INDIA’S FOREIGN TRADE TRENDS IN PRE AND POST LIBERALISATION ERA

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ABSTRACT

Foreign trade plays a very significant role in the economic, social, political and cultural life of nations. Foreign trade is the way of economic development for every country especially for developing countries. India has been an agriculture economy but now India is transforming into industrialized and service economy. India has opened its economy lately for the world; it experienced its planned development until it leaded towards the concept of economic reforms and liberalization and made progressive economic growth afterwards. This paper attempts to portray the picture of India’s foreign trade since planning period to present, mainly in pre and post liberalization era.

Research Type & Methodology: The manuscript of the study is descriptive in nature. In this paper descriptive research techniques have been used. For the purpose of the study, Secondary Sources of data have been collected through various published literature; Journal Articles, Newspapers, Books and Websites etc. The major source of secondary data has been the online database of Economic Surveys of Government of India various issues. Data have been properly classified and statistically analyzed with the appropriate tools such as Mean, Percentage Change, and Compound Annual Growth Rate etc.

Research Findings and Insight: The study reveals that India’s trade in post liberalization period has expanded prominently than pre liberalization period. India’s exports and imports have increased with ups and downs with varying rates of growth since planning period to present, India’s balance of trade also has been unfavorable except few years and currently overall trade is declining with negative growth rate.

Implication: It is suggested that India has to be more attentive and concern on the trade expansion specifically the export promotion for India’s core competencies products (IT, ICT and Pharmaceuticals etc.)

KEYWORDS: Foreign Trade, Exports, Imports, Total Trade, Pre & Post Liberalization Period

JEL Classification: F: F1, F17, F43

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