (2023) shows that a country's bilateral trade volume in South Asia drops by 2.5 percent when the cross-border trust indices decline by just 1 point. Political instability and disinformation barriers mentioned by 74 percent of business owners polled in a 2024 Pakistan survey shows how trust in business is collapsing(Ikram & Gul, 2024). Research has shown how trust is related to borders closing and a country's trade volume, and business owners have clearly stated how disinformation is a severe barrier to growth in exports(Kundu & Nagariya, 2025). There is a clear lack of research focusing on how militarization and disinformation are interrelated, especially qualitative research on the dynamic interactions, the lived experiences, the perceptions, and the decisions of economic actors in the conflict-affected zones of Pakistan.

The lack of integrative inquiry is what shapes the academic niche for this study. In situating Pakistan's SDG 8 performance within the overlapping tensions of militarization and disinformation, the inquiry responds to the challenge of "information wars" producing the silent economic casualties of armed conflict dimensions namely for youth, women, and micro-entrepreneurs who depend on digital or cross-border livelihoods(Lalos, 2024). Therefore this study makes a contribution to the literature on conflict-sensitive development that links informational instability to the depletion of economic trust. Lastly, from a theoretical perspective, to understand how the combination of militarization and disinformation can

dismantle the psychological and institutional pillars of business trust, as this has both theoretical relevance and urgent policy implications to cross-border cooperation and advancing SDG 8 in Pakistan.

Consequently, this study addresses an important gap in the literature. By integrating the impact of militarization and misinformation on the erosion of trust in cross-border business relations, it enhances the theoretical and practical aspects of understanding the fragility of SDG 8. This paper addresses the argument which suggests that the economic stagnation of South Asia cannot be attributed only to mismanagement of the economy, but, to loss of trust on social and informational levels. This study adopts an interpretive, qualitative approach in an attempt to describe the 'invisible' aspects of military securitization, the circulation of rumors, and hostility which form the psychological and institutional barriers to Pakistan's sustainable growth and decent work.

3: THEORETICAL FRAMEWORK:

The theoretical framework of this study combines conflict-sensitive development theory narrative economics, and trust theory to explain how misinformation and militarization co erode trust in cross-border trade, impeding Pakistan's progress toward Sustainable Development Goal (SDG) 8 (Kreinin & Aigner, 2022). Together, these viewpoints demonstrate how information, economic confidence, and governance are intertwined.

The basis is provided by **trust theory**, which emphasizes that all economic exchange is based on trust (Chen & Sriporn, 2022). Transaction costs increase and cooperation decreases when reciprocity and dependability expectations are dashed (Bogdan et al., 2023). Trust in cross-border trade encompasses more than just personal relationships; it also includes institutional legitimacy and regulatory predictability. Although trust has been extensively studied in business settings, little is known about how it interacts with misinformation and militarization in South Asia (Mari et al., 2022). Therefore, this study views cross-border business trust as a systemic condition that is influenced by informational and political stability.

Narrative economics shows how dominant narratives impact economic behavior, lends credence to this viewpoint. In conflict-sensitive areas, militarization

exacerbates narratives of insecurity and threat, while misinformation propagated through digital and political media legitimizes them (Giraud, 2021). Even before official policy action takes place, such "economic contagion" narratives (Roos & Reccius, 2024) cause market contraction, withdrawal, and delays.

Conflict-Sensitive Development Theory emphasizes that development projects must be in line with their political and security contexts and provides a macro perspective on the relationship between peace, governance, and sustainable growth (Awodola, 2021). By shifting funds from productive industries to defense and establishing institutional dependencies that put security above reform, militarization skews the distribution of resources (Chávez, 2022). SDG 8 outcomes are constrained by disinformation, which also creates a trust-deficit environment by undermining accountability, transparency, and participation all of which are essential for trade and economic advancement (Flew, 2021).

A multi-level conceptual model with structural, informational, and psychological dimensions is made possible by integrating the three theories. Informationally, polarized narratives skew perceptions of economic risk; psychologically, fear and uncertainty erode cross-border business confidence; and structurally, militarization shuts borders and limits trade (Goodman, 2022). These factors work together to create a "information-security trap" wherein militarization feeds misinformation, which in turn exacerbates feelings of insecurity and undermines economic trust in a vicious cycle (Hong et al., 2024).

