

LIUC, 16 April 2013

India in the world economy

Rodolfo Helg
OssIndia, Università Cattaneo – LIUC

Agenda:

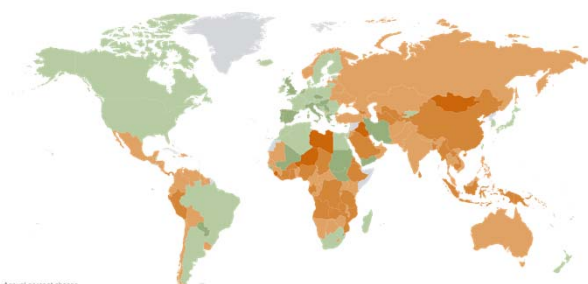
- Some macro elements
- Some aspects of the internationalization of the Indian economy

GDP growth in the world

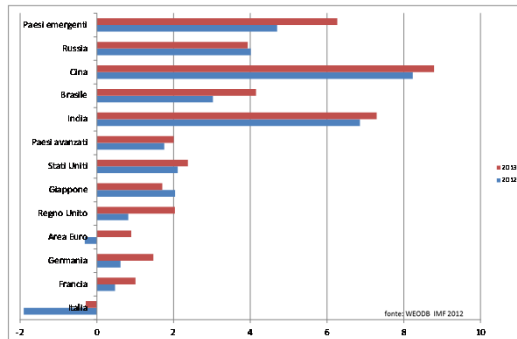
IMF Data Mapper ®

Real GDP growth (2012)

Source: World Economic Outlook (October 2012)

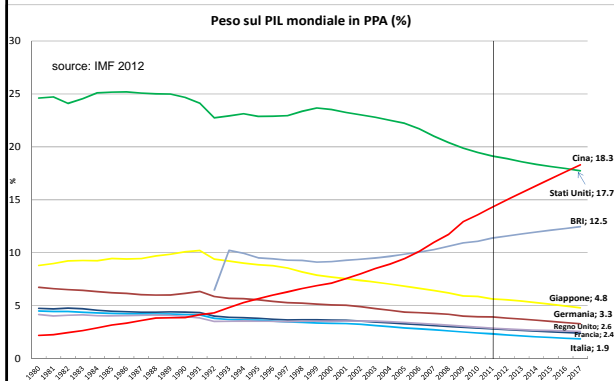


GDP growth

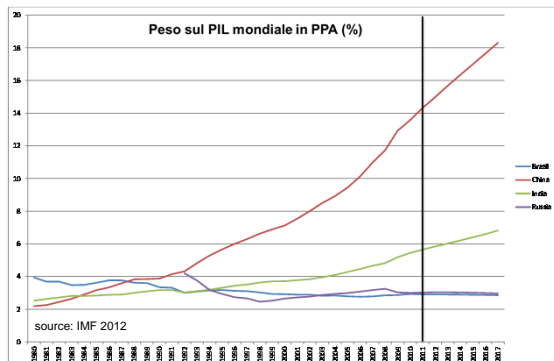


- World economic geography is changing fast
- India is an important actor
-but from an economic point of view is far behind China

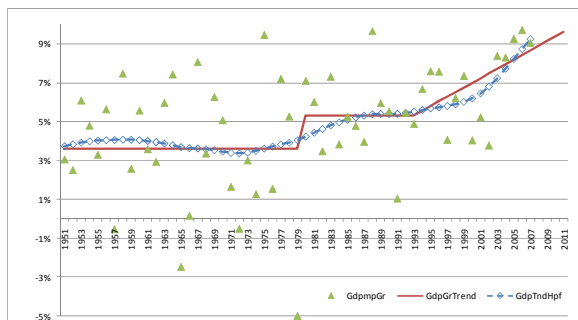
World geography is changing



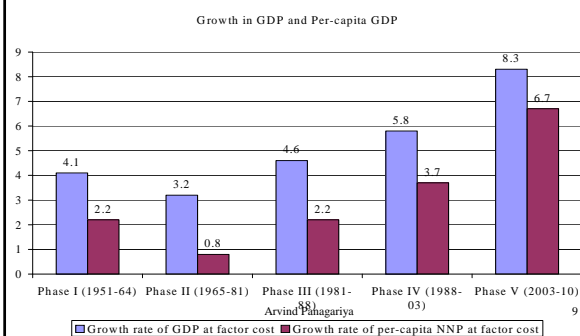
After China, India is one of the most dynamic actors



Economic growth after the WW II:
three phase (source: Virmani (2012))

