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ABSTRACTS

A REVIEW OF RECURRENT THEMES OF THE ASIAN MIRACLE: ANY LESSONS FOR SUB-SAHARAN AFRICA?

OGUJIUBA KANAYO^x, STIEGLER NANCY* & ENWERE DIKE^{}.**

ABSTRACT

There are three recurrent themes in the East Asian catch-up industrialization model that could to serve as policy lessons for Sub-Saharan Africa. Agricultural productivity growth cum industrial booms were complementary factors in East Asian's industrial revolutions; Labour-intensive - low-skill manufacturing provided the viable dynamic 'entry route' to export-based industrialization; and Industrial policy served as an elixir for rapid capital accumulation. Central to all these, is the emergence of a development-oriented social class structure that motivated entrepreneurs in the region to reinvest government-provided rents in capital accumulation processes. The policy lesson, therefore, is that for any programme of industrialization in Sub-Saharan Africa to be successful, it should have as its counterpart measures to guarantee adequate supply of agricultural goods. It is the rate at which the domestic agricultural sector can supply the industrial labourforce with low-cost wage goods which sets the limit to the internal expansion of the industrial sector. Nonetheless, the critical question is: are lessons (recurrent themes) from East Asia transferable to Africa? The answer is somewhat complex because the regions differ on several fronts. Thus a direct replication of the East Asian model is unlikely to succeed, but a careful and sequenced approach similar to the East Asians could propel the dynamics of growth for the region.

**INFLOWS OF CAPITAL, EXCHANGE RATES AND BALANCE OF
PAYMENTS: THE POST-LIBERALISATION EXPERIENCE OF
INDIA¹**

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ABSTRACT

A review of the analytical literature shows that macroeconomic consequences of financial liberalization are the results of the combined effect of monetary, fiscal as well as trade and exchange rate policies followed by the government of a country. The results of vector error correction estimates show that total inflows of foreign capital are causing imports; and imports are causing inflows of foreign capital. This means that there is a bi-directional relationship between these two variables. This may be due to an increase in the imports in the industries where more and capital flows are coming in. During the period of Capital Account Convertibility (CAC) there is a positive growth in all the macro economic variables studied. Along with growth the variability has also increased. Both FDI and FPI have registered positive growth rates but along with this the variability also has increased. As expected, FPI is more volatile than FDI flows in India.

MARKET STRUCTURE AND COMPETITION IN ASIAN BANKING#

**ROSSAZANA AB-RAHIM*, FARHANA ISMAIL* AND
NUR-ZAIMAH UBAIDILLAH***

ABSTRACT

This paper presents an empirical assessment of the market structure and competitiveness of five Asian banking markets; namely Indonesia, Malaysia, the Philippines, Singapore and Thailand. This study attempts to investigate whether the increased concentration hampers the realization of banking competition or whether the increased market concentration results in stiffer competition of banking markets. The results of this study show that Asian banking markets do not experience increasing trend of market concentration. Throughout the study period (1996-2011), the results further demonstrate that high concentration in banking market does not follow with the banking competition.

**FOREIGN DIRECT INVESTMENT AND ECONOMIC GROWTH IN INDIA
DURING THE POST REFORM PERIOD**

SREELATA BISWAS* AND BYASDEB DASGUPTA**

ABSTRACT

India has experienced service-led high economic growth rate since the decade of nineties. The new economic reform policy (July 1991) has induced India to attract more and more Foreign Direct Investment (FDI) inflows in to the country. The accumulation of FDI has taken place in service sector disproportionately compared to the other sectors. So, there may exist causality between service-driven growth and FDI inflow. The causality analysis between FDI inflows and economic growth in India is investigated for the period of 1997-98 to 2010-11 using quarterly data in this study. Unidirectional causality from the growth of FDI to growth of Gross Domestic Product (GDP) is observed.

