CHAPTER-IV

ECONOMIC POLICY OF DR. MANMOHAN SINGH

Introduction:

It was only fitting that when Dr. Manmohan Singh came to the helm of economic policy-making in India as Finance Minister in 1991 at a time of deep economic crisis, he was finally able to implement what his early research findings had told him was the right thing to do. Four decades earlier, in his Ph.D thesis, Young Dr. Manmohan Singh had set out to examine the role that foreign trade could play in India’s quest for self-reliance. His empirical enquiry in pursuit of well-defined, policy-oriented questions. His findings reinforced his instinct about the potential benefits of expert orientation for the Indian economy. However India’s policy makers had put India in a different growth path, and though Dr. Manmohan Singh became a part of the economic policy establishment in 1971, considerable time was to pass before policy changes in that direction could be made.

Dr. Manmohan Singh has clearly been the economists, economist in the government. He is the only person to have held every important positions in the economic or civil service hierarchy in India including Secretary, Economic Affairs in the Ministry of Finance; Governor, Reserve Bank of India; Deputy Chairman, of Planning Commission; and the Finance Minister. In his long carrier in government, Dr. Manmohan Singh is widely known to have been a voice of good sense and moderation through a period when Indian planners and policy-makers followed policies of import substitution and public sector domination which today do not command the enthusiasm they once did. Dr. Manmohan Singh’s first big challenge in government came when a sharp acceleration in the international price of oil in 1973 exuberated the problem of inflation at home. In a poor society where majority of the population lived at the margin of survival, inflation
rates of over 20 percent were clearly unacceptable. Indira Gandhi’s
governments determined to control inflation rates. It fell to Dr. Manmohan
Singh to design the serve anti-inflationary package that was put into effect
in July 1974. This included, for the first time, measures to directly restrict
disposal incomes. The policy began to have an impact after September
1974, by March 1975, the price level had declined by 5.7 percent over
September 1974. The success of the package established Dr. Manmohan
Singh’s reputation both domestically and internationally.¹

An equally significant though less visible contribution to policy by
Dr. Manmohan Singh was the imparting of a certain degree of flexibility to
exchange rate management in the Indian Economy. In the Ministry of
Finance in the second half of the 1970s and more particularly in the Reserve
Bank during 1982-85, he was instrumental in ensuring that the exchange
rate of the rupee was managed so as to depreciate in real terms without
inviting adverse comment. The steady increase in the real effective
exchange rate which had began in 1979 was arrested in 1984. Thereafter, the
rate began to decline thereby improving the competitiveness of Indian
export.

It is well known that as Member Secretary of the planning
commission, Dr. Manmohan Singh effectively shifted the focus of the Sixth
plan to efficient import substitution and improvement in productivity. The
plan prepared the ground for the gradual dismantling of the system of
domestic regulation during the 1980s. However, though easier access to
imports and simplification of trade policies and procedure was part of the
effort to improve efficiency in the use of resources, the inward orientation
of the Indian Economy remained pretty much intact. The attempt to offset
the anti–export bias of the inward regime by offering budgetary subsidies
clearly failed to bring about the desired result of improving efficiency and
export competitiveness. Dr. Manmohan Singh represented India with distinction at international meetings on monetary cooperation and development assistance. He was an active member of the Committee of Twenty and was set up to recommended reform measures for the Bretton Woods System. His modest and unassuming ways as well as his evident wisdom and vast experience won India many friends and supporters in international forum. When the South Commission was setup in the mid-1980s explore the issues facing the developing world, Dr. Manmohan Singh was Julius Nyerere’s choice for the position of Secretary General.

Dr. Manmohan Singh Doctrine and Developing Countries: It was fortuitous that Dr. Mamomohan Singh thus spent three years between 1987 and 1990 in Geneva, spelling out issues facing the South in an increasingly interdependent world. His extensive tours to different parts of developing world and detailed review of the policy measures which were successful in delivering better standards of living for the people of these economies especially in South East Asia made a very deep impression on him.

ECONOMIC DOCTRINE OF DR. MANMOHAN SINGH:

In June 1991 Dr. Manmohan Singh was invited by Prime Minister Narsimha Rao to be the finance minister. He took over the reins of office during the worst ever crisis for the India Economy, and that too in a minority government. Few finance ministers have come to the job with the international reputation that Dr. Manmohan Singh enjoyed as an economic administrator, and this reputation was now put to tough test. Many doubted whether the government would last for a reasonable period, let alone its full five-year term. The knowledge of the bitter medicine that he would have to administer could not have strengthened Dr. Manmohan singh’s Own perception of the government’s longevity. Serve Macroeconomic imbalances and cumulative problems resulting from the poor productivity
performance in the economic had created a situation where growth had collapsed, inflation was rising and foreign exchange reserve had dwindled to a level barely enough to meet the India’s normal import need for ten days. Despite India’s impeccable record of external debt management, there was rising loss of confidence in her ability to meet her international payment obligation. The challenge of restoring macroeconomic balance had to be combined with the long overdue task of removing those policy induced distortions that had a serious adverse effect on productivity. Only then could India be put on the path of sustained growth with low inflation which could be provide a permanent solution to India’s poverty problem.²

Dr. Manmohan Singh set about he task with the zeal of a reformer Wide- ranging tax reforms were fitted intona scheme of fiscal stabilization, and there was some action on the expenditures front as well Containment of defence expenditures, cuts in fertilizer subsidies and slow systematic efforts to reduce the interests burden on the budget were some of the more significant achievements. Thus, a process of fiscal reforms was initiated by a new finance minister who also had to undertak the political task of convincing parliament, and more important, the people of India, that his policies were the right policies for the Indian economy. In the years that followed he was to successes full beyond the expectations of many, although much still remained to be done when he left. It is moot point that the very success of the new policies in the early years weakened the resolve to carry the reforms further as the sense of crisis in the balance of payments abated and foreign exchange reserves rose from less than a US$ billion in June 1991 to over 10$ billion in June 1993.

The rise and fall in the level of rural poverty had very little to do with any structural reform and not even much to do with the stabilisation measures that changes in the rural poverty are dominated by agricultural
production. A fall in production hits the poor in two ways, by reducing the demand for labour and by raising the price of cereals. There was a fall in food grain production in 1991-92. The devaluation which was part of the stabilisation package must have contributed to the rise in the price of food grains which caused a fall in real rural wages in 1991-92. But the Singh Doctrine for government’s procurement and issue price seemed to have been raised more than was necessary. Also there was a reduction in employment. In 1991 rural poverty changed its dimensions due to the errors of Dr. Manmohan Singh Economic Doctrine of Rural employment and agricultural assistance system.

