

“Direction of the International Trade of India”

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Abstract:-

International trade is the epicenter of economic development of the world. In the 21st century international trade become inevitable for all over the world. Therefore, there is need to understand various aspects of international trade like as direction of the international trade, composition of trade and BOP status of the country which implicate the real story of the economy. Among them direction of international trade is important one, because it indicates the structure and level of development of the country. Direction of trade suggests countries economic interest in the world and economic relations with the world. Direction of the trade is the indicator of economic development level which indicates phases of development. Therefore, objectives of this research work are to see the direction of India's international trade, to analysis the direction of the India's international trade. This research work used secondary data which published in Economic Survey of India, 2019-20, RBI Bulletins, research articles and books etc. Finally, this research work explored the hidden facts about India's direction of international trade.

Key word:- International trade, BOP, direction of the trade, interest of the nation etc.

Introduction:-

An economist called to International trade is an engine of growth. Therefore, international trade has taken key position in development vision of the country. Initially, “Adam Smith”(Father of Economics) explained in his Absolute Advantage Theory how international trade is beneficial to the nation by specialization. Then, Ricardo introduced Comparative Advantage Theory of International trade and thereafter modern theories of international trade explained how international trade is gainful for the nation. In which very famous theory is factor endowment theory or Heckscher-Ohlin theory given by Heckscher and Ohlin. All these theoretical and practical work explained how international trade is beneficial to the nation. Therefore, every aspects of the international trade of the nation indicate important fact about it. Direction of the trade is one among them. Direction of trade indicates trade relation between the countries means who are our major export trading partners and import trading partners. These export and import trading partners explored the nation's economic interest and level of development. Direction of international trade determined by two main factors those are current requirement of the country and current potential or capacity of the country which decides from whom to import and whose to export. Therefore, 2019-20 data have been used to analyze the India's direction of the trade.

Objectives of the Research Study:-

- 1) To see the direction of international trade of India.
- 2) To analyze the direction of international trade of India.
- 3) To see India's major export and import trading partners.

Research Methodology:-

Analytical research methodology has been used in proposed research paper. The whole study is on the basis of secondary data which published in Economic Survey of India, Government periodical, RBI Bulletin, annual and monthly reports of RBI, Yojana, newspapers, journals, magazines, internet, research papers and books etc. And various statistical tools have been used like as various graphs, charts, tables etc.

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