

International Specialization of Indian Chemical and Allied Product Lines

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Abstract:

The study is an attempt to measure the international specialization of chemical and allied product line at HS 2-digit level for India during 2010 to 2019. By utilizing Lafay Index for international specialization, the study revealed that among the 11 classified product lines of chemicals, India enjoyed international specialization in 9 product lines in 2010 and only two product lines of HS-31 and HS-37 were comparatively disadvantageous in the global market. However, during 2019 India had only 7 product lines in its advantageous list and 4 product lines of HS-28, HS-31, HS-35 and HS-37 were in the disadvantageous group. This reflects that although most of the chemical product lines are competing well in the global market, but few product lines have not accepted the competitiveness criteria and therefore are losing their specialization pattern in the world. The study also revealed that the degree of specialization of Indian chemical products has not been up to the mark except HS-30 (Pharmaceuticals), as none other than HS-30 crossed the Lafay index value more than 1. The Pharmaceuticals have been very impressive during the study period and their specialization trend also reflects that this product line has the potential of outpacing the most advanced economies of the world.

Key Words: International Specialization, Chemicals, Lafay Index, Competitiveness, Pharmaceuticals, India.