



The Role Of India In Global Economic Governance: Analyzing India's Position In G20 And Beyond

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DOI - 10.5281/zenodo.15108600

Abstract:

India is becoming a key global economic player, showing strong export performance in sectors like petroleum, agrochemicals, semiconductors, and precious stones. The government is working to boost exports and enhance India's reputation as a reliable supplier. In 2023, India ranked among the top 10 globally for exports, surpassing \$1 billion in several categories. Global Governance is the management of international issues to promote fairness, involving institutions and policies that foster cooperation to address challenges like climate change. Its main aim is to ensure global public goods like peace. The Indian government has launched initiatives to raise exports and attract investments, including a Foreign Trade Policy effective from March 31, 2023, which focuses on tax relief, exporter support, easing business processes, and new sectors like e-commerce. Support schemes exist for labour-intensive sectors, and recent reforms aim to improve investment conditions. Initiatives like Startup India and improved infrastructure through PM GatiShakti enhance the export environment. India's export growth and involvement in issues like fisheries subsidies and e-commerce tariffs show its commitment to sustainable development. India's role in global governance has evolved, becoming more active in addressing trade, climate change, and security challenges. Its policies emphasize the need to reform existing frameworks to meet these challenges and promote sustainable global cooperation.

Introduction:

India's progress as a global economic powerhouse is evident in its export achievements across various sectors like petroleum, agrochemicals, semiconductors, and precious stones. This growth showcases India's use of advanced technology and competitive manufacturing. Supported by government initiatives, India is boosting its export base and reinforcing its status as a trusted supplier. In 2023, India has performed well in key product categories, maintaining a position among the top 10 global exporters, with export values over \$1 billion.

India plays a pivotal role in global economic governance by actively participating in multilateral forums and initiatives aimed at promoting stability, growth, and sustainable development. As a key member of the G20, India seeks to represent the interests of emerging economies and foster inclusive dialogue on pressing global issues such as trade, climate change, and financial regulation. Additionally, India is increasingly championing sustainable business models that prioritize social and environmental responsibility, encouraging innovation and investment that align with the United Nations Sustainable Development Goals. By integrating these principles within its economic strategies, India not only strengthens its position on the global stage but also demonstrates its commitment to building a resilient and equitable global economy (Rathod et al., 2024).

India plays a pivotal role in global economic governance, particularly through its participation in forums like the G20, where it actively contributes to discussions on sustainable development, financial stability, and inclusive growth. As one of the world's largest economies, India advocates for reforms that promote equitable representation and decision-making among developing nations, thereby addressing the challenges of global inequalities. Additionally, India's engagement in regional partnerships and its focus on stability among neighboring countries underscore its commitment to fostering a cooperative economic environment, while also navigating complex geopolitical dynamics that can impact both regional and global markets (S. P. Jadhav & H. L. Jadhav, 2023).

India plays a pivotal role in global economic governance, particularly as a leading voice in the G20, which serves as a crucial platform for addressing pressing global economic challenges. With its rapidly growing economy, India advocates for sustainable development, equitable growth, and inclusive policies that resonate with the needs of developing nations. Furthermore, India's vision of 'Viksit Bharat' (Developed India) aligns with its efforts in global economic governance, as it emphasizes the importance of innovation, digital transformation, and green economy initiatives to foster resilience and prosperity both domestically and internationally. Through its active participation in the G20 and commitment to Viksit Bharat, India strives to shape a more balanced and fair global economic landscape that benefits all countries, particularly in the face of challenges like climate change, economic inequality, and financial instability (Harale & Pawar, 2024).

We will explore India's engagement with global governance, addressing its challenges and contributions to shaping regional and global order.

Objectives:

1. To study the concept of Global Governance.
2. To analyse Government Initiatives to Strengthen India's Export landscape.
3. To Study India's role in shaping the future of global trade.
4. To study the Challenges and Future of Global Governance.

What is Global Governance?

Global Governance is a framework to manage issues that cross national boundaries to create a fair and just world. It encompasses various institutions and policies that facilitate collective global action to tackle transnational challenges. Global governance covers activities at international, transnational, and regional levels, employing rights and rules enforced through economic and moral incentives. Its primary aim is to provide global public goods like peace, security, and managing catastrophic risks such as climate change and pandemics.