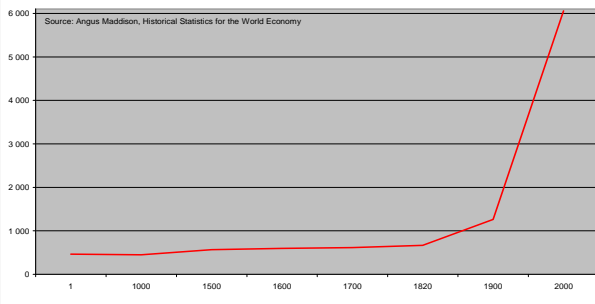


Economic growth: another
description



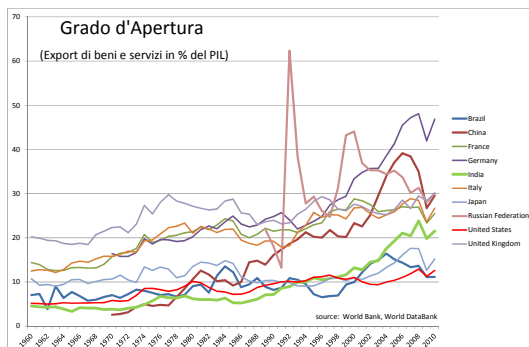
Il motore dietro a tutto cio': sistema di produzione capitalista

World GDP per capita
(1990 International Geary-Khamis dollars)

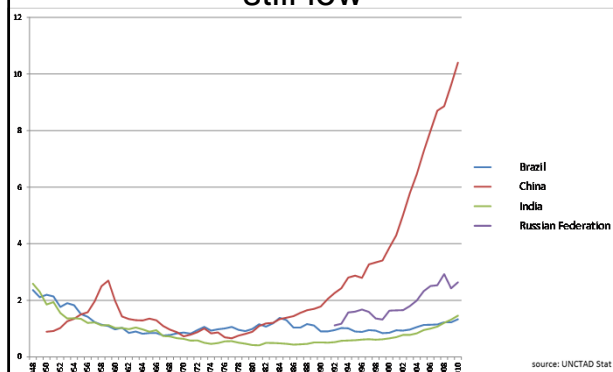


- India economy is less open internationally than the Chinese one
- The weight of Indian exports on the world total is still low
- Services are the

Indian economy has a low degree of openness wrt the Chinese one



Indian share of world export is still low



Indian economic growth pattern is different from the East Asian one

India

- Domestic
- Services
- Consumption
- High tech, capital intensive industry

one

East and S.E. Asia

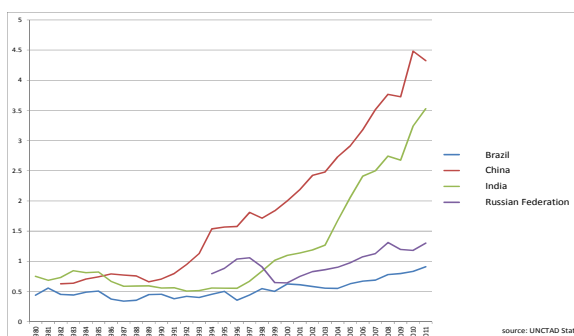
- Exports
- Manufacturing
- Investment
- Low tech, labour intensive industry

Share of world export (>1,4% in 2009)

source: OECD Stat

	1978	1988	1998	2009
96: Coin (other than gold) not being legal tender	0.0	..	0.0	10.6
66: Non-metallic mineral manufactures n.e.s.	2.7	5.0	5.1	8.8
26: Textile fibres (except wool tops) and their wastes	0.1	0.2	0.4	5.9
27: Crude fertilizers and crude materials (excluding coal)	0.9	1.3	1.3	4.6
65: Textile yarn fabrics made-up articles related products	2.2	1.9	2.8	4.2
84: Articles of apparel and clothing accessories	1.6	1.8	2.5	3.7
89: Miscellaneous manufactured articles n.e.s.	0.6	0.2	0.7	3.5
08: Feeding stuff for animals not including unmilled cereals	1.7	1.8	2.3	3.4
61: Leather leather manufactures n.e.s. and dressed furskins	7.5	6.9	2.9	3.4
28: Metalliferous ores and metal scrap	1.8	2.1	1.2	3.2
12: Tobacco and tobacco manufactures	2.3	0.7	0.7	2.8
07: Coffee tea cocoa spices manufactures thereof	3.7	3.5	3.5	2.6
04: Cereals and cereal preparations	0.7	0.6	2.8	2.6
51: Organic chemicals	0.1	0.3	0.8	2.2
53: Dyeing tanning and colouring materials	0.6	1.1	1.2	2.2
67: Iron and steel	0.5	0.2	0.6	2.1
83: Travel goods handbags and similar containers	0.7	1.3	2.3	2.0
03: Fish crustaceans molluscs preparations thereof	2.3	1.4	2.2	1.9
93: Special transactions not classified according to kind	0.1	0.4	0.7	1.8
33: Petroleum petroleum products and related materials	0.0	0.2	0.0	1.8
85: Footwear	0.4	0.5	0.8	1.7
68: Non-ferrous metals	0.5	0.1	0.1	1.7
79: Other transport equipment	0.0	0.0	0.0	1.7
05: Vegetables and fruit	0.8	0.9	1.0	1.4
54: Medicinal and pharmaceutical products	0.6	0.9	1.0	1.4