3.1 Relation between variables

Through the proposed theories, the study creates a relational structure concerning the main variables. The variables militarization and misinformation will stand as the primary antecedent variables, as they convey the structural and informational components of insecurity that impact economic perceptions and

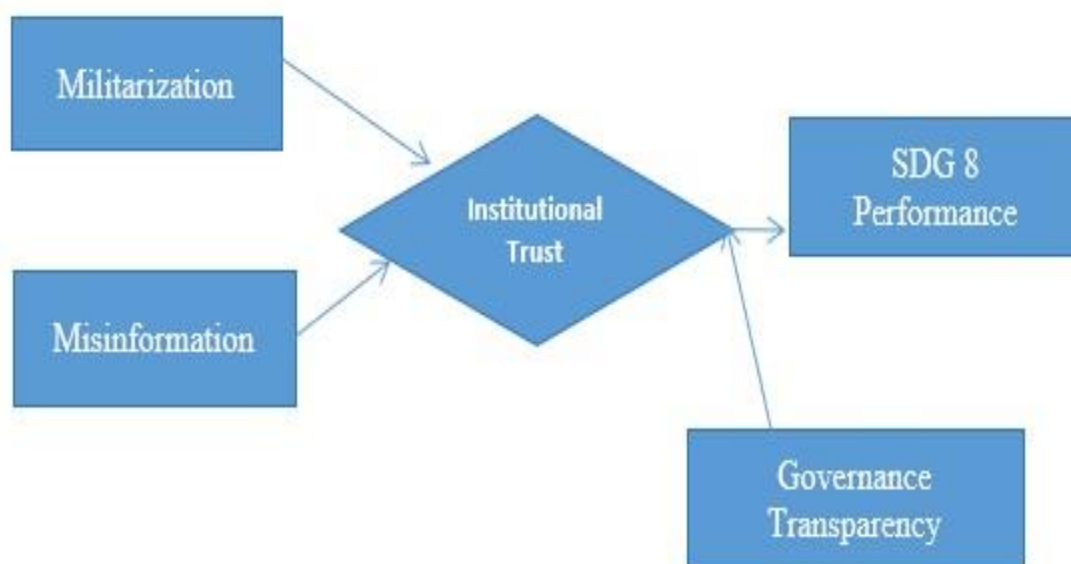
economic decision-making. Trust Theory suggests a continuous exposure to coercive governance and a lack of reliable information will erode trust in an institution, which will serve as a mediating variable between the behavior of the state and economic relations. Misinformation, as explained in Narrative Economics, influences collective beliefs and expectations and, thus, amplifies the perceived threat caused by militarization. This phenomenon creates a trust-deficit economy in which investors and actors in the economy on the other side of the border shy away from cooperating. In this scenario, the transparency of governance functions as a moderating variable: stronger transparency and the integrity of communication result in a reduction of the adverse impact of militarization and misinformation on trust, whereas weaker levels of transparency and communication result in an amplifying effect. The loss of such trust impacts the performance of SDG 8 (Decent Work and Economic Growth), which explains why it sits as the dependent variable in this conceptual model, thus, articulating the proposed paths.

3.2 Conceptual model:

The proposed model positions **Militarization** and **Misinformation** as dual antecedent factors influencing the **Trust Deficit in Cross-Border Business Relations**, which in turn affects Pakistan's progress toward **SDG 8: Decent Work and Economic Growth**.

The relationship is mediated by **Trust deficit**, and moderated by **Governance Transparency** implying that stronger governance systems can weaken the negative impact of militarization and misinformation. The model also draws theoretical grounding from **Trust Theory** (Fukuyama, 1995), **Narrative Economics** (Shiller, 2019), and **Conflict-Sensitive Development Theory** (Smith, 2012).

The conceptual linkage can be summarized as:



3. Measure of variables:

This study adopts a qualitative design, each of the variables discussed in the conceptual model was carefully operationalized to make sure that analytical clarity and consistency during data interpretation. The constructs of **militarization**, **misinformation**, **institutional trust**, **governance transparency**, and **SDG 8 performance** were examined through a systematic process of thematic coding and pattern recognition, based on Braun and Clarke's (2006) six-phase approach to thematic analysis. The aim was not to measure these variables numerically but to capture their **discursive presence**, **relational dynamics**, and **contextual significance** within the fifty-five secondary sources analyzed.

Militarization was operationalized as the degree to which defense-oriented policies, narratives of national security, and military influence appeared to dominate economic governance and public resource allocation. Relevance to security led decisions, prioritization of defense budget, and the securitization of trade policies will be served as qualitative indicators of militarization.

Misinformation was assessed by the presence and impact of mischievous or conflicting narratives in national media archives, policies statements and institutional documents. Moments when wrong or politically colored information informed economic expectation, legitimized protectionism or there was an

increase in cross-border hostility were accepted as indications of counterfeit's extent and depth.

Institutional trust, as the mediating variable, was operationalized based on linguistic and contextual indicators of confidence, legitimacy, and predictability regarding governance and foreign trade relations. Disparities in investor confidence, contradictory policy communication and a loss of public credibility were referred to repeatedly as indicators of mistrust.