Until Dr. Manmohan Singh initiated reforms, the centre tried to control the pattern of production, investment and growth in considerable detail. This implies the reservation of economic power in the centre with little room for independent manoeuvre by the states. Destruction and the change in economic philosophy more generally should allow the state governments to acquire greater responsibility and independence, and to show greater initiative than in the past. The resources available to the states, and their source is thus intimately related to the programme of reform that began in 1990-91. As in any federation the assignment of taxes to the different levels of government is crucial. According to his economic doctrine there are four problem areas. First, there is a sharp imbalance between taxing powers and spending responsibilities necessitating large transfer from the Centre to the states. This is the normal in federations and creates serious problems only if the transfer are made in such a way as to erode the fiscal discipline. Second the taxes bases assigned to the Centre and the states overlap, and are split. Third states tried to shift the incidence of indirect taxes to other states and they compete for investment in giving tax concessions the safeguard against these practices are inadequate. Lastly there are constitutional limitations which severely weaken the tax base: the
centre cannot tax agricultural incomes, and there are also difficulties with taxation of services. A detailed discussion of the severity of these problems that seriously reduce the efficiency of production and exchange\textsuperscript{3}. It observe that ‘all in all the tax scene in India chaotic.’ He viewed that Indirect taxation is probably that wrost offender against economic efficiency. Central excise and state sales taxes overlap, and their effective incidence defies economic logic. And India is not even a common market, for internal trade is taxed. ‘it would appear that the approach towards a rational structure of indirect taxation in the country lies in installing a system of destination \textendash{}type VAT to replace all taxes on domestic production and trade with a comprehensive base covering both goods and services’ How best to achieve this, and how to secure the cooperation of the states in arriving at a good solution is another very difficult problem. ‘A prerequisite for any move fundamental reform in an era so sensitive as Centre-state division of tax powers in public recognition of the need for radical change. That in turn calls for a national debate. It is a pity that when rethinking on tax assignment is apace even in well-established federal democracies like Canada and USA, in India the debate has not even begun,’ He notes that the states were in situation of near subjugation under central planning and the operation of Article 356 of the Constitution. The decline of the central planning has resulted in a resurgence of regional aspirations. These could largely be satisfied by a reduction in the activity of the Centre in the fields which are concurrent under the Constitution. The centre should lay down broad outlines, and leave operations to the states; residual powers should also lie with the states. But the centre must retain sufficient powers to ensure that India is a nation and not a mere confederation of states. Apart from defence and foreign affairs, it must be responsible for maintaining macroeconomic stability and a common market. And for guarding the constitutional rights of citizens and mitigating interstate inequalities.
Dr. Manmohan Singh’s doctrine of financial infrastructure:

As in other infrastructure sector the policy for private investment in ports is relatively recent and the results will be evident only in the ninth plan. However, international experience suggests that it is relatively easy to attract private investment into ports. There are attractive returns to be made and there is no payment risk and rejectively little market risk. Foreign exchange need not present problems since port charges can be fixed in foreign exchange, though this is not being done as yet in India.

Review of infrastructure in the first five years of economic reforms is that there was inadequate expansion of capacity in all sector expect telecommunications. Public investment fell short of the target and effort to attract private investment were either stalled by unanticipated problems, as in the case of power or were initiated too late in the period for results to be evident. Economic growth accelerated in response to reforms despite these problems because there was some slack in the system that allowed growth to accelerate despite insufficient expansion in infrastructure capacity, but this process cannot continue indefinitely. We certainly cannot assume continuation of growth in future without a substantial increase in capacity in fracture sectors.

Recognising the constraints on financing infrastructure needs in the medium term, Dr Manmohan Singh in 1994 appointed an Expert Group on Commercialisation of Infrastructure Project to examine these constraints and make recommendations for the future. The expert Group made projections of the capacity expansion required in various infrastructure sector over the ten year period 1996-97 to 2006-07 to support an acceleration of economic growth to 7.5 percent by 2001-02 and 8.5 percent by 2005-06. The Expert Groups projections imply substantially larger additions to capacity in the Ninth Plan period 1997-98 to 2001-02 than was
actually achieved in the eight plan. In power generation, the requirement of additional capacity ranges from 38,000 MW to 48,000 MW. Even the lower estimate is more than double the capacity added in eight plan and this is regarded as adequate only if several steps are taken to improve the efficiency of the existing system, including modernisation and ce-bottlenecking of the existing plants, along with steps to improve management of demand through rational energy pricing and other measures.4

The doctrine of strategy infrastructure:

Dr. Manmohan Singh’s focus on two fronts, First, we must ensure that public investment takes place on a much larger scale than in the Eight plan period. This is necessary even to maximise the involvement of the private sector simply because the scale of total investment needed in infrastructure is so large, and the public sector at present so dominant, that a large part of the expansion in capacity in the next five years has to come the public sector. Second private sector involvement in infrastructure must be much more actively pursued than was possible in the plan. Private investment should not be viewed as playing only a supplementary role. It should be seen potentially as major contributor to infrastructure expansion in future, with the additional merit and thus contribute to overall efficiency. The ability to increase public sector investment in infrastructure will depend critically upon the ability to mobilize resources for this purpose. In the past, public investment has been financed by a combination of direct support from the budget, internally generated surplus and borrowings from the capital market. The prospects for expanded levels of budget support are not encouraging given the fiscal constraints affecting both the Centre and the states. The combined fiscal deficit of the Centre and the states together is around 8percent of GDP, which is among the highest of all developing countries. There are strong macroeconomic compulsions for reducing the
deficit. Which in turn limits the growth of budget expenditure. Given the pressure to increase expenditure in the social sectors all in poverty alleviation schemes, which have to rely on solely on the budget, it is difficult to envisage large increase in budget support for infrastructure. Resources for public investment in infrastructure therefore will have to come from improved financial performance of the relevant public sector agencies leading to larger internal surpluses available for investment. This theory Dr. Manmohan Singh reflect the ability to levy viable charges.

