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THE ROLE OF INDIA IN THE GLOBAL ECONOMY IN THE BEGINNING OF THE 21ST CENTURY

Abstract: In 2001 India was considered one of the economies with the highest potential for growth together with China, Brazil and Russia. An attempt was made in the paper to present the role of India in the global economy. Macroeconomic situation of India in the beginning of the 21st century was presented with focus on the time of global financial crisis and instability. India's engagement in international trade in goods and services was shown. The value and structure of India's foreign trade were analysed. India's shares in world merchandise trade and trade in services were presented. B. Balassa's RCA index was used to determine the fields of revealed comparative advantage of India. India's participation in international transfer of capital in the form of foreign direct investment was analysed. The analysis covered period 2001–2013 (in some cases the year 2013 was not included in it due to the lack of statistical data).

Keywords: India, global economy, exports, imports, foreign direct investment.

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1. Introduction

India is the second most populous country in the world. Its population was 1030.0 million in 2001 and it reached 1220.8 million in 2013. The average annual population growth rate in India for the period 2001–2013 equalled 1.45% (while for the world it was 0.98%).¹ What is more, India was considered one of the most dynamic economies in the beginning of the 21st century; an economy with the potential for being a positive force in world affairs.² From 2001 to 2013 average annual real GDP growth for India's economy was 6.95%, while for the world – just 3.78%. The

¹ <http://www.indexmundi.com/india/population.html> (retrieved: 10.05.2014); http://www.indexmundi.com/india/population_growth_rate.html (retrieved: 10.05.2014).

² J. Ghosh, The global economic chessboard and the role of the BRICS: Brazil, Russia, India, China, South Africa, *Third World Resurgence* 2013, no. 274, 1 June.

highest real GDP growth for India was observed in 2010 (10.4%), the lowest one was noted in 2002 (4.3%). India's economy was growing even in 2009 (real GDP growth in India amounted to 7.4%), when the world's GDP shrank by 0.9%.³ In 2013 India was the third biggest economy in the world with GDP amounting to USD 4.96 billion (PPP).⁴ In the analysed period of time *per capita* GDP in India increased from about USD 2200 (PPP) in 2001 to USD 3990 (PPP) in 2013.⁵ India took the 133rd position on the list of countries by GDP *per capita* according to PPP in 2013.⁶ GDP composition by sector is as follows: agriculture – 17.4%, industry – 26.1%, services – 56.5%. It results from the following distribution of the labour force by occupation: agriculture – 53%, industry – 19%, services – 28%.⁷

One can observe more and more active participation of India's economy in international division of labour and globalisation processes, including international merchandise trade, international trade in commercial services as well as international transfer of capital.⁸ An attempt was made in the paper to present and analyse selected aspects of international relations of India in the beginning of the 21st century with focus on its engagement in international trade and international transfer of capital in the form of FDI. The analysis covered period 2001–2013 (in some cases the year 2013 was not included in it due to the lack of statistical data).

³ http://www.indexmundi.com/india/gdp_real_growth_rate.html (retrieved: 10.05.2014). According to World Bank forecasts India's GDP is to grow by 5.5% in 2014 and by more than 6% in 2015–2016. See <http://data.worldbank.org/country/india> (retrieved: 13.06.2014).

⁴ India overtook Japan and Germany. The leading two economies in the world according to GDP (PPP) were the US and China. See http://www.indexmundi.com/india/gdp_%28purchasing_power_parity%29.html (retrieved: 10.05.2014).

⁵ A. Rao Doddi, *India's growth prospects dim regardless of election outcome – Reuters Poll*, <http://in-reuters.com/article/2014/04/25/economy-poll-india-idINKBN0DB0FR20140425?type=economicNews> (retrieved: 2.04.2014); India's economy. Turning a corner, *The Economist* 2013, December 3, <http://www.economist.com/blogs/banyan/2013/12/indias-economy?> (retrieved: 2.04.2014); N. Shinohara, *Global Economic Prospects and the Implications for India*, IMF, 2013, May 1st, <http://www.imf.org/external/np/speeches/2013/050113.htm> (retrieved: 2.04.2014); P. Fernandes, G. Ignatius, Role of India in the global economy, *The Economic Times* 2006, October 28, http://articles.economicstimes.indiatimes.com/2006-10-28/news/27444338_1_gdp-power-parity-gross-national-income (retrieved: 15.06.2014).

