CONCLUSIONS
On the basis of world market conditions, India should specialise in such items of exports which are more labour-intensive and less capital-intensive. When considered in terms of comparative advantage, such items which have an agricultural base (and where exportable surplus is available in abundant quantity) will definitely figure competitively in world market. They will require less market-subsidy or financial support and as such will be less costly. It will be better, if a policy of exporting finished products based on iron-ore, manganese-ore, etc., are exported so that our stocks do not deplete in the long run. It is no use saying the fact that our exports have changed tremendously from traditional to manufactured goods. There are great potentials to expand our exports to the Latin American
countries. During the study, this fact has come to the forefront that our trading and economic relations with these countries have always been in a stage of fluctuations. Most of the newer exports were sent to these countries in greater quantity but no follow-up steps were taken by our exporters to strengthen our bargaining position in these markets on account of a variety of practical problems in this region. Such problems are to be attended to very specifically by the Government on the basis of practical experiences gained earlier. Dependence on unprocessed goods exports will naturally put our export yield on a declining trend since the world trends are mostly in favour of processed and manufactured goods. We should promote such exports only for which competition from other countries is low and future prospects are high, such as, superior quality rice, fruits and vegetables, oils and cakes, flowers, marine-products, leather goods, etc. Moreover we should also keep a close watch on products which have gained good ground in these markets. The results of the various market survey projects should be fully utilised. Handicrafts, handlooms, textiles, garments, knitted-wear, footwears, structural transmission towers, railway-wagons and other equipments, electronic-products, precision instrument, sanitary and framing fixtures and fittings of metal, internal combustion engines, castings
and tools and small tools, glass-wares, fuel, injection equipment, jewellery, special purpose semi-conductors components of computers, calculating machines, transistors and other radio components, tele-communication equipments and games and sports goods, light engineering products are such items which are demanded greatly in this region.

As already discussed in the previous chapters, the Latin American market is to be attended to very seriously and with a particular preparation, as there are several advanced countries which dominate these markets. The exportable surplus for the products that are required by the Latin American region should be produced with the most modern technology.

There had been several internal problems on account of which India could not expand its exports up to a required level. The main reason relates to the fact that on account of inelastic supply of agricultural exports, India could not provide these exportables on competitive price. This fact is discernible in the Latin American market as well. Due to wide-range price-rise and elastic demand forces, the exporters from other advanced countries captured these markets. These advanced countries maintained a cushion of buffer stock to meet these difficulties, whereas Indian exporters lack this.
In manufactured products, it is not possible to create any buffer stock but this can be very conveniently created for agricultural exports with an added stimulus from the Government. The Government should come forward to prepare such buffer stocks for emergencies in certain selected products which are in great surplus and which suffer from these price, supply and quality fluctuations.

The Government should not lag behind to create an export-consciousness among the Indian entrepreneurs so that a specific export sector could be built in the country. Though the Government have provided some incentives to priority and non-priority sectors, yet they should be provided a special treatment altogether needed for strengthening them from all corners. Facilities of foreign collaboration should be provided to large industrial houses as well as such units who can produce better items especially meant for export. These units should be given all possible help to procure the needed raw material at competitive and reasonable prices both from domestic and alien sources. The policy of imports for such units should be liberalized.

During the last 20 years, a number of export promotion councils have been established in the country. Some of the councils are, no doubt, functioning successfully
in providing export services, disseminating information on market potentials, advice on product development, etc., yet many export promotion councils have provided a few fringe benefits to the exporters. They have not provided adequate facilities for publicity and participation in trade fairs etc. Most of them have not taken up the issues on export promotion, export diversification, export incentives and concessions, product development on the basis of trend and tempo of the markets in Latin American countries. Some of them have not done any work in this context. Experts on export techniques and export strategies point out that organisationally several export promotion councils are not geared to the tasks of identifying planning and implementing the various export service activities. They are most inadequately staffed such lack the necessary expert background in several technological fields; thirdly most of the councils do not work with an effective liaison with other export service organisations like the trade development authority, the different service organisations and agencies in other countries and they could not develop fully in the absence of co-operation from these well established technical service-providing bodies. Most of the Export promotion councils have not been in a position to build-up a necessary infra-structural net-work. It is also criticised on account of having no access even to many
WINTERLAND AREAS WHERE THE EXPORT PROMOTION COUNCILS ARE FUNCTIONING. MOST OF THE EXPORT PROMOTION COUNCILS, IT IS REPORTED, HAVE ADOPTED AN APPROACH OF SELECTIVITY IN DEALING WITH THE EXPORTING COMMUNITY. THIS IS QUITE ENIMICAL TO THE EXPORT SECTOR IN THE COUNTRY. IT IS OFTEN SUGGESTED BY SEVERAL COMMITTEES AND COMMISSIONS THAT THESE COUNCILS SHOULD BE REORGANIZED ON A RATIONAL BASIS PRACTICALLY ON THE FOLLOWING APPROACHES:

1. Provision of technical expert knowledge on product adaptation and product development.

2. Assistance in the choice of technology of production, capacity creation, etc.

3. Motivating the management to consider exporting as an avenue for its sales promotion and sales operations.

4. Information on market potential, procedures, tariff, non-tariff barriers in the Latin American region and information on export incentives.