**GLOBALIZATION AND RISING ECONOMIC INEQUALITIES:
EVIDENCE FROM BRICS**

K. MAHENDRA BABU*, D. SATYANARAYANA MURTHY
AND K. RAMESH*****

ABSTRACT

The paper takes the emerging economies block BRICS comprising Brazil, Russia, India, China and South Africa as a case study. An attempt is made to observe and understand the trends of inequalities within these countries in the past three decades- the period which globalization has been vibrant and spread across the world. Inequality trends are observed by taking the Gini index values. Trade openness is taken as the variable representing the degree of globalization. From the performance of the trends of these two variables, it is observed that globalization is in tandem with the rising economic inequalities within the countries of BRICS block. Although one cannot conclude with a clinical precision that globalization is the cause of this phenomenon, it is very much clear that it reduced the policy space for governments to address the issues like this with full strength, as their policies are very much influenced by global forces.

**GROWTH AND INSTABILITY OF INDIA'S TRADE COMPOSITION
BY COMMODITY GROUPS : POST DE-REGULATION PERIOD**

K.PRABHAKAR*

ABSTRACT

This paper analyzes the growth and instability of India's exports and imports especially from the post de-regulated period i.e. from FY 1996-97 to 2010-11 with regard to 21 identified categorised commodities groups. The study of growth and instability of exports and imports is important to estimate the trade composition from India. With the help of these estimates, it is possible to arrive at the status of India's trade composition after post de-regulation period and take policy decisions to increase exports from India and reduce imports. This, in turn, may lead to a better trade performance and policy changes. The current study has categorised all the 98 export items into 21 categorised groups of exports and imports from India. At the end, India's total trade composition for the post de-regulation period (1996-2011) has also been studied. The growth (Linear and compound) and instability parameters have been estimated not only for these 21 categorised commodity groups of exports and imports, but also for the as a whole of India's total exports and imports..

**NATIONAL CHILD LABOUR PROJECT AND REHABILITATION OF
CHILD LABOUR: A STUDY IN BARGARH DISTRICT OF ODISHA,
INDIA**

SHIBALAL MEHER*

ABSTRACT

The prevalence of child labour is one of the most important sources of concern for the world community, especially developing countries like India, which is one of the world's leading countries in terms of employing children. A National Policy on Child Labour was formulated in 1987 to eradicate child labour and protect all children from exploitation, and as part of a larger Plan of Action, the National Child Labour Project (NCLP) was launched in 1988. An attempt has been made in the present study to assess the status and functioning of National Child Labour Project and rehabilitation of child labourers in Bargarh district of Odisha. The study found that due to operation of special schools, many child labourers have been rehabilitated and received benefits like stipend, MDM and others, but the project society is facing a number of problems which needs to be corrected for proper and timely rehabilitation of child labourers in the district.

**KANDLA SPECIAL ECONOMIC ZONE:AN ANALYSIS OF SECTOR
AND UNIT-LEVEL PERFORMANCE**

PRAMOD P. LONARKAR*

ABSTRACT

Gujarat contributes a major share of industrial production in India. It also a major contributor in India's export especially in export of petrochemicals, pharmaceuticals and allied products. This state took first step in establishing free trade zone in the country as well as in Asia. Not only this, Gujarat has the distinction of being the first state to enact the Special Economic Zone (SEZ) Act, 2004. The first export processing zone was known as Kandla export processing zone. Later on this zone is converted in SEZ as on November 2000. This conversion in SEZ has a significant impact on export and net foreign exchange earnings from this zone. Though this zone is known as a multi product zone its sectoral composition shows dominance of few sectors in which chemicals and allied sector comes first in export and earning net foreign exchange. Similarly there is found a high concentration of export performance towards little number of units. So this paper indicates towards the need for performance monitoring system.

