

*India's Exports and Export Policies in the 1960s.* By Deepak Nayyar. London: Cambridge University Press, 1977.

Dr Nayyar has written a thorough, comprehensive, analytical study of India's export performance and policies in the 1960s, together with a briefer, more impressionistic postscript on events to the mid-70s.

The first section of the book describes the approach and methods to be adopted and gives a historical account of India's export experience in the 1960s. Progress was modest but better than the stagnation of the 1950s. In the second half of the period there was a decided shift from traditional exports such as tea and jute goods towards exports of non-traditional manufacture such as leather goods, chemicals and engineering. There was also a re-orientation in the direction of India's exports from the British market to Japan, the U.S.S.R. and Eastern Europe. The variety of experience as between individual exports underlies Dr Nayyar's belief in the need for emphasising a micro-economic approach to the explanation of the general trends in India's exports.

This he provides in Section 2 of the book. Eleven commodities, accounting for over 60% of India's exports in the period, are examined in some detail. The framework of analysis is the same for each. The trends in the world market are first examined and then India's rising or falling share of world demand is explained in terms of factors affecting price and non-price competitiveness. It does not make for light reading, but the standard approach makes it easy to use for reference purposes. The author has distilled into each commodity study the efforts of many UNCTAD, Indian Government, Commonwealth Secretariat and academic studies and this section of the book should be a useful starting point for further study of any one of these eleven specific Indian exports.

Part Three is a macro-economic analysis of events and policies influencing Indian exports. Export promotion, devaluation and bilateral trading deals with Eastern Europe come in for close scrutiny.

The conclusions are unlikely to startle. Previous work by B. Cohen, Manmohan Singh, J. Bhagwati and Padma Desai, and I. Little, T. Scitovsky and M. Scott anticipates most of Nayyar's conclusions. These are that, although some factors such as severe droughts and stagnant world demand for a few of India's exports were significant, the main reasons for India's relatively poor export performance were internal. Rising domestic absorption and ineffective export promotion were both crucial. Both were areas where appropriate policies could have increased exports, but despite declared intentions to promote exports in the second and third Plans overemphasis on import-substituting industrialisation, neglect of agriculture and discrimination against traditional exports by the Indian Government led to predictable failures. These conclusions are supported by a wealth of evidence. Dr Nayyar's book deserves careful reading by all students of trade and development as well as those with a specific interest in India.

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