Dr. Manmohan Singh has been the Prime Miister since 2004. The growth acceleration promoted by the 1991 reforms occurred –from 2003 onwards –with GDP growing at over 8 percent annum. This would and this has led to a very larger decrease in mass structural poverty, whose numerical extent, however continues to be disputed not least by the Lords of poverty inhabiting the multilateral financial institutions. This new higher path has, however been associated with two political economy problems highlighted in this postscript. There is no doubt Dr. Manmohan Singh’s economic reforms unleashed the productive forces of the Indian economy which has been the second fastest growing economy in the world for some years. It is difficult to believe up to beginning of the 1980s India’s growth rate of GDP was around only 3.5 percent per annum. By contrast, the decade from 2001-02 to 2010-2011 recorded a growth rate of GDP rate 7.7 percent per annum. The percentage of population in poverty has declined from 45 percent in 1993 to 94 to 30 percent in 2009 -10. The acceleration in growth rate of GDP after 1991 was dominantly led by the services sector, while the manufacturing sector more or less maintained its share in GDP over the 20 years period. One of the major challenges for the Indian Economy is to generate faster growth of the manufacturing sector which is labour insensitive and employment generating only because of his economic Doctrine.⁵
The Dr. Manmohan Singh Doctrine is a manifestation of India’s economic resurgence in an era of greater economic openness. The success of India’s external liberalisation and the reintegration of the Indian economy into the growth process of East and Southeast Asian economies have played a vital role in the popular acceptance of the validity of the many postulates of his doctrine. For this reason, the continued relevance of the doctrine will be contingent upon India’s continued pursuit of high economic growth within the framework of an open and increasingly globalised economy. It is also contingent upon the process of protectionism and if the current financial crisis and the global economic slowdown, with high energy and food energy and food prices, generates a backlash against globalisation, it could strengthen the domestic critic of the Dr. Manmohan Singh Doctrine in India. Equally, the doctrine’s appeal to the outside world is premised on India remaining a high growth, open economy and an open society, marked by popular commitment to the values of a liberal, plural and secular democracy. An inward –looking, internally divided, bigoted and liberal India would have little external standing and no external appeal.

In his very first budget speech in parliament, in July 1991, Dr. Manmohan Singh linked India’s global standing with its economic performance. After spelling out his strategy to deal with an immediate crisis a balance of payments and fiscal crisis Dr. Manmohan Singh firmly anchored his economic initiatives in a wider strategy setting. He ended his historic speech with now famous quote Victor Hugo (“No power on earth can stop an idea whose time has come”) and added, I suggest to this August House that the emergence of India as a major economic power in the world happens to be one such idea. Let the whole world here it loud and clear. India is now wide awake. We shall prevail. We shall overcome.
Recalling this speech Dr. Manmohan Singh underlined the foreign policy implications of the new economic policies ‘unveiled by the Narasimaha Rao government. There was no doubt in Dr. Manmohan Singh’s mind that the liberalisation of the Indian economy and the ‘new turn’ in its economic policies were part of a new strategic policy orientation taken in the context of the collapse of the Soviet Union, the rise of China and East Asian economies and India’s own economic rise in the 1990s.

The back ground of Dr. Manmohan Singh Economic Doctrine begins when he Rao became the Prime minister of India. In one his first media interviews, explaining his foreign policy and economic policies, Rao said” now the cold war is over. There is an element of cooperation instead of confrontation. It is a new situation. And we have to respond to that. So certain policy orientations will take place to ensure that our national interest does not suffer. In 1991 this ‘national interest’ was defined essentially in economic terms, given the crisis at hand and the need to pull India back from the brink of bankruptcy.

It is not merely the compulsions of crisis management that forced a rethink on foreign policy priorities. The crisis had been anticipated by many economist and there was a long period of re-thinking was triggered by the development experience of East and Southeast Asian economies and that of China, which had launched its own “Four Modernisations” policy a decade earlier, part of a general re-orientation of its strategic policy its relations with the outside world.

In February 1991, three months before he assumed charge as India’s finance minister, Dr. Manmohan Singh told that the India has to learn from the East Asian experience and re-orient economic policies In 1960, South Korea and India were on par in economic terms, including their level of
industrial development but by the late 1980s Korea had become a “newly industrialising economy” an “Asian tiger” while India still lagged behind. He returned to this theme in his last budget speech in February 1995, “It is this vision, of a resurgent India taking her rightful place as an economic powerhouse in Asia, which has inspired our economic policies.” In relating India’s economic capabilities to its global profile and influence Singh was in fact drawing on early “Nehruvian realism” that had been forgotten during the intervening years when Indian foreign policy was shaped more by the “low politics” of the Cold War era and the “high politics” of post colonialism. It was an interregnum in which “non-alignment” became an ideology rather than the strategy.6

The collapse of the Soviet Union and the consequent disruption of an important external trade relationship. It was not just the economic and strategic fallout of this that was deliberating for India, but also the political and diplomatic fall-out. The Soviet Union was an important “balancer” from India’s point of view in its negotiations with organisations for Economic Co-operation and Development (OCED) countries, and with multilateral financial institutions. As recently as in 1980 Indira Gandhi used the “Soviet Card” as it were, in her negotiations with the international Monetary fund (IMF) to secure improved terms for an extended financing facility loan7

The balance of payments crisis of 1990-91 and the need to adopt a stabilisation and adjustment programme to secure financial support from the IMF and the World Bank. India also reached out to Japan for bilateral assistance and found Japan unwilling to extend such support without India adopting a clear programme of reform and adjustment. Finance Minister Yaswant sinha had to return from Tokyo empty-handed, after having been kept waiting for an appointment with his counterpart.
As a consequence of the balance of payments crisis, as result of new thinking within the policy making establishment, and thanks to new trends in remittance inflows and foreign trade, India chose to move away from external aid and debts as major sources of balance of payments support and opt for foreign trade especially services trade and investment especially portfolio flows, as sources of foreign exchange.

The 1990s saw a major change in India’s approach to foreign trade in general and to a multilateral trade regime in particular. India became a founding member of the World Trade organisation (WTO) and committed itself to multilateral rules of engagements in trade. India also began to seek regional and bilateral trade Agreement, to began on a parallel track and supported the idea of a South Asian Free Trade Agreement, to begin with, and soon expressed interest in an India –Asian free trade Agreement (FTA). India’s Look East Policy and its interest in increasing its economic interaction with the Indian Ocean Rim Countries also shaped India’s relations with its wider Southern Asian neighboured. This economic Doctrine of Dr.Manmohan Singh made the India as a leader of South Asian Continent.

The economic doctrine Dr. Manmohan Singh always faced the challenge from China. China’s rise as open economy and a trading nation had a profound impact on political and economic thinking within India and shaped public policy both with respect to domestic and external economic policy and with respect to India’s foreign and strategic policy.