REFORMS AND GLOBALIZATION IN INDIA - A CRITIQUE

GAUTAM MURTHY*

ABSTRACT

India is being talked about as the next Asian superpower, along with China. Illiteracy, population, and poverty still haunt Indians-but; there are areas in which the country is definitely shining. India's growth rate and its achievements may be far greater, because it is accompanied by a healthy democratic system. Infact, literacy rates have moved up almost 65% in 2011, from a meager 48%, a decade back. Our higher education system is lauded across the world. Indians are considered "big players" in software development. A self-confident resurgent India is embracing its role as an Asian superpower.

Technology has touched more lives than we can imagine. Farmers in Punjab, to matchmakers in Mumbai, everyone uses Internet, to check everything from weather reports to appropriate alliances. India's national highways are getting even better using the latest technologies. More than economics, what has changed is Indians confidence in themselves. Indians are no longer apologetic about working hard and making money.

Affluence and money are no longer looked down upon-why we even have celebrity Chefs! Several young people prefer to turn entrepreneurs, than depend on jobs that are hard to come by.

LIBERALISED FOREIGN INVESTMENT FLOWS AND EXTERNAL SECTOR SUSTAINABILITY IN INDIA

N. KUBENDRAN*

ABSTRACT

Liberalisation of Indian Economy since 90s was extremely successful in attracting debt and non-debt creating Capital flows and keeping the Balance of Payments account as favorable. The success of the reform measures induces further the openness of the Indian economy vis-a-vis other emerging economies in the line of attracting the destination of capital flows. Indian economy is still a restrictive economy in terms of attracting 100% free flow of capital while compared to its competitors. Further removal of trade restrictions and domestic policy restrictions on capital flows will enhance economic stability and sustainable Balance of Payments. This study investigates the effect of FDI and portfolio flows on exchange rate, exports and sustainable Balance of Payments position of India since 2000.

GROWTH ORIENTED FDI IS NON-BANE TO EMPLOYMENT GENERATION A CASE OF DEVELOPING LAO PDR

KUMAR YOGESH* AND VIMALA CHAYSAVANG**

ABSTRACT

Foreign direct Investment (FDI) has played an important role in the development of the economy of Lao Peoples Democratic Republic (Lao PDR or Laos) in recent decades. Economic transition of Laos to a market-driven economy has attracted international investor attention. The data on FDI inflows into Laos were obtained from the Department of Domestic and Foreign Investment of Lao PDR (DDFIL) and are recorded in U.S. dollars. Foreign investment inflows to Laos started to increase in the early 1990s. According to Freeman (2002), the early 1990s saw a boom in private capital inflows, portfolio investment and commercial bank lending. In 1994, inward FDI to Laos was US\$1.6 billion. Real FDI inflows to Laos appear to have increased in 1995, 1996, 1997 and 1998 after Laos amended its FDI law in 1994. Strong growth in FDI inflows to Laos continue to increase but below 2008 peak (Figure1). The rise in FDI in Laos was associated with the global economic boom, which increased FDI worldwide. The Asian financial crisis temporarily impacted on the FDI flows to the Asian countries including Laos.

**SELF HELP GROUPS AND ASSET CREATION: A STUDY OF 14 SHGS
IN NALBARI DISTRICT, ASSAM**

PRASENJIT BUJAR BARUAH*

ABSTRACT

In the recent phase micro finance is seen as an alternative instrument, to the state, to provide credit to the poor and as a substitute to the exploiting money lender in the village economy. In addition to being an instrument of credit delivery to rural households, this is also seen as an instrument to alleviate poverty of the rural households. This paper, an empirical study of 14 SHGs in Nalbari District, Assam, assumes that if this programme is providing income generating asset to the members; it is surely contributing towards poverty eradication. The study reveals that most of the SHGs made group investment in income generating assets, did it with the motive to have subsidized credit from the government. This led to the failure of these activities. Again in case of individual members most of them took loans mainly for consumption purposes. Although there are some capital investments too these were not of such kind that can take them above the poverty line.