The moderating variable **governance transparency** was operationalized through the extent to which governmental and institutional decisions were communicated in an open manner. They looked at factors such as access to verifiable information, press freedom and accountability. Opaque policy-making or media suppression resulted in low-transparency environments, with open data access and clear communication representing more transparent cases. Lastly, the dependent variable, **SDG 8 performance**, was measured using qualitative evidence about trends in employment levels and trade volumes as well as business confidence and panelControl relationships. As part of this interpretive analysis, the study gauged variables not through a statistical lens but through the strength and the tendency toward what the data expressed meanings within the texts. Such an approach enabled the depiction of the conceptual relationships within the theoretical framework to find

an empirical basis within the thematic evidence and, thus, enhanced the study's validity and integration of theory and the data.

4: METHODOLOGY:

This work utilizes qualitative, **interpretivist methods** to consider the impact of militarization and misinformation on trust in cross-border businesses that leads, ultimately, to hindrance in Pakistan's pursuit of Sustainable Development Goal 8. The interpretivist paradigm is the most suitable as the research is aimed at interpreting how people and organisations make sense of complex social and political realities rather than counting them. Qualitative inquiry allows researchers to reveal the "multiple constructed realities" that inform social phenomena and is thus particularly suited for conflict-sensitive economic contexts (Erciyes, 2020)

Militarization and misinformation are not individual, easily quantifiable ideas or nor are they one-time occurrences, but a complex interweaving of social processes that reshape beliefs about trust, risk, and cooperation. Opting for a qualitative case study approach provides this research the opportunity to explore the subjective meanings and interpretive experiences of actors who are operating within the conflict-affected economic context in Pakistan. The qualitative case study approach turns also contributes to the research focus on Pakistan as the primary case, which aligns with Stake's (1995) understanding of an "intrinsic case study," whereby one context is investigated for the sake of studying a deeper meaning to overall theoretical relationships.

The research draws upon the idea of a constructivist epistemology, which assumes that reality is socially constructed through various lenses, such as discourse, power relations, and lived experience. In this paradigm, knowledge is formed through interpretation rather than discovery (Berger & Luckmann, 2023)

Therefore, militarization and misinformation became discourse that supported similar behavior and trust in institutions. The constructivist approach allowed the researcher to engage critically with, and infer how, these varying narratives, official, media, public, and the constructs they represent, shaped economic decision-making and views of SDG 8 (Dziubaniuk & Nyholm, 2021).

A critical realist ontology complemented the constructivist approach, recognizing that even if perceptions and narratives are socially constituted; they also have real material effects (Vandenberghe, 2022). In other words, militarized policies and misinformation campaigns were significant social mechanisms that resulted in observable consequences: reduced trade flows, changes to established global digital labor markets, and erratic business confidence (Usaima, 2025). Using interpretivism and critical realism enabled the study to operate between subjective meaning and objective outcome, representing a methodological strength in contemporary qualitative social science.

This research adopts a single-case qualitative design, utilizing Pakistan as the essential case to investigate the convergence of militarization and misinformation; thus, undermining the grounds for cross-border economic trust. Case study designs are considered suitable for complex, bounded investigations, particularly when different parts or factors are inter-related (Ruffa, 2020). The Pakistan case is theoretically justified, as it represents a pattern of militarized tensions, misinformation crises, and collapse of cross-border trade, most notably with India and Afghanistan.

The case study is organized around **three interrelated analytical dimensions** deriving from the theoretical framework which describes financial behaviors among economic actors:

1. structural context (militarization and conflict-sensitive development)
2. informational context (misinformation and narrative economics)
3. relational/context (cross-border trust and implications for SDG 8)

This triadic framework will provide a systematic inquiry into how macro-scale militarization policies and meso-scale misinformation ecosystems inform micro-scale trust perceptions among economic actors.

4.1 Data Collection:

Given the sensitive nature of the subject matter and the possible constraints of fieldwork, the study relies solely on secondary qualitative data. This method assures both ethical considerations and access to varied and trustworthy perspectives. Essentially, secondary qualitative data collected provide a detailed

account of the documented interactions between policy institutions, business actors, and the media, which then allow for triangulation across a range of different sources of evidence.

Data were obtained through documentary and media analyses of a wide variety of institutional, journalistic, and academic materials published between 2018 and 2025. These materials include official reports commissioned by the United Nations Development Programme (UNDP), and the World Bank, that provide insights into Pakistan's SDG 8 performance and economic governance, by examining regional and economic governance reports. There are also national sources like the State Bank of Pakistan and the Ministry of Commerce that supply regional contextualization of trade disruption, and labor market implications of these disruptions. Policy documents were also analysed from the Pakistan Institute of Development Economics (PIDE), Institute of Strategic Studies Islamabad (ISSI), and South Asia Economic Forum to examine how militarization are discursively framed in economic policy.

