

Macro Roundup Article

Headline: [India, Wary of China, Expands Trade Ties with the West](#)

Article

Link: <https://www.wsj.com/articles/india-wary-of-china-expands-trade-ties-with-the-west-7fda506e>

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Tweet: [.@greg_ip](#) argues that Indian policy is pivoting towards the United States and is seeking to reduce trade friction with Europe, America, Canada, Japan, and Korea.

Summary: India's trade barriers have long been among the highest of major economies. Its average "most favored nation" [MFN] applied tariff in 2021 stood at 18.3%, one of the highest among major economies. That's actually up from 2014, a result of Mr. Modi's efforts to encourage domestic and foreign companies to manufacture more in India. The high MFN tariff is aimed at "nontransparent economies who are dumping really low-quality, substandard goods at really low prices, which is hurting the Indian economy and Indian manufacturing," Piyush Goyal, India's minister of commerce and industry, said in an interview, in a reference to China. "The tariffs are not meant to be a detriment, ideally, to...Europe or America or Canada or Japan or Korea. We are looking at having more trading relationships, bilaterally or collectively, with the developed world with whom we want more and more open borders." India wants more protection from China, and freer trade with everyone else.

Primary Topic: Trade (not deficits)

Topics: GDP, Op-Ed/Blog Post, Trade (not deficits)

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