⁶ http://www.indexmundi.com/india/gdp_per_capita_%28ppp%29.html (retrieved: 10.05.2014).

⁷ http://www.indexmundi.com/india/gdp_composition_by_sector.html (retrieved: 10.05.2014); http://www.indexmundi.com/india/labor_force_by_occupation.html (retrieved: 10.05.2014).

⁸ M.K. Venu, *The India of 2013 is not the India of 1991*, <http://www.thehindu.com/opinion/lead/the-india-of-2013-is-not-the-india-of-1991/article5068745.ece> (retrieved: 2.04.2014); T. Malik, *Impact of globalization on Indian economy – An overview*, www.fibre2fashion.com/industry-article/8/738/impact-of-globalization7.asp (retrieved: 10.05.2014); V. Baweja, Globalization and Indian economy, *The Journal of the International Institute* 2003, vol. 11, no. 1, <http://hdl.handle.net/2027/spo.4750978.0011.110> (retrieved: 2.04.2014).

2. India and international trade in goods and services

The creation of merchandise trade relations is usually considered the very first step of national economy's integration with the world economy. It is followed by the development of trade in services, as well as capital transfer. India's engagement in world merchandise trade from 2001 to 2013 is presented in Table 1. The value of India's merchandise exports increased from 43.4 billion USD in 2001 to 312.4 billion USD in 2013 (a 719% growth). At the same time India's merchandise imports rose from 50.4 billion USD to 465.9 billion USD (a 924% growth). Thus, deficit in India's merchandise trade increased from 7.0 billion USD in 2001 to 153.5 billion USD in 2013 (it was highest in 2012 when it amounted to **191.8** billion USD).

Table 1. India's merchandise trade from 2001 to 2013 (billion USD)

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Exports	43.36	49.25	58.96	76.65	99.62	121.81	150.16	194.83	164.91	226.35	302.91	296.81	312.41
Imports	50.39	56.52	72.56	99.78	142.87	178.41	229.37	321.03	257.20	350.23	464.46	488.59	465.89
Balance	-7.03	-7.27	-13.60	-23.13	-43.25	-56.60	-79.21	-126.20	-92.29	-123.88	-161.56	-191.78	-153.48

Source: WTO data, <http://stat.wto.org/StatisticalProgram/WSDDBViewData.aspx?Language=E> (retrieved: 15.05.2014).

Table 2. India's share in world merchandise trade from 2001 to 2013 (%)

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Exports	0.70	0.76	0.78	0.83	0.95	1.00	1.07	1.21	1.31	1.48	1.65	1.61	1.66
Imports	0.78	0.84	0.92	1.04	1.31	1.43	1.60	1.94	2.01	2.26	2.51	2.63	2.47

Source: own calculations based on WTO data.

As a result of strong dynamics of both India's exports and imports its share in world merchandise trade rose significantly (see data in Table 2). In 2013 India's share in world merchandise exports equalled 1.66% while in 2001 it was just 0.70%. The share of India in world's merchandise imports increased from 0.78% to 2.47% between 2001 and 2013. As it stems from the above data, India's share in world merchandise exports more than doubled and its share in world merchandise imports almost trebled during the analysed period of time. Among India's crucial partners in exports one can find: the United States (12.7%), the United Arab Emirates (12.3%), China (5%), Singapore (5%) and Hong Kong (4.1%). The list of India's most important partners in imports includes: China (11%), the United Arab Emirates (7.7%), Saudi Arabia (6.7%), Switzerland (5.9%) and the United States (4.9%).⁹ It's