Government Initiatives to Strengthen India's Export Landscape:

The Central Government has launched several initiatives to boost exports, attract investments, and promote business. A new Foreign Trade Policy was introduced on March 31, 2023, focusing on four key areas: tax relief incentives, collaboration with exporters, improving ease of doing business, and targeting emerging sectors like e-commerce. The policy also offers a one-time amnesty for exporters with pending permits and recognizes new cities and exporters. Support is provided through various schemes, including the Rupee-denominated credit scheme and the Market Access Initiative. The State and Central Duties and Taxes Rebate Scheme and the Duties and Taxes Rebate Scheme on Export Products have been in place to promote exports in

labour-intensive sectors. A digital platform for the Certificate of Origin has been launched to help exporters use Free Trade Agreements.

To attract investments, reforms such as GST, corporate tax cuts, and simplifications for compliance have been introduced. The Production Linked Incentive scheme aims to boost manufacturing and exports. Efforts to decriminalize provisions and streamline business processes have improved India's ranking in the Ease of Doing Business.

The Startup India initiative supports innovation, while trade policy reforms enhance participation in global supply chains. Initiatives like PM GatiShakti and National Logistics Policy improve infrastructure and logistics efficiency. The Trade Connect e-platform connects exporters with relevant stakeholders, improving overall business facilitation. Enhanced insurance for MSME exporters aims to reduce costs and increase competitiveness. The E-Commerce Export Hub initiative seeks to achieve \$100 billion in exports by 2030, promoting access for MSMEs to global markets.

India's Global Export Landscape Global rank				
Sr. No.	4HS Code	Description	Global Rank 2014	Global rank 2023
1	7104	Precious & Semi- Precious Stones	11	1
2	2710	Petroleum Oils & Oils obtained from Bituminous Minerals	5	2
3	1701	Cane or Beet Sugar	4	2
4	3808	Insecticides, Rodenticides, Fungicides & Similar Products	5	3
5	2707	Other Coal Tar Distillation Products	14	4

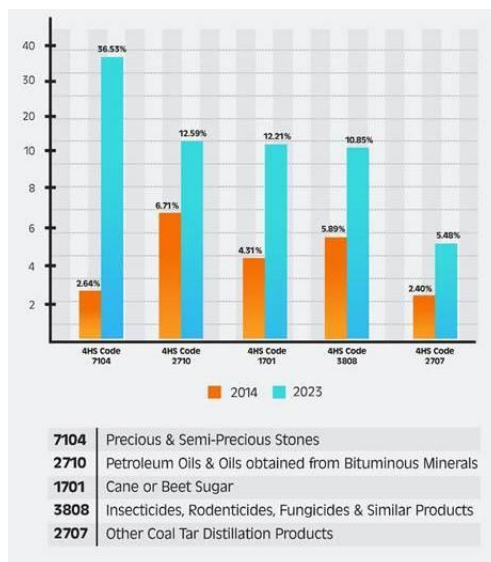
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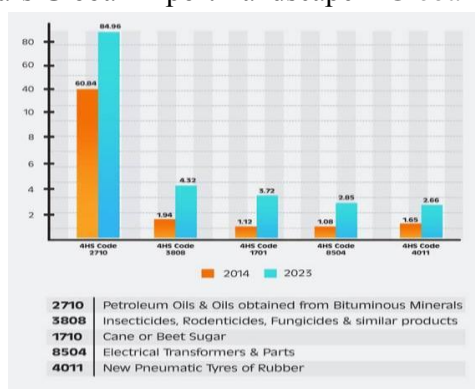
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India's Global Export Landscape – Global Share



India's Global Export Landscape (Value in USD billion)

India's role in shaping the future of global trade:

We then discuss fisheries subsidies, an issue with significant implications for sustainable development. Blessed with abundant marine resources, India faces the challenge of balancing the need for conservation with the need to ensure the livelihoods of local fishermen.

The discussion also touches on the ecommerce tariff ban and its impact on a developing country like India. While initially agreeing to extend the ban, there is growing awareness of revenue losses and the need to develop domestic ecommerce capabilities. Throughout the podcast, it is stressed that developing countries, especially India, need to protect their interests and negotiate effectively at the WTO. This includes working with other developing countries and using their strategic position to secure favorable negotiating outcomes.