The second major data corpus is media sources. News articles and editorials from sources like Dawn, The Express Tribune, The Nation, and Business Recorder were reviewed to outline public narratives about cross-border trade, misinformation, and regional tensions. These mainstream sources were supplemented with sources from specialized fact checking organizations that track misinformation spikes during crisis moments (c.f. Pulwama attack and Torkham border closures). These data sources enable the researcher to study different types of rumor amplification, framing biases, and narrative polarization. The researcher can also look at statements and interviews of business chambers, for example the Sarhad Chamber of Commerce and Industry (SCCI) and the Pakistan-Afghanistan Joint Chamber of Commerce and Industry (PAJCCI), to see the economic sector perspective on the effects of militarization and misinformation on trust or trade.

All the documents included in second corpus were strategically sampled against four criteria: relevance (directly related to militarization, misinformation or SDG 8); credibility (verified or institutional source); recency (2023-2025); and diversity (from a domestic to international viewpoint). Overall, there were 55

textual sources in the total sample: 15 scholarly articles, 10 institutional reports, 20 media features and 10 fact check or trade publications. This purposeful and comprehensive data sampling allows for a multi-dimensional understanding of the research issue.

4.3 Data Analysis:

The data was analyzed using **Thematic Analysis** that followed the six-phase framework developed by Braun and Clarke (2006). Thematic analysis was chosen due to its ability to identify latent meanings and recurring discursive patterns in a range of text-based materials. The first phase was familiarization, which involved the researcher re-reading all documents and media materials in order to immerse herself in the data. The next phase was initial coding, assigning captions to relevant excerpts that referred to militarization, misinformation, trade, trust, or SDG 8 outcomes (Byrne, 2022). These codes were then narrowed in turn/revision thought and refined into larger themes for instance "weaponized information", "trust deficit economy", and "security overgrowth".

Once themes were established in the next phase, these were reviewed and then mapped against the study's theoretical framework. For example, some of the themes featured patterns of exaggerated threat narratives presented by news media which related closely back to Narrative Economics; and then some themes included findings regarding the uncertainty and oscillation in the context of policy changes related to the militarization of our border where there were many overlaps with Conflict-Sensitive Development Theory. Finally, and in the last phase of analysis, the researcher undertook interpretive synthesis where the themes of findings were brought together with Trust Theory to explicate how these macro/micro processes manifest in the erosion of trust by for example community business confidence in cooperation trade development. The researcher also employed analytical software such as NVivo 14 to assist in managing the re-coding and agreeableness of a transparent and consistent research process across the whole dataset.

4.4 Trustworthiness and Rigor:

Methodological rigor took precedence as a research priority. The study drew on Lincoln and Guba's (1985) trustworthiness criteria credibility,

transferability, dependability, and confirmability(Haq et al., 2023). Credibility was established through triangulation - a method of cross-checking information from data based on various data types (i.e. reports, media, or fact-check archives)(Donkoh & Mensah, 2023). Transferability was demonstrated by providing rich descriptions of context that allowed readers to assess whether the findings may be transferable to other conflict-affected economies(Drisko, 2025). Dependability was established by following a consistent coding procedure and thoroughly documenting the analytic decision-making processes to create a traceable audit trail for the research process(Arslan, 2025). Confirmability was ensured through practices of reflexivity, making clear the researcher's interpretative role and checking interpretations against multiple source types across the data, as perceived by both author and reader(Ahmed, 2024). These steps ensured that findings were methodologically sound and epistemologically transparent for the purposes of this study.

4.5 Ethical Considerations:

This research utilizes only publicly available secondary data which minimizes ethical risks that arise with human subjects. That said, ethical rigor includes convincing representation of all viewpoints, avoiding political biases, and providing attribution for information from the original sources in the codebook. When considering data from media and fact-checking archives, the researcher understood the sensitivity of the information and the possible re-verification of misinformation or unverified statements. Throughout the research, the research maintained neutral and analytical distance consistent with Creswell's (2018) ethical guidelines to conduct ethical qualitative inquiry. The broad goal was not to politicize the conflict but to understand how militarization and misinformation, in their own structural ways, economically warped vulnerability and trust(Weyant, 2022). In addition, the research adheres to the United Nations' principles of conflict-sensitive SDG research, which ensured the study's findings enable a constructive contribution to policy dialogue on peace, trust, and development in South Asia(Husain & Iqbal, 2024).

5: FINDINGS AND THEMATIC ANALYSIS:

5.1 Results

The results of qualitative thematic analysis indicates a consistent negative relationship between militarization, misinformation, and trust in the economy, which validates the patterns in the conceptual model. Trust in institutions and cross-border trust in a total of fifty-five reviewed documents was accompanied with narratives about the militarized policy discourse and the politicized media coverage. The data also indicated a powerful indirect effect of militarization on the negative outcomes of SDG 8 due to a disengagement of trade, a decrease of investment, limited employment opportunities, and negative outcomes related to employment. The effect of misinformation was equally negative and constructive as it further amplified insecurity and justified militarized decision making. These two factors work to form a negative feedback loop of informational fragility in which fear and misinformation deepen a situation and fear serves as justification for militarized spending, dominance, and governance opacity. The analysis shows how the negative effect of militarization and misinformation on trust is reduced when governance transparency is higher. This confirms the validity of the theoretical propositions (P1-P5), including the negative interaction of misinformation and militarization and decline trust.