**Y2K problem and economic policy of Dr. Manmohan Singh:**

The 1990s progressed, and more in the first few years of the new century, India discovered its global prowess in the field of information technology. The business generated by the so-called “Y2K” problem followed by the growth of Indian information technology (IT) and IT enabled Services business, the “software and outsourcing” boom, and the
growth in trade in service greatly changed attitudes towards globalisation and global integration. Indian business has also increased. First inspired by liberal economic policy of Dr. Manmohan Singh. The experience of IT firms such as Tata consultancy Services, Infosys and WIPRO and subsequently, by that of pharmaceutical majors like Ranbaxy and Dr. Reddy’s Indian business groups began to move away from their earlier inward-looking “Bombay club” mentality to a more global orientation. The recent listing of Indians among “Forbes Billionaires” is only one visible symbol of Indian Business making its mark outside. Such success by his economic doctrine. Indian enterprise has encouraged Indian Business to push for more aggressive globalisation. This outward orientation business policy of Dr. Manmohan Singh has shaped India’s relations with many OCED economies, including the United States. It has also made Indian business organisations such as the Federation of Indian Chambers of commerce and Industry (FICCI) and the Confederation of Indian Industry (CII) active players in Indian Diplomacy The ‘business diplomacy’ of (FICCI) and CII has shaped public and political opinion at home and own new friends for India outside.⁸

**Impact of Liberalisation of Successful external Liberalisation:**

The impact of the economic reform and liberalisation programme launched in 1991 was felt soon enough on the performance of the economy. Compared to an average annual rate of growth of 3.5 percent in the period 1950-1980 and about 5.5 percent in 1980-1990, the Indian economy grew by close to 7.5 percent in 1992-1997. There was slowdown after that till the revival of seven percent plus growth after 2003. The net impact of this accelerated growth was to take India away from its historical comparision with South Asia and Pakistan into a new league where its performance was increasingly compared with that of China and ASEAN. This had its own geo-political and strategic consequence.⁹
Dr. Manmohan Singh efforts in 1990 led India’s improved macro-economic performance in the decade 1991-2001 had more than a positive impact on its external economic and diplomatic profile. India’s trade gross domestic product (GDP) ratio went up, and so did her foreign exchange reserves. There was a sharp decline in external debt and debt service ratio. After 2000, services exports went up from around US$10 billion in 1999 to over US$60 billion by 2006. A third of this was accounted for by software services exports and its share of world services exports rose to 2.5 percent of world’s services exports and its share of world merchandise exports doubled from 0.5 percent in 1990 to 2005 and to 1.5 percent by 2007-08.

Dr. Manmohan Singh efforts saved the India from the Asian Financial crisis in 1997-98. India’s external economic liberalisation strategy can be described as a ‘stable and successful’ strategy. It was characterised by policy of stability and step-by-step approach helped it escape the Asian financial crisis. Whether trade sanctions after the nuclear tests in 1998, accumulate foreign exchange rate stability, reduce external debt burden and increase its share of global capital flows.

**Trade –GDP Ratio, 1980-2008:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports/ GDP</th>
<th>Imports/GDP</th>
<th>X+M/GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>6.2</td>
<td>9.8</td>
<td>16.0</td>
</tr>
<tr>
<td>1985-86</td>
<td>5.6</td>
<td>8.5</td>
<td>14.1</td>
</tr>
<tr>
<td>1990-91</td>
<td>7.3</td>
<td>9.9</td>
<td>17.2</td>
</tr>
<tr>
<td>1995-96</td>
<td>11.2</td>
<td>14.4</td>
<td>25.7</td>
</tr>
<tr>
<td>2000-01</td>
<td>13.0</td>
<td>14.7</td>
<td>27.7</td>
</tr>
<tr>
<td>2007-08</td>
<td>13.5</td>
<td>21.2</td>
<td>34.7</td>
</tr>
</tbody>
</table>

Source: Economic Survey, Ministry of finance, Govt, of India various Issues.
All this reflected itself in a more robust engagement of the outside world. Dr. Manmohan Singh Economic Policy and Doha Development Round of WTO: Doha Development Round of WTO negotiations with a forward looking strategy focused on securing better market access to industrial products, agricultural goods and to skilled services. Singh took a proactive stance on multilateral and regional trade negotiations. Early in his terms as a Prime Minister he created a new institutional mechanism for coordinated policy making on the external front in form of the trade and Economic relations Committee was chaired by the Prime Minister and included the Ministers of external affairs, finance, Industry and commerce, and Agriculture and the Deputy chairman of he planning Commission and the National Security Advisor. TERC remained an active body in the period 2004-2008, pushing forward the India –ASEAN FTA and defining India’s stance on a range of other bilateral, regional and multilateral trade negotiations.

Strategic Stake and Dr. Manmohan Singh Economic Policy of Dr. Manmohan Singh was a string proponent of the view that India had a “strategic Stake” in the multilateral system managed by the WTO. “We as a nation, a great stake in a rule based international system, a system that is rule based not deal based”. Singh would often say and repeatedly reaffirm India’s commitment to “the successful functioning of the multilateral trading system and to broadening the agenda of the WTO with an increasingly liberal flow of goods, service and labour.”

Contrary to western media perception, India is not responsible for the current impasse in the Doha Round negotiations, since India has a strategic stake in multilateralism. Dr. Manmohan Singh reiterate that India would like the Doha round to adhere to its original mandates of being a “development round” Without diluting its commitment to multilateralism,
India also pursued regional and bilateral FTAs. Successive Indian Finance Ministers, beginning with P. Chidambaram in 1997, set the policy objectives of “lowering our tariffs at least to ASEAN levels”\textsuperscript{11} Dr. Manmohan Singh would reiterate as prime minister that this was a “policy priority for us”

Making India a member of East Asian Community became a policy imperative for Prime Minister Dr. Manmohan Singh “I have stated my commitment to the idea of creating an Asian Economic Community an arc of prosperity across Asia, in which there are no barriers to trade and investment flows and to the movement of people” he told the CII partnership summit in Kolkata in January 2005.

Dr. Manmohan Singh as a economist as well as Prime Minister to boost the economic development of India he concluded Free / Regional Trade Agreements and Comprehensive Economic Cooperation/ Partnership Agreements with these following countries.

1. Mauritius Preferential Trade Agreement and CEPA
2. South Africa Custom Union Agreement
3. Australia Free Trade Agreement.
4. European Union Regional Trade Agreement.
5. South Korea CEPA (comprehensive Economic Cooperation Partnership Agreement)
6. IBSA CEPA (comprehensive Economic Cooperation Partnership Agreement)
7. Singapore Free Trade Agreement and Comprehensive.
   i. Economic Cooperation Partnership Agreement.
8. China Regional Trade Agreement.
<table>
<thead>
<tr>
<th>Country</th>
<th>Agreement</th>
</tr>
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<tbody>
<tr>
<td>9. Malaysia</td>
<td>Comprehensive Economic Cooperation i. Partnership Agreement.</td>
</tr>
<tr>
<td>10. SAARC Countries</td>
<td>Free Trade Agreement and comprehensive i. Economic Cooperation trade Agreement.</td>
</tr>
<tr>
<td>11. Newzealand</td>
<td>Free Trade Agreement.</td>
</tr>
<tr>
<td>12. Japan</td>
<td>CEPA(Economic Cooperation Partnership i. Agreement.</td>
</tr>
<tr>
<td>13. Chile</td>
<td>Preferential trade Agreement.</td>
</tr>
<tr>
<td>14. BIMSRTC Countries</td>
<td>free Trade Agreement.</td>
</tr>
<tr>
<td>15. Mercosur</td>
<td>Preferential Trade Agreement</td>
</tr>
<tr>
<td>16. ASEAN Countries</td>
<td>(CEPA) Comprehensive Economic partnership i. Agreement.</td>
</tr>
<tr>
<td>17. Srilanka</td>
<td>Free Trade Agreement</td>
</tr>
<tr>
<td>18. Russia</td>
<td>JSG Comprehensive economic Cooperation i. Partnership Agreement.</td>
</tr>
<tr>
<td>19. Israel</td>
<td>preferential trade Agreement</td>
</tr>
</tbody>
</table>

