

Q. Free Trade Agreements in India should not only meet its economic goals but also social or geo-strategic objectives. Explain.

Introduction.

Free Trade Agreement is a pact between two or more nations to reduce barriers to imports and exports among them.

India and FTAs

- ↳ Regional Comprehensive Economic Partnership (RCEP) went into cold storage for India.
- ↳ Bilateral Free Trade Agreements → UAE, UK, Australia and Canada
- ↳ Asia Pacific Trade Agreement → Preferential tariff arrangement
- ↳ Comprehensive Economic Cooperation and Partnership Agreement (CECPA) between India & Mauritius

India's FTA strategy on social and Geo-strategic way

↳ to become drivers of Economic Growth.

↳ Focus on two sectors → Digital Economy
↳ climate friendly products.

↳ Digital Economy.
↳ mandating unrestricted cross border data flows
↳ Prohibition on localisation of servers

It will prevent India from leveraging its huge data advantage to creating a vibrant domestic Digital Economy.

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कृपया इस स्थान में प्रश्न संख्या के अनिश्चित कुछ न लिखें।

UPSC

Answer Questions in NOT MORE THAN the Word Limit specified for each in the Parenthesis.
Content of the Question is more important than length.
(Specimen Answer Booklet - For Practice Purpose Only)

उम्मीदवारों को इस भाग में नहीं लिखना चाहिए।
Candidates must not write on this margin

Climate Friendly Products.

↳ Adopt high standards of environmental protection → If our domestic producers are unable to adhere to high environmental standards they not able to sell even in domestic market.

Area of Concern

↳ Medicines at Affordable Prices, FTA of developed countries have period of Patent Protection, if India agrees to similar provisions then it would be a huge disservice to producers of generic medicines and also undermine Atmanirbhar Bharat.

FTA Negotiation Need to be addressed

↳ Agreements are no longer about trade and economic issues, instead about creating Partnership with other countries

↳ Provisions on environment and labour in FTA are about Promoting societal values and not have an Commercial interest.

Conclusion

Keeping the aims of Atmanirbhar Bharat a careful recalibration of India's FTA strategy is needed.