⁹ N. Desai Biswal, *The United States and India: Global Partners in the Global Economy*, <http://www.state.gov/p/sca/rls/rmks/2014/225209.htm> (retrieved: 2.04.2014).

worth mentioning that, although no individual EU27 member economy can be found among crucial trade partners of India, 16.8% of India's exports went to the EU 27 and 11.1% of its imports came from EU 27 in 2012.¹⁰

Table 3 presents commodity pattern of India's merchandise trade. The share of agricultural products in India's exports amounted to 10–14% in the analysed period of time. There was a rising significance of fuels and mining products in India's exports. Their share increased from about 8% in 2001 to almost 22% in 2012. Manufactures accounted for more than 75% of India's exports in 2001 but a considerable downward

Table 3. Composition of India's merchandise trade from 2001 to 2012 [%]

Commodity	Exports					Imports				
	2001	2005	2010	2011	2012	2001	2005	2010	2011	2012
Agricultural products	14.60	10.31	10.21	11.39	14.28	8.96	5.26	5.10	4.86	5.25
Food	13.44	9.04	8.04	8.92	10.29	5.29	3.32	3.52	3.29	3.62
Fuels and mining products	7.98	18.15	24.17	22.57	21.68	36.54	37.17	36.43	39.39	43.04
Fuels	4.95	10.54	16.78	18.67	18.32	31.29	32.42	31.64	33.88	38.00
Manufactures	75.63	71.14	60.97	60.83	60.69	43.87	47.04	44.95	41.23	38.55
Iron and steel	2.55	5.38	4.69	3.46	3.67	1.60	3.01	2.81	2.43	2.24
Chemicals	10.95	11.48	10.42	10.32	11.62	9.72	9.49	9.84	9.09	9.11
Pharmaceuticals	3.05	2.77	3.15	3.14	3.66	0.80	0.66	0.69	0.59	0.63
Machinery and transport equipment	8.69	10.61	14.11	13.84	13.39	15.59	19.75	18.20	16.51	16.17
Office and telecom equipment	1.39	0.94	1.67	2.12	1.82	5.37	7.02	6.04	5.56	5.14
Electronic data processing and office equipment	0.85	0.44	0.27	0.24	0.24	2.67	2.33	1.51	1.46	1.56
Telecommunications equipment	0.33	0.30	1.06	1.70	1.45	1.62	4.03	3.89	3.15	2.77
Integrated circuits and electronic components	0.21	0.20	0.33	0.19	0.13	1.07	0.66	0.64	0.95	0.81
Transport equipment	2.70	4.37	6.93	6.82	6.44	2.26	3.96	3.81	2.78	3.39
Automotive products	1.32	2.65	3.49	2.67	3.38	0.60	0.83	1.25	1.22	1.20
Textiles	12.74	8.36	5.67	5.06	5.15	1.30	1.35	0.80	0.73	0.68
Clothing	12.66	8.77	4.96	4.84	4.66	0.09	0.04	0.07	0.08	0.08
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: own calculations based on WTO data.

¹⁰ http://www.indexmundi.com/india/exports_partners.html and http://www.indexmundi.com/india/imports_partners.html (retrieved: 10.05.2014).

tendency was observed and in 2012 the share of manufactures in India's exports was reduced to about 60%. As far as manufactures' exports of India are concerned, one should stress the importance of: chemicals (11%), machinery and equipment (there was a rise from 8.7% in 2001 to 13–14% in the years 2010–2012), textiles and clothing (almost 13% in 2001 but only around 5% in the years 2010–2012). In India's merchandise imports a really big and still rising share of fuels and mining products is observed (from 36 to 43%). Agricultural products stood for almost 9% of India's imports in 2001 and for just 5% in the years 2010–2012. The share of manufactures in merchandise imports of India equalled 44% in 2001 and 38% in 2012. Import of machinery and transport equipment represented 15–19% of total merchandise imports of India.