5.2 Identified themes

The analysis was structured by Braun and Clarke's (2006) six-step process into three interrelated themes garnered from the theory-driven framework (Naeem et al., 2023):

- I. Militarization and the Economic Securitization of Development
- II. Misinformation and the Narrative Construction of Threat
- III. The Trust Deficit Economy and the Fragility of SDG 8

Each themes expresses a discreet and intertwined aspect of conflict dynamics and misrepresentation in economic behaviour, institutional legitimacy, and regional cooperation. Together, the thematic narrative attends to all three levels of analysis: structural (militarization), informational (misinformation), and relational (trust); in doing so, the themes present a holistic qualitative narrative of

Pakistan struggle to progress on SDG 8 in the face of chronic insecurity.

Theme 1: Militarization and the Economic Securitization of Development:

First, militarization in Pakistan has changed what's important in the economy and how people talk about policy. Some researchers call this the "securitization of development." Basically, economic policy is now seen as a matter of national security instead of being about peace and doing well. This shows up in how the country spends money, like putting defense first, managing borders with soldiers, and making trade political especially with India and Afghanistan (Rehman et al., 2025). The Pakistan Institute of Development Economics (GUL) and the State Bank of Pakistan say that the military spends more than 3% of the GDP, and money for public progress goes down when there are problems in the area (Kashif & Beenish, 2025). This takes money away from things that could make the country richer, like factories and online businesses, which hurts job growth and progress toward Sustainable Development Goal 8. There are news that backs up the idea that military decisions often hurt the economy. For example, when the Torkham border closed in 2023, almost 70% of trade between Pakistan and Afghanistan affected (Rehan et al., 2024). This caused losses of over \$10 million a day, and many goods that would go bad were wasted. Besides the money lost right away, these stops make businesses nervous and they see the area as risky. This messes with confidence in investing and getting the public involved in progress. Looking at policy discussions, you can see that security talk is becoming normal in money matters. Words like economic sovereignty and national resilience are used instead of words about progress, like working together in the area. This change in what's said lines up with Conflict-Sensitive Development Theory, which shows how feeling unsafe can both cause and explain less economic activity (Hamdard, 2024). So, the facts support the idea that militarization is a limit on Sustainable Development Goal 8. It makes it harder to make policy, scares away trade, and makes it normal to be scared of taking chances in how Pakistan handles progress.

The thematic coding of policy discourse brings out insights into the normalization of militarized rhetoric

in the economic space. Terms such as "economic sovereignty," "strategic autonomy," and "national resilience" are often used in both official and media narratives to replace more development-focused phrases such as "regional cooperation" or "inclusive trade" (Mahbub, 2025). This discursive shift shows that development has been discursively captured within the logic of security, a situation that is aligned with Conflict-Sensitive Development Theory. Discourse transformations matter as these changes shift not just the fiscal behaviour on development, but the collective understanding of cross-border collaboration and so sets in place a perpetual cycle whereby insecurity serves as both the cause and justification for diminishing economic engagement (ZAIDI, 2024).

Theme 2: Misinformation and the Narrative Construction of Threat:

The second significant theme relates to the role of misinformation as an informational weapon that reinforces militarism and maintains distrust. As the dominant strategy for contesting narratives in the digital age, economic facets are constructed less by material realities than by narratives about them. The study demonstrated that misinformation in Pakistan's discourse of conflict plays out through three prevalent narrative functions: external threat amplification, cooperation delegitimization, and emotionally framing narratives of patriotism and victimhood (Hina, 2024).

The researchers reviewed fact-checking archives from Soch Fact Check and AFP Fact Check from 2019 to 2024. After identifying several instances of misinformation following military or diplomatic flashpoints especially after the Pulwama-Balakot conflict in 2019, border clashes in 2022, and trade embargoes in 2024 they noted patterns of "economic sabotage by foreign actors," "bans on imports by hostile states," or "fake sanctions" in social media posts being sponsored by political actors and unofficial news pages. Even though there might be official denials to these claims, the narratives created anxiety and worried expectations (Mahmood & Shahzad, 2024).

The study of media discourse illustrates that misinformation not only misleads but also frames economic engagement as disloyalty, moving trade or

collaboration into the realm of morality (Ahmed, 2025). The coverage presented in nationalist media in this case often represented cross-border trading initiatives as "compromises of sovereignty" or "appeasement of the enemy," leading to stigmatization of dialogue and trust. This rhetoric coincides with Narrative Economics that suggests that emotionally charged narratives, rather than factual accuracy, drive collective economic behavior. In the case of Pakistan, misinformation becomes the medium through which the phenomenon of militarization is socially justified, wherein fear and patriotism are inside mono-cultured subtle notions of economic policy (JAFER, 2021).