Dr. Manmohan Singh signed the agreement with these countries. This step of Dr. Manmohan Singh not only accelerate the Economic development of India but also escalate the India’s engagement for international peace prosperity and tranquillity. Dr. Manmohan Singh doctrine of greater openness to external trade has increased the importance of external relations, the changing geographical pattern of that trade has quite understandably changed the relative importance of different countries. During the cold war period, the Soviet Union was an important economic partner for India. Apart from defence purchases, India depended on the Soviet market to sell a range of commodities through what came to be described as “rupee trade” with the collapse of the Soviet Union, the Soviet
market disappeared. In its place, and apart from the United States and European Union, AEAN and the East Asian markets emerged as an important destination for Indian exports. Due to the Dr. Manmohan Singh Economic doctrine Russia is no longer a dominant player, with India diversifying its defence imports.¹²

**India’s Direction of Exports from 1960 to 2007:**

India’s integration into the world economy has manifested itself in increased outward investment by Indian multinational companies. Outward foreign direct investment by India shot up from less than US$2 billion in 2003-05 to US$14.4 billion in 2006-07, and continues to rise as large Indian companies take over multinationals in a range of industries such as pharmaceuticals, steel telecom and automobiles leaders like Lakshmi Mittal the Ambani Brothers and Ratan TATA have acquired a profile in India’s relations with a wide range of countries. There influence and that of business organisations such as CII and FICCI in foreign policy choice has grown over the years by his open economic doctrine. Dr. Manmohan Singh viewed the growing economic importance of overseas Indians as a by-product of the policies of economic liberalisation he introduced in 1991. At the annual gathering of overseas Indians and people of Indian origin, the Pravasi Bharatiya Diwas, in January 2005, Dr. Manmohan Singh said,

“...”

and business both in their home country ... I feel particularly happy that the economic policies we initiated at home in the past decade have enabled us to connect with you more vigorously and more engage the you in meaningful ways in the reconstruction of our mother land. These policies have significantly contributed to the emergence of India as a major global player in the economic world. Together with the tremendous strides our country has been making in the knowledge based sector, there is no doubt that the 21st century is going to be an Indian century”. Dr. Manmohan Singh explained objectives of his ‘global economic diplomacy’
1. From expanding trade seeking foreign investment.
2. Achievement reliance in energy and security.
3. Regional integration.

Dr. Manmohan Singh’s economic priorities in his foreign policy:

According Dr. Manmohan Singh’s doctrine sustaining India’s economic growth and outward orientation, and ensuring the sustainability of that process became an important driving element shaping Indian foreign policy. The key objectives were market access, energy security and access to high technology. These objectives gained greater salience in his economic doctrine. In the context of the rise of Asian economies and the consequent completion for markets and resources. His economic doctrine gives more importance to energy security objectives became even more important in the context of global fears pertaining to global warming and climate change.

Dr. Manmohan Singh took a pro-active stance in dealing with the consequences of the global financial crisis and economic slowdown. He has this remains top priority. He shaped Indian economic policy towards the major powers, especially the United States, and towards its wider neighbourhood, especially ASEAN and EAST Asia, the developing world
and major global issue of the day, including climate change. In February 2005 regarding major power Dr. Manmohan Singh made it clear that, our relations with major powers, especially the United States, and more recently China, have increasingly been shaped by economic factors... In the case of the United States, an acceleration of people-to-contact and the consequent business –to- business interaction has forged closer state –to – state relations. Shared values and growing economic links have enabled a closer strategic engagement. Dr. Manmohan Singh in his economic doctrine went on to underscore the role of business and commerce in shaping India’s relations with European Union, Russia, China, Japan, Korea , ASEAN the rest of the world. This statement elaborated Dr.Manmohan Singh’s view that “government –to- government” bilateral relations were increasingly shaped by “people to people” and “business to business” contacts.

His approach to strategic and foreign policy at his first interaction will be a senior leadership of the armed forces, Dr. Manmohan Singh said “Greater economic integration will be a basis for greater security, enhanced cooperative efforts and stable relations .Consequently, we may have to revisit some of the traditionally accepted notions of ‘self-sufficiency’ and self-reliance”.

In October 2005 where he summarised his approach to strategic policy. “Our strategy has to be based on three board pillars. First to strengthen ourselves economically and technologically. Second, to acquire adequate defense capability to counter and rebut threats to our security and third, to seek partnerships both on the strategic front and on the economic and technological front to widen our policy and developmental options.”

At the 40th anniversary celebrations of the institute of Defense Studies and analysis he said “Our engagement with the major powers and
indeed with the world must be in this wider perspective. We must balance the pursuit of national interests with a clear appreciation of what other nations perceive as their core interests. To advance our own security interests, we must engage in cooperative, constructive and mutually beneficial relations with all major powers of the world. Most of all, we must engage in proactively strengthening multilateral mechanism for financial, economic and political security”.

Dr. Manmohan Singh’s first visit to abroad was to Bangkok for the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation Summit, his first important meeting with the President George Bush of the United States of America on the sidelines of the United Nations General assembly in September 2004. Rising crude oil price was on both their mind so the conversation naturally focused on the subject. Dr. Manmohan Singh told to Bush India’s defence on imported oil had gone up if India had to sustain high growth over the long term it had no option but to explore alternative energy options.