In order to analyse the character of advantages of India in the world market B. Balassa's revealed comparative advantage indicator was used. B. Balassa formulated RCA indicator as follows:

$$RCA_{iy} = \frac{\frac{Ex_{iy}}{\sum Ex_{iy}}}{\frac{Im_{iy}}{\sum Im_{iy}}}$$

where: i – commodity section, y – trade partner, Ex – exports, Im – imports.

If the RCA indicator is bigger than 1, one may assume that a country gains comparative advantage.¹¹ The results of author's own calculations are presented in Table 4. India gained revealed comparative advantage in case of: food (RCA ranged from 2.0 to 4.0), iron and steel (RCA from 1.27 to 2.55), chemicals (1.1–1.3), pharmaceuticals (from 3.4 to 5.8), automotive products (from 1.8 to 3.2), textiles (6.2 to 9.8) and clothing (RCA between 56 and 247). Therefore, the strongest comparative advantage was observed in case of textiles, and particularly with respect to clothing.

Table 4. Revealed comparative advantage of India in trade with the world

Commodity	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1	2	3	4	5	6	7	8	9	10	11	12	13
Agricultural products	1.63	1.60	1.44	1.68	1.96	2.29	2.34	2.92	1.80	2.00	2.35	2.72
Food	2.54	2.31	2.04	2.41	2.72	3.03	2.97	4.04	2.15	2.29	2.71	2.84
Fuels and mining products	0.22	0.25	0.29	0.39	0.49	0.56	0.61	0.55	0.57	0.66	0.57	0.50
Fuels	0.16	0.15	0.20	0.26	0.33	0.43	0.49	0.47	0.45	0.53	0.55	0.48

¹¹ K. Budzowski, S. Wydymus (eds.), *Handel zagraniczny: metody, problemy, tendencje*, part I, Akademia Ekonomiczna w Krakowie, Kraków 1999; B. Balassa, Trade liberalization and 'revealed comparative advantage', *The Manchester School* 1965, vol. 33, no. 2, pp. 99–123.

Table 4, cont.

1	2	3	4	5	6	7	8	9	10	11	12	13
Manufactures	1.72	1.56	1.58	1.54	1.51	1.41	1.40	1.34	1.39	1.36	1.48	1.57
Iron and steel	1.60	2.12	2.55	2.40	1.79	1.72	1.51	1.92	1.27	1.67	1.42	1.64
Chemicals	1.13	1.15	1.22	1.25	1.21	1.28	1.21	0.98	1.06	1.06	1.13	1.28
Pharmaceuticals	3.83	3.38	3.98	4.35	4.22	4.23	4.23	5.13	4.51	4.53	5.33	5.83
Machinery and transport equipment	0.56	0.47	0.47	0.49	0.54	0.48	0.53	0.63	0.72	0.77	0.84	0.83
Office and telecom equipment	0.26	0.18	0.15	0.16	0.13	0.13	0.13	0.22	0.46	0.28	0.38	0.35
Electronic data processing and office equipment	0.32	0.22	0.24	0.22	0.19	0.17	0.16	0.19	0.21	0.18	0.16	0.15
Telecommunications equipment	0.20	0.11	0.08	0.08	0.08	0.09	0.09	0.14	0.58	0.27	0.54	0.52
Integrated circuits and electronic components	0.20	0.26	0.22	0.36	0.30	0.29	0.36	0.86	0.36	0.52	0.20	0.16
Transport equipment	1.20	0.86	0.83	0.99	1.11	0.69	1.05	0.81	1.35	1.82	2.45	1.90
Automotive products	2.21	1.81	2.31	2.53	3.17	3.00	2.39	2.29	2.49	2.78	2.20	2.82
Textiles	9.83	7.95	7.41	7.40	6.18	6.54	6.86	7.16	6.28	7.12	6.93	7.58
Clothing	144.9	247.9	180.7	225.4	202.1	159.2	119.4	106.3	120.8	73.6	61.8	56.5

Source: own calculations based on WTO data.