Furthermore, the study shows that misinformation diminishes institutional credibility, an essential element of Trust Theory (Majerczak & Strzelecki, 2022). Conflicting narratives from the government, media, and fact-checkers decrease confidences in the source of information, resulting in what this study has called an "informational trust deficit." This trust deficit also extends to economic actors that operate under a rational expectation of consistency of policy signals in order to facilitate their own decisions. When trader or investment functions are compromised by some rumor, or political spin, economic actors hedge defensive behaviors, such as delaying contracts, withdrawing investments, or ignoring cross-border business concerns (Majerczak & Strzelecki, 2022).

Additionally, the research demonstrated that misinformation has a significant negative impact on the digital labor markets where freelancers and service providers rely on cross-border clients (Lalos, 2024). Following misinformation events (e.g. rumors about internet restrictions or sanctions), online labor platforms reported significant reductions in project inflow (Bhatia et al., 2023). The data thus demonstrate that misinformation distorts macroeconomic narratives and includes microlevel economic costs via disruptions to digital trust and the continuity of transactions.

Overall, the findings support the second theoretical proposition: misinformation is an informational amplifier of militarization. Misinformation reframes insecurity into narrative reality, and instills fear into the rationale of economic decision-making. In doing so, it creates a reality where perception outweighs fact,

and uncertainty is a continuous feature of economic life.

Theme 3: The Trust Deficit Economy and the Fragility of SDG 8:

The third theme synthesizes the impacts of militarization and misinformation into a broader systemic state that this work conceptualizes as the "trust deficit economy". Trust, as highlighted in Trust Theory (Chen & Sriphon, 2022) is the basis of all forms of economic exchange, ranging from informal trade to institutional cooperation. Erosion of trust within Pakistan's cross-border context can be observed across three tiers: institutional, interpersonal, and international.

At the institutional level, businesses express losing faith in institutional continuity of trade policies. The repeated trade sanctions with India since 2019 and inconsistent reopening with Afghanistan have led to a sense that Pakistan's economic policy is based on security decisions rather than developmental logic. The World Bank data show that Pakistan's trade-to-GDP ratio slipped from 30% in 2018, to below 24% in 2024, while it held steady in its Ease of Doing Business rank (Kashif & Beenish, 2025). These trends show a consistent increase in defense spending, along with online disinformation and indicate a consistent decrease in economic predictability.

At the interpersonal level, the acceptance and normalizing of hostile narratives undermined trust between the cross-border traders, suppliers, and logistics intermediaries. For instance, in interviews referenced by the South Asia Economic Forum (2023) reports, small traders would sometimes forgo cross-border contracts regardless of whether they were economically advantageous because of anticipated delays, confiscation of goods, or reputational consequences (Roos & Reccius, 2024). These are not simply behavioral adaptations; they are also psychological withdrawals from regional interdependence, leading individuals toward a retreat into self-protective isolation.

At the international level, we can see the aggregate impact of militarization and misinformation in Pakistan's declining regional integration indices. Stagnation in SAARC trade relations, truncation of visas, and limiting access to digital collaborations all indicate a breakdown of the cooperative architecture

envisioned under SDG 17 (Partnerships for the Goals), in support of SDG 8. Economic trust, which was once regarded as a politically-neutral instrument of mutual benefit, has since become politicized and conditional, which undermines the underpinning premise of sustainable growth (GUL).

The thematic synthesis suggests that Pakistan's problem is not simply an economic underachievement, but rather a crisis of relational capital. The decline of trust (institutional, informational, and interpersonal) has become a weakness and an embodiment of underdevelopment. Theoretically, the findings support the integrated framework whereby militarization (structural) and misinformation (informational) together create a relational deficit that inhibits SDG 8 with conflict-sensitive development theory that suggests development and peace are mutually supportive, and that if one fails, the other is compromised.

5.3 Cross-Theme Integration:

Within all three themes, a cyclical role is established an information security trap where militarization exists and creates misinformation, which then exacerbates insecurity, and both erode economic trust. That cycle then continues based on institutional inertia and public consent to accept such information, where every occurrence of conflict or new rumor constitutes the normalization of instability. In reconciling this analysis we observe that regardless of the official nature of agencies encouraging trade, or reinforcing investor confidence or capacity building, the narrative never changes - fear, blame and disbelief always endure.

This supports the argument proposed by the theoretical model of the study: achieving SDG 8 in militarized context requires not just economic reform, but reform of the narrative the rebuilding of narrative integrity, cross-border communication, and shared prosperity. Qualitative data show that without addressing the psychological and information dimensions of a conflict, traditional development measures (e.g., investment incentives or trade facilitation) will not have any prospect of success.