India's Initial Phase in Global Governance:

Post-World War II, India actively participated in establishing global governance frameworks, striving to play a significant role amidst the Cold War's bipolarity. Although lacking substantial material power, India's moral leadership in a decolonized world allowed it to engage in global institutions while remaining non-aligned with major power blocs. India's aspirations for leadership through the Non-Aligned Movement (NAM) were often challenged by its economic limitations, relegating it to a regional player.

Changes in India's Profile:

Following the Soviet Union's disintegration, India adopted a proactive stance toward global institutions, becoming a positive contributor due to economic liberalization. The rise of non-Congress governments shifted India's approach away from strict non-alignment. India's democratic principles have garnered global recognition, unlike China's rise, leading to broader acceptance in international forums.

India's Standing in the Global Arena:

Over the past 75 years, India's involvement in global issues like trade, climate change, and nuclear governance illustrates its growing importance. Recently, India has increasingly embraced the liberal global order, contributing more assertively to global governance.

Global Governance and Rising India:

The structure of global governance, shaped by post-WWII power dynamics, has evolved into a multipolar order as emerging powers, including India, gain prominence. India's economic and military growth positions it effectively to address global challenges, from technology needs to vaccination efforts. Effective global governance is crucial, especially in the face of crises like COVID-19 and geopolitical tensions.

The Role of Global Institutions:

The United Nations, founded in 1945, serves as a leading institution for global governance, focusing on preserving security through its Security Council. Besides the UN, other institutions exist, although they face criticism for perpetuating economic inequality. India aims to redefine its role as a rule-maker, advocating for reforms, especially within the UNSC to improve representation.

India's Role in Global Nuclear Governance:

India transitioned from being seen as an outlier for not signing the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) to gaining partial acceptance within the Nuclear Suppliers Group (NSG). This unique status allows India to engage in global nuclear commerce without stringent oversight by the International Atomic Energy Agency (IAEA).

India's Role in Environmental Governance:

India has actively participated in global environmental discussions since the 1972 Stockholm conference, advocating for developing countries' rights. India's involvement in climate negotiations, notably during the Kyoto Protocol and COP summits, reflects a shift towards leadership in global environmental governance.

United Nations Security Council Reforms:

India gained a non-permanent seat on the UN Security Council in June 2020, emphasizing the need for reform to adapt to current global realities.

India and Global Trade Governance:

India advocates for developing nations' concerns in international trade negotiations, highlighting the significance of its agricultural sector. The Doha Development Round exemplifies India's influence in shaping multilateral trade negotiations.

Subregional Connectivity Initiatives:

India's "Neighbourhood First" and "Act East" policies underline its commitment to enhancing subregional connectivity through various initiatives.

Sovereignty and Global Governance:

Contemporary global governance reflects a preference for flexible arrangements that support individual empowerment and human security within the international power landscape.

Democratic Principles in Global Governance:

Amid rising global risks, democratic principles can mitigate conflicts and promote prosperity by ensuring fundamental freedoms.

Challenges Faced by Democracies:

The rise of authoritarianism, questions on electoral integrity, corruption, and disinformation pose significant challenges to democracies worldwide.

Role of Global Governance:

Cooperation among democracies can counter challenges to democratic principles via reforms aimed at enhancing governmental integrity and accountability.

The Future of Global Governance:

Future global governance will likely be influenced by individual empowerment, human security awareness, institutional complexity, international power shifts, and liberal political paradigms.

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Conclusion:

India's export growth highlights its improved manufacturing skills, smart policies, and focus on innovation. The country leads in sectors like precious stones and is expanding into advanced fields such as semiconductors. The government's initiatives, including the New Foreign Trade Policy and PLI Schemes, boost India's competitiveness globally. As India diversifies its exports, it aims to become an economic power by 2047. Global governance is important yet often misunderstood. Key questions include how to reform existing institutions, create new ones, and leverage technology for better governance. If liberal ideas can counteract negative realist views, global governance may evolve into more effective systems, promoting a cooperative and sustainable future.

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