India's engagement in world trade in commercial services is presented in Table 5. In the analysed period of time India significantly developed its international trade in commercial services. The value of India's exports of commercial services increased from USD 16.8 billion in 2001 to USD 152.6 billion in 2013. At the same time India's imports of commercial services rose from USD 19.8 billion to USD 126.8 billion. That means a 908% growth of exports and a 640% growth of imports of commercial services. It seems quite important to note that India managed to reverse its deficit in trade in services which was the case till 2003 into a surplus since 2004. The value of India's surplus in trade in commercial services was highest in 2013 – it was close to USD 26 billion (see Table 5).

Table 5. India's trade in commercial services from 2001 to 2013 (billion USD)

Years	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Exports	16.80	19.13	23.63	37.93	52.20	69.46	86.61	106.75	92.14	116.45	138.16	145.65	152.59
Imports	19.79	20.78	24.68	35.29	46.82	58.22	70.39	87.85	79.43	113.75	123.89	128.13	126.77
Balance	-2.99	-1.65	-1.05	2.64	5.38	11.23	16.22	18.90	12.71	2.70	14.27	17.52	25.82

Source: own calculations based on WTO data.

India's shares in world trade in commercial services are shown in Table 6. The share of India in world exports of commercial services amounted to 1.13% in 2001 and rose to 3.3% in 2012–2013. India's share in world imports of commercial services amounted to 1.34% in 2001; it reached 3.06–3.15% from 2010 to 2012 but in 2013 it was slightly reduced to 2.92%.

Table 6. India's share in world trade in commercial services from 2001 to 2013 (%)

Years	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Exports	1.13	1.20	1.28	1.69	2.08	2.44	2.53	2.78	2.65	3.05	3.22	3.32	3.30
Imports	1.34	1.33	1.38	1.64	1.96	2.18	2.22	2.42	2.41	3.15	3.06	3.08	2.92

Source: own calculations based on WTO data.

Table 7. Composition of India's trade in services in 2001, 2005 and from 2010 to 2013 (%)

Specification	Exports						Imports					
	2001	2005	2010	2011	2012	2013	2001	2005	2010	2011	2012	2013
Transportation	12.20	11.0	11.4	12.8	12.0	11.3	42.93	44.2	40.8	46.7	47.1	46.2
Travel	19.04	14.4	12.4	12.8	12.3	12.1	15.19	13.2	9.2	11.1	9.6	9.3
Other commercial services	68.76	74.6	76.2	74.4	75.7	76.4	41.88	42.6	39.5	42.2	43.3	44.5
Communications services	6.57	3.0	1.3	1.2	1.1	1.4	1.35	0.9	1.0	1.1	0.8	0.9
Construction	0.39	0.7	0.5	0.6	0.6	0.8	2.37	1.3	0.9	0.9	0.9	1.1
Insurance services	1.68	1.8	1.5	1.9	1.6	1.4	4.10	5.0	4.4	5.0	5.0	5.0
Financial services	1.82	2.2	5.0	4.5	3.5	3.6	8.99	1.9	6.0	6.7	3.8	4.0
Computer and information services	35.40	30.8	33.5	32.9	33.9	33.6	4.60	2.7	2.2	1.5	2.0	2.1
Royalties and licence fees	0.22	0.4	0.1	0.2	0.2	0.2	1.60	1.4	2.1	2.3	3.1	3.1
Other business services	0.00	35.6	29.6	28.2	31.5	33.1	18.86	29.2	22.4	20.3	23.3	22.9
Personal, cultural and recreational services	-	0.2	0.3	0.2	0.5	0.8	-	0.2	0.4	0.3	0.4	0.5
Audio-visual and related services	-	0.0	0.2	0.1	0.2	0.3	-	0.0	0.1	0.1	0.1	0.1
TOTAL	100.00	100.0	100.0	100.0	100.0	100.0	100.00	100.0	100.0	100.0	100.0	100.0

Source: own calculations based on WTO data.