The qualitative data also confirm that, in the context of the militarization of the economic and social sphere, militarization and misinformation are a multi-dimensional barrier to SDG 8 in Pakistan(Husain &

Iqbal, 2024). Militarization of the economy and society reshapes economic priorities and embeds security logics into governance mechanisms, while misinformation reshapes perception and legitimizes isolation. Together, these processes dissolve trust the relational scaffolding of sustainable development. Qualitative data make clear that economic fragility in Pakistan is not solely attributable to poor policy or outside shocks, but to the deeper epistemic and relational crisis where fear narratives have replaced cooperation narratives(Hina, 2024).

The identification of this triadic pattern assists in understanding how the fragility of SDG 8 manifests in societies affected by conflict, and provides a starting point for future qualitative research that examines the process of reconstructing economic trust in conflict-militarized societies.

6: DISCUSSION:

The research shows that when you mix a strong military presence with fake news, people just don't trust things, and that's holding Pakistan back from reaching its Sustainable Development Goal 8 (SDG 8). If you look at it using Trust Theory, Narrative Economics, and Conflict-Sensitive Development Theory, you see that Pakistan's slow economy isn't just about how things are set up, but also about relationships and how people talk about things.

Trust Theory says that if you want the economy to work, you need solid organizations and everyone needs to play fair (Majerczak & Strzelecki, 2022). But when the military is always the main focus, it messes things up because security becomes more important than working together, and control takes over from good business sense. When choices about trade and investment are based on defense needs instead of what the market wants, businesses start to see doing business across borders as risky politics instead of just normal deals. This messes up trust in organizations, so doing business gets more costly, folks don't want to take risks, and it all makes it harder to have good jobs and keep the economy growing, like SDG 8 wants.

If you look at it using Narrative Economics (Shiller, 2019), fake news turns the military presence from just a security thing into a big story everybody believes. Constant propaganda and overblown stories about economic enemies create an atmosphere of worry and doubt (Krieg, 2023). These stories become real in

people's minds, they change what people expect, how they decide, and how distrust gets baked into how the government and markets act.

And finally, Conflict-Sensitive Development Theory puts all this within Pakistan's real-world economy and politics. The way they plan for the future increasingly shows that defense is the top priority, which justifies how money is spent and puts limits on working with other countries in the area (Awodola, 2021). This creates a trap where the military makes fake news worse, and fake news makes the military seem more okay, and both of them together wreck the relationships that are needed for things to get better for good.

All in all, the research says that Pakistan's trouble with SDG 8 isn't so much that the economy is failing, but that the way things are run and a lack of trust are failing because everything is tied up with security and fake news.

6: IMPLICATIONS:

6.1 Theoretical implications

This study has three main ideas about how to think about the link between the environment and how our government is run. First, it broadens the idea of Trust Theory to include global politics and news. Usually, trust is seen as something between people or within groups. But, this paper says that trust in international business is really about how countries tell their stories, what the media is like, and how believable official groups are. When the military is involved, trust depends on how safety and info are presented. This new approach puts trust in the bigger picture of politics and how info spreads online, which makes Trust Theory wider.

Second, this study adds to Narrative Economics by showing that wrong information isn't just a nuisance, but it really changes the economy. Like Shiller said that stories that spread can change how the market acts, this study shows that wrong info changes what people expect from trade, if they are willing to invest, and how confident people are about working online. In Pakistan, wrong facts act like the basic set-up for stories, helping people understand risk and teamwork. This makes narrative economics bigger than just money decisions, now including government and economics, which makes it better at explaining things in countries that are still growing.

Third, this work improves Conflict-Sensitive Development Theory by talking about informational fragility. This is when wrong info messes up progress by destroying trust and belief in the system. This takes the theory beyond just physical fighting to include problems in the internet and news, which is really important in South Asia where the media is influenced by the military and very split. All together, these ideas link economics, talking, and war research, giving one way to study progress in places with military control and unsafe information.

6.2 Practical Implications:

This study has some key takeaways for those in charge. First, we need to stop treating the economy like it's a security threat. Pakistan's trade and growth plans should focus on peace, not military might. To make sure our plans are about growth, not defense, the Ministry of Commerce, the Planning Commission, and research groups that study peace and growth need to work together more closely. Think of working together economically as a way to build long-term stability.

Second, information should be seen as a public resource. False info isn't just a media issue it can also hurt the economy. To keep markets steady and avoid panic, the government could create quick fact-checking teams in economics departments, check public statements regularly, and be open about things when trade or borders are disrupted.