**Dr. Manmohan Singh Economic Doctrine and Nuclear Agreement:**

India’s desire to expand civil nuclear energy was constrained by discriminatory global regime. Bush quickly understood the problem. If China and India continue to rise high rates of growth their per capita consumption of energy will go up, agreed Bush If the world community had to ensure that this did not result in a sharp rise in oil prices, which would of course hurt American consumers, then India due to the Dr. Manmohan Singh economic policies then India must have the ability to explore the nuclear energy option. Bush readily conceded the argument and hoped that the United States and India would be able to work together to help India exercise the nuclear energy option.
This is how the civil nuclear energy issue first came up. This conversation on energy security and helping India sustain its growth process was taken forward. In early May 2015 it is important to note that in the joint Statement issued by the two leaders after the summit meeting at the white House on July 18 2005, the civil nuclear energy issue was one among many other equally important initiatives aimed at promoting India’s economic and technological development. Dr. Manmohan Singh pursued this initiative mainly with the aim of widening India’s development options by enhancing its energy security and ending restraints imposed on trade in high technology. It was primarily motivated by Dr. Manmohan Singh’s concern for India’s long –term energy security. The sharp rise in crude oil prices in the past few years served to add a sense to urgency to this agreement. The purely “ideological” critics of the agreement, on the Indian political ‘Left’ and ‘Right’ refused to accord the same weight as Dr.Manmohan Singh did to the economic significance of the agreement. Dr.Manmohan Singh viewed the agreement as necessary to an expansion of India’s nuclear energy capacity to reduce the cost of energy production to minimise expenditure on it and to open up new avenues for cooperation in high technology areas, contributing to India’s growth potential.

Dr. Manmohan Singh defended the nuclear agreement only on the grounds of energy security even went to the extent of boldly stating that India’s nuclear programme in fact began as a civil energy programme and not as a military weapon programme. No Indian Prime Minister after Nehru has had the courage to say that in parliament. Dr. Manmohan Singh “Sir it is my solid conviction of my economic policy that mass poverty can be removed only if we have fast expanding economy... If India has to grow at the rate of 8 percent to 10 and may be, more India needs rising amounts of energy... In this context, we never forget the primary motivation for India’s nuclear programme was the production of energy, defence came much later
... all development is about widening our choices means that we should be able to make effective use of nuclear power, If the economic calculus demands that this is the most cost-effective means”

**Dr.Manmohan Singh’s economic doctrine and agriculture:**

The reform of 1991, especially the trade policy reforms, perhaps for the first time, aimed at correcting the ‘anti-agriculture’ bias in trade policies. If the momentum of the trade policy reform is accelerated and protection for industry is brought to the same level as that for agriculture, the reformers will accomplish a great deal more for the Indian peasant then several well wishers and development planners of the past. What Indian agricultural need is a ‘level playing field’ with domestic industry, in an open economy environment. This would a precondition, not necessarily a sufficient one, for a new paradigm of growth where agriculture triggers growth impulses in other sectors through its backward and forward linkages. Growth would be widely distributed to the countryside, where the soul of India resides. The year 1991 which deemed to lead towards globalisation of Indian agriculture. The Tax Reform Committee under the guidelines Dr. Manmohan Singh had recommended that agricultural commodities should basically attracts three rates of import duties. First agricultural commodities essential agricultural commodities like wheat and rice should be imported at zero percent duty; secondly, commodities like oilseeds and pulses should attract 10 percent duty and thirdly, non agricultural goods like almond cashew nuts should be imported at 50 percent import duty. All this transformation in import duties should be achieved by 1996-97 or least by 1997-98. Besides, India became a signatory to the Uruguay Round (UR) trade negotiations, including agriculture. Through the general direction of commitments under the UR was towards opening up agriculture in all the countries, there was enough scope to negotiate. His stand towards the opening up tariffs for most agricultural
products at very high levels. 150 percent for meat and fish, 100 percent for milk and cream, 150 percent for yoghurt, 40 percent butter and butter oil and cheese, 100 percent for wheat, barley, rye oats and pluses most of the fruits and vegetables and there preparation also bound at 100 percent. All these tariffs levels, if applied, would be prohibitive and India can therefore effectively insulate its agricultural form world markets. The only expectations are commodities like rice, maize, sorghum and millets, which have zero import duty. But this does not mean much as the imports of these commodities once the quantities restrictions on their import are abolished.¹⁵

Sugar has finally been freed from all import and export restrictions. Import were decimalized at zero import duty In march 1995, with molasses following in March 1995 10 percent import duty. Export of sugar have only recently been truly freed due his economic doctrine.

Dr. Manmohan Singh viewed the agriculture and knowledge initiatives as equally important. He has often emphasised the supportive role of United states assistance in India’s first Green revolution and underscored the potential such cooperation in launching a “Second Green Revolution” it was in this context that he sought United States investment in agricultural research and development. Similarly he sought United States support in the in further development of base of Indian Agriculture. In his major initiative from 1991 he didn’t sacrifice the interest of farmer society for WTO DOHA Round in spite of pressure from international community he declare that protection of agricultural society interest is the top priority of his government. In 2009 he waive off the sixty five thousands crore rupee of farmer loan to provide great relief from the yoke of agriculture debt owned farmers from banks. He took the step to provide the loan up to three Lakh to farmer from banks. The policy agriculture subsidies is the
major contribution of his economic doctrine to modernise the agricultural sector. Both internal and external

**Dr. Manmohan Singh Economic Doctrine and Stock Market:**

The rapid expansion of stock market as a part of his economic doctrine Dr. Manmohan Singh growing role in the Indian economy both internal and external liberalisation measures undertaken as a part of the financial reform as well as more liberal general economic ethos created by the reform, have largely been responsible for evolution. India has long had a stock market, its development after independence and up until 1980 ebbed and flowed but, in general Independence and until 1980, the total market capitalisation on the Indian market as production of GDP was only 5 percent, by 1990, following the liberalisation measures initiated during the 1980s, the ratio rose to 13 percent. With the accelerated pace of liberalisation under Dr. Manmohan Singh’s reformers the stock market growth has been explosive by end of 1993, total market capitalisation reached 60 percent of GDP, Dr. Manmohan Singh’s effort between 1980 and 1993, the number of mutual funds investors rose from 2 to 40m., a figure second only to the US (51m). In terms of listed companies, the Indian Stock market (7,985 companies 1995) is now the largest in the world, larger even than the, US (7,671 companies), with the UK (2,078 companies) and Germany (678 companies) far behind. Dr. Manmohan Singh in 1995 has examined the financing of corporate growth in ten industrialising economies with India during the 1980s at a micro economic level. His sample for each country normally consisted of the largest one hundred listed manufacturing companies that existed through the period 1980-90. Reporting hid result for India, India indicated that the average Indian corporation, during the 1980s financed about 40 percent of its growth of ‘net asset’ and 60 percent from external sources. Of the latter nearly a third came from equity issues and two-thirds from long-term debt. The three
financing variables obey the basic accounting identity that the total growth of net assets equals the sum of the internal and external sources of finance. The above results pertain to 1980-1990, but in view of the enormous stock market activity in the 1990s, the importance of stock market finance would be even greater for the later period. These efforts of Dr. Manmohan Singh’s the Indian corporate sector has benefited considerably and directly from this evolution which has in a large part been induced by the government’s internal and external liberalisation measures. Contrary to prior expectations concerning developing country firms and capital markets, Indian corporations have been willing and able to raise large sums of money at competitive rates from the stock markets. The corporate economy, it is difficult to detect any gains to the aggregate real economy. However there was no rise in the overall saving rate evidently all that happened was substitution by households institutions from bank deposit to corporate securities.