Composition of India's trade in services in selected years between 2001 and 2013 is presented in Table 7. In the analysed period of time transportation accounted for about 11–12% of India's exports and 42–47% of its imports of services. The share of travel in India's exports amounted to 19% in 2001 and was reduced to 12% in 2013. With respect to imports the share of travel dropped from 15 to 9% between 2001 and 2013. Other commercial services stood for 69% of India's exports in 2001 and for as much as 76.4% in 2013. The share of other commercial services in India's imports increased from 42 to 44.5% in the analysed period of time. The significance of computer and information services which accounted for more than one third of India's exports should be stressed. One should also note the importance of other business services in India's foreign trade – both on the exports side (33% in 2013) and on the imports one (23% in 2013).¹²

3. India and capital transfer in the form of FDI

Table 8 presents India as importer and exporter of capital in the form of foreign direct investment (FDI) from 2001 to 2012.

Table 8. India as importer and exporter of capital in the form of FDI from 2001 to 2012

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Inward FDI flows (billion USD)	3.4	3.5	4.3	5.8	6.7	20.3	25.0	40.4	35.7	21.1	36.2	25.5
Share in the world inward FDI flows (%)	0.41	0.48	0.68	0.82	0.71	1.39	1.19	2.28	2.93	1.50	2.19	1.89
Outward FDI flows (billion USD)	1.4	1.1	0.9	2.2	2.5	14.3	17.2	18.5	16.0	15.9	12.5	8.6
Share in the world outward FDI flows (%)	0.19	0.17	0.15	0.30	0.30	1.01	0.76	0.96	1.39	1.06	0.74	0.61

Source: *World Investment Report 2005. Transnational Corporations and Internationalization of R&D*, UN, New York and Geneva 2005; *World Investment Report 2007. Transnational Corporations, Extractive Industries and Development*, UN, New York and Geneva 2007; *World Investment Report 2008. Transnational Corporations and the Infrastructure Challenge*, UN, New York and Geneva 2008; *World Investment Report 2010. Investing in a Low-Carbon Economy*, UN, New York and Geneva 2010; *World Investment Report 2013. Global Value Chains: Investment and Trade Development*, UN, New York and Geneva 2013; www.unctad.org/wir (retrieved: 20.05.2014) and own calculations.

¹² Read more in: S. Rosselet-McCauley, *India – the emerging brain power. Robust economic performance fuels optimism*, IMD, Lausanne 2007, <http://www.imd.org/research/challenges/TC031-07.cfm> (retrieved: 1.06.2014).

Inward FDI flow to India ranged from USD 3.4 billion to USD 40.4 billion in the analysed period of time. It was highest in 2008. Till 2005 India did not seem to be an attractive location of FDI. Annual inflow of FDI of not more than USD 6.7 billion meant less than 1% share in the world. Since 2006 the situation has been completely different. Annual inflow of FDI into India amounted to USD 20.3–40.4 billion (the share of India in the world inward FDI flows amounted to 1.2–2.9%; it was biggest in 2009). It is worth mentioning that over half of the world's leading IT firms are located in India. The size of this sector is supposed to quadruple by the year 2025. Specialized, top-quality small-and-medium-sized companies will be responsible for this growth [LISA Forum India].

India's engagement in outward FDI flows was very limited till 2005. Outward FDI flows from India amounted to around USD 1 billion from 2001 to 2003 and USD 2.2–2.5 billion in the years 2004–2005. At that time India's share in outward FDI flows was less than 0.5%. From 2006 to 2012 annual average outflow of capital in the form of FDI from India amounted to USD 14.7 billion (it was biggest in 2008 – USD 18.5). India's share in world outward FDI flows reached 1% in 2006, 2009 and 2010.