5. Assistance in contacting the right kind of buyer, choice of long-term market strategies, arranging for feed-backs from the buyer regarding product adaptation, packing, etc.

6. Motivating the exporters to be always conscious of quality aspects, delivery schedules, maintaining long-term marketing contacts or in other words
inducing into the exporter the right kind of export
culture and export consciousness.

7. Assistance in all stages from production to marketing
in getting the necessary clearances, licences, etc.
from the Government.

8. Providing the benefits of different Government
schemes ultimately to the exporter regarding cash
compensatory support, duty drawback, import
replenishment licences, etc., and thus solving the
different intricate problems of exporters to make
this business a successful venture. The bodies
should aim at providing the necessary motivation
and skills to the exporters on the one hand and as
expert organisations they should provide guidance
on fiscal and monetary policy, frame work to the
Government for export incentives.

The 16 export promotion councils, 10 commodity
boards, the Trade Development Authority, the Export
Credit and Guarantee Corporation of India, The Indian
Institute of Foreign Trade, the Export Inspection
Council, the Trade Fair Authority of India, and the
recently announced Export-Import Bank of India should
work in close liaison with each other. They should
obtain full support and co-operation from the various
autonomous bodies, private agencies like the Federation
of Export Organisation, the Indian Standard Institute, the public sector undertakings engaged in direct export-import business, so that an export strategy suited to all the industries and based on international norms and conditions could be followed at all levels. The leading private export houses and consultancy agencies which specialise in export field should also be invited to provide maximum assistance in evolving an export strategy scheme for the export sector.

The question of quality control should also be adequately tackled at all levels. Our exportable surplus should be competitive on the first hand on the basis of international pricing trends, but should meet the world quality norms and standards to build an image in the modern markets. This is necessary to enter into international markets, to win new markets and consolidate a long-term enduring competitive situation in the existing old markets. If we stabilise quality and even provide for the latest technological improvements in the products, it is not difficult to win the consumer on price-fronts. It must satisfy the consumer-preferences. In most of the engineering products, it is quality not the price, that decides the entire bargain in the international markets.
The importing countries in some cases fix certain norms for several specified products like food-items, medicines, edibles, etc., and in some cases certain other products. If the export items like fish and fish products, fruits and vegetables (green, dried and processed), meet the international standards and the quality consciousness is maintained in the exporters with all sincerity, there is no room for decline in our exports. But the main problem with the Indian entrepreneurs is that, India is a buyer's market and the provision of the international Agricultural Produce Grading and Marketing Act 1937 and the I.S.I. (Certificate Mark) Act 1952 along with other Provincial legal enactments are not very rigidly followed and as such the quality of the Indian goods is decided not by legal or logical considerations but by the prevailing market conditions and the options of the seller. This fact is now accepted by all that quality of a product can not be improved overnight. It is a time-consuming and continuing process. Though the Indian Government has made I.S.I. marking and several other provisions compulsory, but still Indian goods receive several complaints from foreign buyers. This is on account of a built-in infrastructural set-up and it is achieved only after a revolutionary change in the product development right from below. The export control and
and Inspection Act 1963 has a number of loopholes and as such 'Made in India' product is inferior to 'Made in Japan' or 'Made in U.S.A.' product in the relative quality norms. The quality of the export-worthy commodity should be strictly supervised not only by the Export Inspection Council, but by the internal factory supervisors at all levels and it should be in conformity with the standard specifications. The pre-shipment inspection work, also, should be tightened at all levels. Though the pre-shipment Inspection Council has rejected many a products before its despatch to foreign countries, yet we receive very odd and awkward complaints from our foreign buyers. Efforts should be made to dispense this. Our work should be thorough and deeply investigated, because once a foreign buyer is lost, we earn a bad name in all the circles, where that buyer has trading relations. We should build test-houses of repute for our capital, engineering and consumer goods. They should be certified with a hall-mark of quality by such rigid test houses. We may invite international test-houses in the country and even the buying country test-house. Our Export Inspection Council should open branch offices in foreign countries as well, and after complete checking, whatever is sold ex-India, will definitely earn a lasting image and a long-term reputed name for India.
As discussed elsewhere, the commercial representatives appointed in foreign countries have to play a vital role in improving the image of Indian products abroad. Several suggestions are tendered to rationalise the working of commercial representatives which include the following aspects:

The commercial representatives should keep close contacts with all the export service agencies, like Export Promotion Councils in India and with foreign export organisations and should try to keep liaison with these agencies in India and abroad. These representatives should chalk out a phased programme of identifying selective products month-wise and should help in analysing price, consumer and consumption behaviour, size and demand of the market, product adaptation and market potentialities, and should keep the Indian Government informed fully about the trends and tendencies, along with supplying this information to the various export service agencies in the country. They should have rapport with the foreign offices of the export service agencies and also to the exporting firms, so that both could derive maximum benefits from the agencies. This is a general complaint that the staffing pattern, budget provision for publicity and market investigation techniques are absolutely most inadequate for the commercial representatives. If we expect good technical work, an over-
hauling is compulsory, otherwise we can't expect miracles from them. They should be provided practical-training, in export-import business and only experienced hands should be made in-charge of these offices. Officers with commercial aptitude business diplomacy and such persons having a harvest of rich experience need be sent for this responsible work. These officers should be entrusted with the great task of preparing an analytical time-bound detailed phased programme for trade fairs, trade missions, buyers delegations to our country, and visits of technical missions to India. They should help creating and maintaining testing laboratories in the importing countries, so that reliable, all-proof competitive quality goods are exported from India. In this respect an infrastructure of testing facilities should be created on the basis of specific requirements of the importing country. We may invite the exports from importing country to provide us sound technical assistance in this regard. | We should provide for an organisation in India and its branches in foreign countries which could build an office for giving a special treatment to various complaints from importers. This issue should be seriously attended to. We could conduct the work of market research with the help of these representatives. Once a systematic market research plan is completed, the country will derive its benefits from these investigations
for years together. The exporters and importers should be given a needed training for detailed analysis of information, training on managerial and other aspects, scientific methods of management, rules and procedures, negotiation-methods and research on various aspects of trade and trade-policies, so that we could create good export cadre in the country. Presently, appreciable work is being done by the TDA (Trade Development Authority of India); various Export Promotion Councils and the Indian Institute of Foreign Trade. But high quality research in management is still the need of hour. On the basis of systematic analysis much remains to be done in this practical and operational fields - both national and international. The Indian Institute of Management and the Indian Institute of Technology could help in this noble venture.

Our export efforts are adversely affected on account of our inadequate transportation and shipping facilities. This adversely hampers free flow of exportables and the delivery schedules are affected, which creates problems in the competitive pricing of our products. Moreover, when viewed with an international standard, our transport cost for the goods sent to the Latin American region is by far the highest. Since the time-schedule is not maintained the quality of products like tea, coffee, fruits and vegetables, and spices is
also deteriorated and as the storage facilities in the ships are quite defective, our export pricing is on the lower sides. Dependence on foreign shipping at least for a region like Latin America can no longer be sustained. It must be substituted by an efficient Indian fleet. Our old-fashioned vessels should be replaced by new up-to-date scientific and rational fleets. They need to be designed on all improved angles like speed, dead-weight-cubic ratio, drafts, container ships, etc. The shipping charges are to be rationalised in the light of present changing trends in the world markets. The freight rates reduction will necessarily help much in raising the competitiveness in the international markets on the one hand and will necessarily promote export of our goods to Latin American regions.

The restrictions and problems regarding inadequate berths, insufficient navigational aids, harbour and channel depths, absence of needed communication and handling equipment, which finally increases the transport costs should be specifically attended to by the Government at the intermediate ports. The operational problems regarding high loading, unloading and stevedoring cost, which is 6 to 10 times higher in foreign lands than India, need to be solved by providing subsidies and incentives to the Indian exporters. In order to improve our shipping tonnage and port capacity, special efforts
are extremely essential. Our merchant-fleet requires an urgent modernisation.

On an analysis of our export-import trade with Latin American countries it is found that the markets in this region are very much dominated by the neighbouring American countries, Canada, Japan and some most developed countries of Europe. These countries have made a lasting impact on the routine trading operations in the regions on account of a relevance in their religion, civilization, language and extreme migration. These countries have created new landmarks in this region so far as foreign private investment, joint ventures, promotion of turn-key projects and large-scale industrial development is concerned. Their participation in the routine economic life of the citizens is not only age-old, but is backed by a continuous scientific and rational approach. Hence, it is not easy to replace these long-term traditions and relationships overnight. It is better to act as an industrial partner in these regions through initiation of various economic development projects therein. Some regions have shown their economic lending and aptitude for economic partnership with Indian counterparts. The manufactured and engineering goods that are being produced in plenty in India are now demanded with great choice. Thus Indian products are gradually gaining new grounds in
this new area, yet we should not be satisfied with our export performance. After a close examination of our participation in foreign trade of Latin American countries, one is reluctantly compelled to observe and put his bold opinion that our operational results are extremely poor and most discouraging. The export promotion efforts are exceedingly unsatisfactory and most inadequate. Instead of blaming the different export promotion agencies and organisational set up (responsible for this slow progress) the Government, the emerging export sector and the industrial entrepreneur world should join hands to reshape the entire export strategy and promotional policy with a different angle, so that the various practical problems (relating to language competitive position, infrastructural element, strengthening bargaining position, quality-improvement and ultimately building a sound image) are attended to in a revolutionary manner and the potentialities are utilised up to a maximum possible extent.