Dr. Manmohan Singh was responsible for new regulations to ensure transparency and above board functioning of stock markets has been the security and Exchange Board of India Act which came into force in January 1992. Under this Act, the authorities have attempted to regulates the activities of stock brokers, merchant banks, and other intermediaries on the primary market.16

As a part of his Economic Doctrine Dr. Manmohan Singh in 1996 points out, a sudden withdrawal of these portfolio flows for totally extraneous reasons could lead to a negative interaction between two inherently unstable markets, the currency and the stock markets, which could do enormous damage to the real economy. When he followed pragmatic policies and has used sterilisation and taxation measures to
discourage short-term inflows. To stopped the harm to real economy. This indicate his knowledge in economics.

**Dr. Manmohan Singh Economic Doctrine and Developed World:**

Dr. Manmohan Singh approach to the developed world, especially the G-8 was summed up in his comment to the media after the Heligendmma Summit that the G-5 developing countries were happy to participate in the meeting with G-8 as long as they had an opportunity to shape thinking within the G-8 on global issues of the day and not just as mute observers. Dr. Manmohan Singh refused to attend the G-8 summit in Japan when it was first indicated that the hosts had arranged only for an hour’s interaction between G-8 and G-5 leaders, and that too over break fast. Dr. Manmohan Singh secured G-5 support for his stand that the so called “outreach meeting” made no sense unless G-5 concern were incorporated into the G-8 joint statement. This required interaction between the G-8 and G-5 before the G-8 joint statement had been drafted and adopt, rather than after.

**Dr. Manmohan Singh’s Economic doctrine, strategic foreign policy with South Asia and Pakistan:**

Dr. Manmohan Singh strategic foreign policy always backed by concept of south Asia economic integration to achieve this Dr. Manmohan Singh made all efforts to ensure people to people contact within South Asia region. He gave his sincere attention to resolve all issue of contention which constrained the mutual relation among nations of South Asia region. The Pakistan is the major barricade to India to establish a ‘Mutual Economic Hub’ in this region. To have cordial relation with Pakistan Dr. Manmohan singh’s initiatives with respect to Pakistan and his attempt to resolve the issue of Jammu and Kasmir which is core the issue of conflict Dr. manmohan Singh invited President Pervez Mushraff of Pakistan to visit
New Delhi in April 2005 to witness a cricket match between of the two teams of two countries. The visit to evolved into a summit meeting that put out a wide-raging joint statement, taking forward the dialogue process from where Mushraff and Atal Behari Vajpayee had left it in January 2004.

While announcing his decision to invite President Mushraff in parliament. Dr. Manmohan Singh enunciated a new idea of more informal interaction among South Asian leaders, Singh was aware of the fact that excessive protocol and ceremony had come to stultify contact among South Asian leaders. Each meeting especially between India and Pakistani leaders, became the focus of media hype and often excessive expectation resulting in disappointment. The infamous Agra summit fiasco only under-scored this sad reality. Dr. Manmohan Singh put forward a new theory of greater informal contact, though he also not been able to practice it as he may have liked. Putting forward this idea in Parliament, Dr. Manmohan Singh said, “Relations between nations are after all nothing more than relations between their people. I am sure that time will work to heal our wounds and create an environment of shared prosperity and peace in the sub-continent ... “Sir, I am happy to inform hon. Members of the House that I have decided to invite President Mushraff to come to India to watch cricket match between our two teams”. It is my earnest desire that the people in our neighbouring country and their leaders should feel free to visit us whenever they wish to do so. Be it to watch a cricket match, be it to do some shopping; or be it to meet friends and families –India is proud to be an open society and an open economy.

Dr. Manmohan Singh’s focus always on increased ‘people to people contact and greater economic interaction between the two neighbours as means of resolving the longstanding dispute over Jammu and Kashmir. The Dr. Manmohan Singh concept of “irrelevance of borders in a globalised
world” Dr. Manmohan Singh has repeated on many occasion in the context of Jammu and Kashmir. The persistence of terrorist attacks and more importantly the political development developments inside Pakistan slowed down the engagement that Dr. Manmohan Singh and Mushraff began. However, initiatives based on his economic Doctrine of increasing “people –to-people”and “business -to- business” interaction as a means of resolving “government-to –government” differences, have moved ahead. There is today greater connectivity between the two sides of the Line of Control.

Asymmetric Trade Liberalisation: An important element of the Dr. Manmohan Singh Doctrine, flowing directly from the ideas of the South Commission, of which he was the secretary General, is what I would call the idea of ‘Asymmetric Liberalisation’. In the South Asian context, this idea has been referred to as “non-reciprocal” liberalisation. India’s smaller neighbours expected India to do more in terms of providing market access than they would be asked to do for India. In recent economic foreign policy accepted the principle has been attributed to former Prime Minister Indra Kumar Gujral and has been the so- called ‘Gujral Doctorine’. The idea precedes Gujral’s term as Prime Minister and was first advocated by Dr. Manmohan Singh during his tenure as finance minister in the P. V. Narasimha Rao government. Earlier governments had only spoken of ‘nonreciprocal liberalisation’ only in the South Asian context, Dr. Manmohan Singh extended this idea to all least developed countries (LDCs). In South East Asia when he extended non reciprocal trade preference to ASEAN’s CMLV countries (Cambodia, Mynmar, Laos and Vietnam). At the Delhi Summit of SAARC in 2006, this policy was extended to all South Asian least developed countries.

