

In the absence of domestic demand, India must realise its export potential to restart its economy as export led economy.

According to WTO data, India's merchandise export and service export share in global economy was 1.7% and 3.4% respectively in 2017. This small share is due to undermining of its potential since independence by

(i) import substitution & closed economy.

(ii) phobia towards globalisation.

High level Advisory committee (HLAC) on trade by MOCEI highlighted rising protectionism qualitative restrictions, unrealistic export target etc for such abysmal growth.

Business Index, NITI Aayog Export preparedness
highlighted poor Inteq
& inter state logistics connectivity as well
as industry - academia linkages.

India undermined its export potential
due to high capital cost which is highest
among 60 countries.

→ high taxes (including corporate) which
crowd out investments.

→ similarly lack of awareness about
global markets and consumer choice
influence innovation.

way forward

(i) Global as well as regional value chain should be linked to local value chain.

(ii) Joining Trading blocks like RTIA
and RCEP to ensure markets to

domestic producers as well as to
bring investments.

(iii) Using WTO as a platform to
realise ^{etc} enhance strategic vision like
at east, connect central.

(iv) leverage technology like Big Data
Analytics & Industry 4.0 and promote
R&D for innovations.

(v) Enhancing capital base of EXIM
Bank & export credit guarantee
corporation to help exporters.

(vi) Reforming SEZ on line with
Balq kalyani committee to raise their
potential.

(vii) Diversifying markets from low income
Africa & South America to Europe & Australia.