



Continuing trade wars

16 SEP,2019 | MEDC



The US China trade conflict is not benefiting India to the extent desired. The problem is that we do not have the infrastructure in place to take over some of what China does. Even countries like Vietnam and Bangladesh have a comparative advantage over us in this regard. There is also some US India trade conflict which is currently taking place and with American trade policy giving enormous discretion to the President, it is not likely to work to our advantage, at least in the short run. The uncertainty around the trade tariffs is creating an adverse effect on businesses, as investments are not sure which way to turn. The Indian economy is also passing through a rough patch, but the good news is that the government is taking proactive action on most of the underlying issues. In this, however, there is much we can learn from China, as that country has shown great resilience and willingness to do what it takes.

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