Dr. Manmohan Singh has taken the idea of “asymmetric liberalisation” whereby India does more for its neighbours without any
expectation of immediate reciprocity, forward in India’s relations with all its neighbours. The offers made by India at bilateral meeting and at the SAARC Summit at Dhaka, Delhi and Colombo reflect the Dr. Mammohan Singh Doctrine. Dr. Manmohan Singh personally took interest in creating an agenda for SAARC when he offered asymmetric trade concessions, offered opportunities for coordinated research and policy making on issues like climate change, improved road, rail and air connectivity and the creation of South Asian University. Long term relationship through investment in its neighbours as well. In the neighbourhood, however, the ‘fourth dimension of the Dr. Manmohan Singh’s Doctrine of contributing to the strengthening of democracy with sustainable inclusive economic growth has come to play in a significant way. Dr. Manmohan Singh has in fact, attached even greater importance to economic integration with east and Southeast Asia. India’s participation in the East Asian Summit and the creation of an East Asian community with India in it have been important foreign policy priorities for him. The first Summit of the BIMSTEC in July 2004. India’s full participation in an east Asian Community became the main focus of India’s ‘Look East’ policy during Dr. Manmohan Singh’s four year in office so far. He has vigorously pursued an India-ASEAN FTA, in the face of considerable opposition at home, from business interests that feared competition, and political resistance within ASEAN, initially from Malasiya and, subsequently, from Indonesia. He told in Third India –ASEAN Business Summit in New Delhi in October 2004, “A decade ago we unveiled our” Look East Policy. This is a more than mere political slogan, or a foreign policy orientation. It has a strong economic rationel and commercial content. We wish to “Look East” because of the centuries of interactions between us... we envision an Asian Economic Community, which encompasses ASEAN, China, Japan, Korea and India. Such a community would release enoromous creative energies of our people. One
cannot but be captivated by the vision of an integrated market, spanning the
distance from the Himalays to the Pacific Ocean, linked by efficient road,
rail, air and shipping services. This community of nations would constitute
an “arc of advantage” across which there would be large-scale movement
of people, capital, ideas and creativity.”

Focus on how people-to-people and business-to-business links would eventually shape government-to-government links in the region. But he saw the FTA with ASEAN as a step towards a larger engagement with the region. When some elements in the Congress party sought to raise alarm over the impact of the ASEAN FTA on the plantation sector in Kerala and encouraged the Congress party president Sonia Gandhi to write to the Prime Minister urging caution on the India-ASEAN FTA, Singh wrote back to Gandhi stating,

“Our approach to regional trade agreements, in general, and FTAs, in particular has been evolved after careful consideration of our geo-political as well as economic interests. Although India has a large domestic market, our experience with earlier relatively insular policies as also the global experience in this regard clearly bring out the growth potential of trade and economic cooperation with the global economy.”

Dr. Manmohan Singh kept emphasising the growing and deepening economic engagement between India and East and South East Asia. Eventually, he realised, it is hard economics that will shape regional politics and diplomacy and drive the process of India’s integration with East Asia.

Dr. Manmohan Singh also launched a new ‘New Look West’ Policy in the neighbourhood by strengthening relations with the Gulf states. The historic visit to India of the King of Saudi Arabia and the initiative to seek closer economic relations with member countries of the Gulf Cooperation
Council shifted the emphasis away from politics to economics in India’s relations with the Arab Nations. Dr. Manmohan Singh has also repeatedly emphasised the vital economic role of the Indian community in the Persian Gulf region for India’s economic security. In his words, “India owes a lot to the people of Indian origin in the Persian Gulf region whose regular financial remittance home have played on important in building our foreign exchange reserves that now amount to over US$30 billion” Dr. Manmohan Singh always emphasised the ‘economic significance’ of the region for India and that of the Indian community living in the region. He told a session of the All India congress Committee in November 2007, “We have had a historic and long-standing relationship with the countries of the middle – East and the Persian gulf. Over fifty lakha citizens are working there for their livelihood. We have always sought peace in this region –be it Iraq, be it Iran or be it any other country. The bulk of our petroleum and energy requirements come from this region and our energy security is critically dependent on the conditions there. It has been –and will be – our effort to reduce tension there and promote peace and harmony”.

Dr. Manmohan Singh Economic Doctrine and South- South Cooperation:

At the first India-Africa Summit held in New Delhi, Dr. Manmohan Singh took personal initiatives to propose a duty free Tariff Preference Scheme for least Developed Countries 34 out of 50 least developed countries of south zone. Under the scheme, India agreed to provide preferential market access for exports from all 50 least developed countries covering 94 percent of India’s total tariff lines and 92.5 percent of global export from 50 least developed countries products of immediate interest to Africa covered by this scheme include cotton cocoa, aluminium ores, cashew nuts, cane sugar ready–made garments, fish fillets and non-industrial diamonds.
The major initiative with regard to South-South Cooperation was an important idea of Dr. Manmohan Singh that must be viewed against the backdrop of his association with the South Commission, of which was the secretary –General India has opted to focus on development cooperation in Africa, while encouraging Indian companies to invest in the region and help promote local development. Unlike China, where the government has played an important role as an aid giver, India has preferred to focus on human development, education and skill development and promote industrial development through private enterprise participation.

On the major global issues of the years 2006-08 namely multi lateral trade negotiations, discussions on climate change and management of the global energy, food and financial crisis, Dr. Manmohan Singh repeatedly spoke of the need India’s voice to be heard, but committed India to the role of a ‘participant’ in the management of global issues. India could no longer remain a ‘complaint’ and certainly not a ‘supplicant’ Dr. Manmohan Singh recognised the fact that this called for a ‘change of mindset’ both at home, about the world, and abroad, about India. Dr. Manmohan Singh’s project is to shift India from traditional ‘anti-colonial ―Third Worldism‖ to a post-colonial notion of “inclusive globalisation”

**Food Security, poors and his economic Doctrine:**

Dr. Manmohan Singh is known around the world as the man who initiated the process of structural reforms in India. Amidst all the accolade he has received from the rich in India and abroad, there is a danger of forgetting that the underlying motivation for structural reforms was to help the poor in India, as the poor failed to deliver much to the poor. As a humanist who deeply cares the poor in the country, Dr. Manmohan Singh tried to give a human face to the process. For the poor and for the poor nation, there is nothing as important as food security. Thus we examine the
issues and policy options for the provision of food security in India, both at the level of the individual and the nation. Food security for a country is also a matter of poverty and underdevelopment. If it has enough income, it need not be self-sufficient and can import the food it needs. But if it is poor and deficient in food production, it is vulnerable to transient influences that reduce domestic production or increase world market prices. According to him the long-term solution is of course economic growth that can provide productive employment to all. Once every one has adequate income, the food system will provide food at reasonable prices to all. Yet economic growth is necessary but not a sufficient condition for eliminating hunger.

**Conclusion:**

Dr. Manmohan Singh will go down in history as the main instigator of the long-overdue liberalisation of the Indian economy. But history will also record that his enthusiasm for liberalisation was tempered by a conviction that it can only succeed in the context of macroeconomic stability. Dr. Manmohan singh embodies the great Indian tradition of fiscal prudence, now regrettably under serve threat. If Fiscal adjustment was less than adequate during his Finance Ministership, it is clear that it was less than he himself would have wished, despite his considerable efforts.
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