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Title of the Thesis: 'Trade Diplomacy of India: A Select Study of its Growth and Evolution'
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Abstract of the Thesis:

The Thesis attempts to address the dire need for an empirical work in the area of trade diplomacy for developing an integrated multidimensional approach that combines trade strategy, trade policy and negotiation strategy. The broad objective of the research work is to analyze and understand: the evolution of India's trade policy and the underlying shifts in its trade strategy, the balance-of-payments related challenges and constraints of India's trade diplomacy, the economic engagement of India with the rest of the world at different levels and the dynamics and the practice of trade diplomacy in India.

The Thesis is divided into six chapters along with a separate 'Preface' and a 'Postscript'. **Chapter 1** (titled 'Introduction') gauges the scope and dimensions of the field of trade diplomacy and attempts to build the context and a theoretical foundation for the subject and its practice. This Chapter is built on the premise that trade diplomacy is a multidimensional subject and therefore needs to be looked at with a multidisciplinary perspective. The knowledge spread across the disciplines of international economics, international relations, international political economy, international trade, international business and international negotiations needs to be applied. Since international trade does not confine only to border related issues and increasingly impinges on domestic policy, therefore, an 'intermestic' approach in trade diplomacy becomes absolutely essential. Trade diplomacy has to engage multiple actors on multiple issues at multiple forums. This calls for changing the mindset and a developing a fresh outlook towards the field of diplomacy and international economic relations. The **Chapter 2** (titled 'Trade Strategy and Policy in the Pre-Crisis Period') traces the evolutionary process of India's industrial and trade policy and strategy and the corresponding trade and economic diplomacy on the basis of the analysis of the planning documents, industrial and trade policy documents, and the reports of the special committees constituted at various times in the independent India. The **Chapter 3** (titled 'The Genesis of Balance-of-Payments Related Challenges') entails thorough analysis of the evolutionary patterns in the various sub-components of the current account and the capital account of the balance of payments of the country and the corresponding trade diplomacy related challenges. This Chapter, besides the time series analysis of the components also does the genesis of the country's BOP crisis in 1991. Balance of payments position of the country defines the context of India's trade policy and diplomacy. India's trade strategy and policy framework has had an impact on the balance of payments situation and the balance of payments position, in turn, has shaped India's trade strategy and policy. This two-way interaction has been, and continues to be, an important determinant of India's economic diplomatic initiatives to garner resources and to access markets. The **Chapter 4** (titled 'Trade Reforms for Global Economic Integration') analyses the trade policy reforms in the overall context of the economic reforms undertaken since 1991 to track the changing patterns of the country's economic integration with the rest of the world. The post-1991 liberalization process set out to revive and complete what had started in early eighties. The process of early eighties had slowed down by the end of the decade because of combination of factors that were both internal and external to India. The balance-of-payment crisis of 1991 made India to turn to IMF for assistance and commit to a structural adjustment programme to address the core issues of Indian economy that lay at the centre of the problems. Though India had turned to IMF in the decade of fifties and early eighties as well, yet an interesting comparison can be made between the measures taken in 1966 and 1991. On both

the occasions, devaluation of Indian currency was resorted to and steps taken to streamline the trade policy. There is, none the less, a major difference though between these two attempts. The policy making team in 1991, unlike the one in 1966, was convinced about the need for opening up and liberalization and was thus proactive in steering the process. While in the first case, the process got derailed and the country revived the import substitution with more intensity, in the second case, the process of economic reforms, in the absence of any ideological obstruction, went full steam ahead and stayed on course. The success of the export-led growth in the East Asia, the failure of import-substitution model in Latin America and other Neoliberal prescriptions, unlike in 1966, formed the backdrop in 1990s. The trade liberalization proceeded on multiple tracks entailing exchange rate management, gradual reduction of tariffs, removal of quantitative restrictions, and streamlining of exports-imports related procedures and facilitating institutions. The process has been consistent and all the trade policy initiatives of post-1991 period, including the latest one for the period 2015-2020, have had a vision to make India truly a global player. The effort has been acknowledged in all the trade policy reviews carried out by the World Trade Organization. The World Input Output Database (WIOD) reveals increase in foreign value addition in India's merchandise as well as total exports thereby indicating India's integration with global value chains. The **Chapter 5** (titled 'The Dynamics of Trade Diplomacy in India') is devoted to understanding the dynamics of the country's trade diplomacy along with the analysis of the institutional structure existing in the country. Trade diplomacy can be pursued at various levels ranging from unilateral to bilateral, regional and multilateral options. A country can liberalize trade unilaterally as, for example, when it reduces the tariff levels on its own or keeps the applied MFN rate of tariffs below the bound rates in WTO. The unilateral liberalization is done without any expectation of reciprocity from others unlike bilateral and regional trade agreements which are founded on the principle of reciprocity in concessions. Reciprocity in the multilateral forum like GATT or WTO, though a founding principle, is an issue which has been debated since the inception of the system. Developing countries like India argued for the need for less than equal reciprocity related provisions in the negotiations. India has in fact always championed the cause of special and differential treatment for the developing countries right from the early years of GATT down to the last Ministerial in Nairobi in the on-going Doha Round. India which was more defensive in its negotiations in the early GATT years became more proactive from Uruguay Round onwards and this stance has only intensified in the WTO years. India continues to provide leadership to the cause of development through strong coalitions that it has built or helped coalesce on the important issues. India has, since the later part of nineteen nineties, also been pursuing the regional option with much more vigour as is apparent in the number of free trade agreements it has been negotiating. It has gradually moved from trade agreements based on shallow economic integration to deeper forms. The trade policy formulation and negotiating position in India is now arrived at through a much more intense stakeholder consultation process. A lot of debate has ensued and suggestions have been made by various expert groups in recent years on making trade diplomacy of India more efficient and effective. The **Chapter 6** (titled 'Findings and Conclusions'), the concluding chapter, summarises the findings and the conclusions. In addition to the analysis of the findings, this chapter presents the evolutionary patterns of trade strategy of India and balance-of-payments framework of trade diplomacy in a stylized manner.

The logical sequencing of the chapters enables the study of the evolution of the trade policy in the post-independence and pre-crisis India right up to the crisis-period, challenges inherent in the management of the crisis, and finally post-crisis trade-orientation of the diplomacy. The Thesis is thus divided into three distinct parts of trade policy and diplomacy related challenges in the pre-crisis, during the crisis, and post-crisis period.