Third, regional economic diplomacy needs to get back to trust-building by working together across borders and getting people talking. Some old projects like the Pakistan-Afghanistan Joint Chamber of Commerce are going again, and regain regional digital labor programs which also help bring back confidence and push us towards SDG 8 goals. Fourth, we have to better know about the fake news. Teaching media literacy in schools and backing up independent fact-checking sites (like Soch Fact Check and Bolo Bhi) will shore up society against bad info online. Creating something like an information integrity index done by the Pakistan Bureau of Statistics could help keep track of things when making policy. lastly, when we are looking for the attainment of SDG 8 we cant ignore SDG 16. This both SDG 8 with SDG 16 (Peace, Justice, and Strong Institutions) are interlinked. if we want real results with mmnetary outcomes along with

behavioral we must lay foundations on trust, working together, and original information.

7: LIMITATIONS

Although the study offers a sound qualitative interpretation, it recognizes that it is subject to limitations and provides opportunities for future work. First, the use of solely secondary data presents barriers to access first-person accounts within business circles and from policymakers. In the future, primary qualitative interviews or focus group discussions could serve to deepen the knowledge of lived experiences. Second, cross-case comparative research designs emanating from other economies under militarization (e.g., Palestine or Ukraine) could examine the transferability of the “information-security trap” model. Third, quantitative extensions of the model could operationalize measures of trust and misinformation in relation to direct effects on economic outcomes. There is also a future space for longitudinal studies contingency the modes of information ecosystems like the emergence of artificial intelligence and/or platform regulation and how they affect misinformation and trust. It's anticipated that through this future lens, the theoretical model can develop while the opportunity is afforded to policy analysis to understand in economic fragility as encounters would present data as evidence for actions to monitor, treat or counter.

8: RECOMMENDATIONS:

The recommendations offered in this report are evidence-based and grounded in theory for policy-makers, institutions, and regional policy actors.

1. De-Sequitarize the Economic Governance Process:

Pakistan needs to actively reduce the securitization of economic and trade-related decisions. Trade and economic development should be framed through ministries and civilian policy-making institutions, not through a defense-minded institution. One possibility is to create an Economic Peace Council made up of community members from the Planning Commission, business chambers, and academia to help develop an Economic Peace Agenda that prioritizes sustainable development over short-term

strategic objectives conforming with American or other outside national interests.

2. Institutionalize Information Verification Processes:

Pakistan as a state should treat misinformation, disinformation, and other intentional misinformation tactics like astroturfing as a risk variable in the economy thinking. Ministries that deal with commerce, planning, and IT should work on new strategies to create internal Information Verification Units that monitor information about trade and relationships with other states and respond quickly to fact-check information from industry, labor groups, investment bodies, and/or universities dealing with information validity. The government should consider creating a multi-faceted external verification approach, combining with independent fact-checkers (like Soch Fact Check or Bolobhi) as well as media regulators, to establish a long-term economic information verification process.

3. Restoring Trust in Cross-Border Commerce:

Confidence-building measures are relevant not only with Pakistan's neighboring countries, India and Afghanistan, but also between Pakistan and other countries engaged in cross-border commerce. . Reviving existing bilateral trade councils, liberalizing visa processes for business persons, and introducing digital trade corridors can spur a return to functional cooperative arrangements even with political risk. Chambers of commerce should not only be the facilitators of trade but also intermediaries of confidence, encouraging transparency, and discussion. Embed Media Literacy into Economic Development Policy: Pakistan's strategy for national economic resilience must include public capacity for understanding misinformation. The Planning Commission, the Higher Education Commission (HEC), and other national agencies and experts of international trade policy might consider complimentary education and training modules on media literacy in college/university coursework (especially business, communications and economics). Doing so might shape a next generation of young professionals to assess and critically evaluate what they hear and see to confront manipulative narratives.

4. Media literacy needs to be integrated into Pakistan's economic development strategy:

Public understanding of misinformation plays a vital role in national economic resilience. The Planning Commission together with Higher Education Commission (HEC) should implement media literacy modules which target students in business as well as communication and economics programs at universities. A new generation of professionals will emerge through these initiatives who understand how to evaluate information critically while avoiding manipulative narratives.

5. Strengthen Regional Cooperation under the SDG Framework:

Regional organizations including SAARC and ECO need to establish economic cooperation as their primary method for peacebuilding. Pakistan should lead efforts to establish an SDG 8+ Dialogue Forum which unites South Asian economists and journalists and civil society representatives to discuss best practices for developing economic trust in conflict situations. Through this approach Pakistan would establish itself as the lead regional organization focusing on sustainable development based on trust.

6. The National SDG Unit and UNDP must expand SDG 8 indicators:

Include the measurement of trust levels and information accuracy. The analysis of misinformation incidents together with institutional transparency and business confidence data should be conducted regularly to detect early signals of developmental fragility. The Pakistan SDG Progress Report should incorporate these indicators to avoid neglecting the relational aspects of growth.

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