Is Indian economy equipped to deal with the global disruption caused by coronavirus?

The novel coronavirus or COVID-19, which has claimed 2,800 lives in China and affected more than 80,000 people worldwide, is taking a toll on global economy.

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ThePrint asks: Is Indian economy equipped to deal with the global disruption caused by coronavirus?
India facing sluggish growth, does not have manufacturing capacity to fill up export gap created by China

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The coronavirus has had a huge impact on exports from China. It is widely claimed that India could increase its exports and fill the gap that has been created by China. However, India itself is facing sluggish growth and does not have manufacturing capacity to bump up exports. Moreover, India’s own imports from China stand at 18 per cent of its total imports. Most of the imported items include electrical machinery, organic chemicals, nuclear reactors and allied machinery and iron and steel. Since electrical parts and chemicals are the main raw materials for electronics and drugs, the prices of these are expected to go up in the domestic market.

India is one of the major producers of pharmaceutical drugs, which will be affected due to unavailability of the raw material from China. Domestically, Indian economy is going to face high inflation with even slower economic growth. So, India will not be able to enhance global exports and would rather face the problem in its domestic economy as well.

By Unnati Sharma, journalist at ThePrint