Table 9. India's inward and outward FDI stocks from 2000 to 2012

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Inward FDI stock	17.5	1.d.	1.d.	30.8	38.7	44.0	52.4	105.8	123.3	171.2	205.6	206.4	226.3
Outward FDI stock	1.9	1.d.	1.d.	5.1	6.6	10.0	15.9	44.1	62.5	80.8	96.9	109.5	118.2

Source: as in Table 8.

As it stems from data presented in Table 9, the share of India in world's inward FDI stock amounted to 17.5 billion USD in 2000 (which represented 0.3% of world's total inward FDI stock). In 2012 India's share in world's inward FDI stock equalled 226.3 billion USD (i.e. 1% of world's total FDI stock). Outward FDI stock of India was just 1.9 billion USD in 2000 (0.03% of world's total outward FDI stock) and in 2012 it amounted to 118.2 billion USD (0.5% of world's total outward FDI stock).

4. Conclusions

India is an important subject of the global economy. It is the second most populous country in the world and the third economy according to GDP. In 2012 India's GDP was USD 4.761 billion (PPP) which positioned India just after the United States and China. From 2001 to 2013 India's average annual GDP growth amounted to 6.95%.

One can observe rising integration of India's economy with the global economy in the beginning of the 21st century. In the analysed period of time India's share in world merchandise exports increased from 0.7 to 1.66% and its share in world

merchandise imports rose from 0.78 to 2.47%. A similar tendency was observed with respect to India's engagement in world trade in commercial services. The share of India in world exports of commercial services increased from 1.1 to 3.3%, while its share in world imports of commercial services rose from 1.3 to about 3.0%. Huge deficit in India's merchandise trade and big and rising surplus in India's trade in commercial services should be underlined here. It's worth mentioning that India took the 19th position on the list of world exporters of products and the 11th place on the list of world importers of products in 2012. At the same time India was the 6th biggest exporter and 7th biggest importer of services in the world.

In the 21st century India became an attractive location of capital in the form of FDI. In 2012 inward FDI stock in India was over USD 226 billion (while in 2001 it amounted to USD 17.5 billion only). On the other hand India got more and more active in the world market with respect to outward FDI flows. In 2012 it invested USD 8.6 billion in the form of FDI in the world market, and outward FDI stock of India reached USD 118 billion.

Among the strengths of India's economy one should list fast economic growth supported by buoyant domestic economy, high business confidence, companies' capacity to adapt to changes, strong service sector, business efficiency resulting from brain power. On the other hand, however, India's competitiveness is limited by weaknesses in transport infrastructure, underdeveloped energy sector, poor water management, as well as insufficient job creation. If India is effective in taking advantages of strengths and turning weaknesses into opportunities, its role in the globalised world is likely to grow further during the next decades and its competitive position can become much better.

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ROLA INDII W GLOBALNEJ GOSPODARCE POCZĄTKU XXI WIEKU

Streszczenie: W 2001 r. Indie zostały uznane za jedną z tych gospodarek świata, które charakteryzują się najwyższym potencjałem rozwojowym (łącznie z Chinami, Brazylią oraz Rosją). W artykule podjęto próbę prezentacji miejsca oraz roli Indii w globalnej gospodarce. Przeanalizowano sytuację makroekonomiczną Indii na początku XXI w. ze szczególnym uwzględnieniem okresu globalnego kryzysu finansowego i niestabilności gospodarczej. Pokazano zaangażowanie Indii w międzynarodową wymianę towarów i usług oraz międzynarodowy transfer kapitału, uwzględniając wielkość obrotów, ich strukturę oraz udział Indii w świecie. Zbadano obszary ujawnionych przewag komparatywnych Indii w handlu towarowym, wykorzystując w tym celu indeks RCA B. Balassy. Analizą objęto zasadniczo okres od 2001 do 2013 r. (w niektórych przypadkach analizę zakończono na 2012 r. ze względu na brak dostępu do danych statystycznych).

Słowa kluczowe: Indie, gospodarka globalna, eksport, import, zagraniczne inwestycje bezpośrednie.