Share of world service exports



Ed in alcune nicchie dei servizi è leader mondiale

Principali esportatori ed importatori di
computer services - 2009

Exporters	value	share	Importers	value	share
European Union (27)	92100	60.0	European Union (27)	46600	62.8
Extra-EU (27) exports	34617	22.6	Extra-EU (27) imports	15637	21.1
India	33383	21.8	United States	16263	21.9
United States	8575	5.6	Brazil	2709	3.6
Israel	7671	5.0	India	1617	2.2
Canada	3658	2.4	Norway	1564	2.1
Norway	2622	1.7	Canada	1526	2.1
Philippines	1748	1.1	Russian Federation	1212	1.6
Malaysia	1454	0.9	Malaysia	1206	1.6
Russian Federation	1212	0.8	Australia	1041	1.4
Argentina	1055	0.7	Hong Kong, China	482	0.6
Above 10	153480	100.0	Above 10	74220	100.0

Source: WTO 2011

In some service sector India is world leader

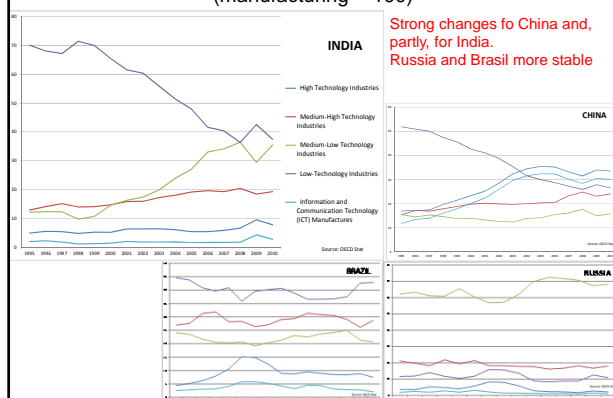
Main exporters and importers of
communication services - 2009

Exporters	value	share	Importers	value	share
European Union (27)	45167	63.0	European Union (27)	45540	70.0
Extra-EU (27) exports	17648	24.6	Extra-EU (27) imports	17916	27.6
United States	9548	13.3	United States	7503	11.5
Kuwait a	6905	9.6	Canada	1968	3.0
Canada	2605	3.6	Russian Federation	1898	2.9
India	1484	2.1	Saudi Arabia, Kingdom of	1857	2.9
Russian Federation	1337	1.9	Singapore	1376	2.1
Switzerland	1331	1.9	India	1280	2.0
China	1198	1.7	Korea, Republic of	1227	1.9
Singapore	1053	1.5	China	1210	1.9
Indonesia	1031	1.4	Hong Kong, China	1152	1.8
Above 10	71660	100.0	Above 10	65010	100.0

Source: WTO 2011

- The pattern of international trade is changing (più lentamente di quello cinese, ma più velocemente di quello brasiliano e russo)

Composition of manufacturing exports (manufacturing = 100)



Indian revealed comparative advantages (RCA>0,9 in 2009)

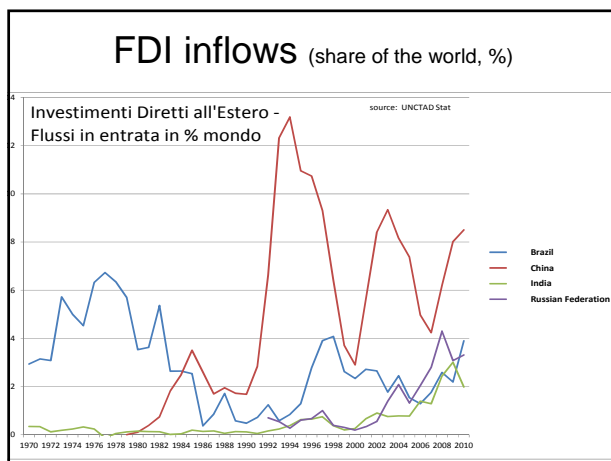
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Foreign Direct Investment (FDI)

India's FDI world share is continuously growing

FDI inflows (share of the world, %)



FDI outflows (share of the world, %)

