



Should Chinese products be banned in India?

## Description

### Theme :-

- India is requesting United Nations to list Masood Azhar, chief of Jaish-e-Mohammed as a global terrorist from a long time, but China is blocking it with it's Veto power in United Nations Security Council. After the recent pulwama terror attack, India requested United Nations again to list Masood Azhar as a global terrorist. All the member countries of UNSC supported the move except China. It blocked the bid again using it's veto power. So, there are protests in India to ban the Chinese goods.
- Not just India, but people of many other countries are also protesting against the Chinese goods from several years. It is because of the quality concerns and the cheaper prices.



### In Favor :-

- China is blocking India's bid to list Masood Azhar as a terrorist. Not just this, China is blocking India from becoming a member of Nuclear Suppliers Group (NSG) using its veto power. On one hand China wants to maintain good trade relations with India, and on the other hand, it is acting against India in many cases. So, maintaining good trade relations with China may not be a good thing.
- Imports from China are hurting the businesses of Indian manufacturers, especially Medium Small & Micro Enterprises (MSME) sector. China is able to produce products for cheaper prices because of its mass production methods.

- Mainly there are 12 types of products produced by MSME sector. Sadly, most of the imports from China are also these 12 types of products.
- India has a huge trade deficit with China. For the year 2017-18, India's imports from China are worth \$76.2 billion dollars, whereas India's exports to China are worth \$33 billion dollars. So, there is a need to reduce this trade deficit.
- Many Indian Toys industries were closed because of the vast imports of cheaper Chinese toys.
- Many Chinese products such as fire crackers, plastic toys are found to be Health and Environment hazard, because of the use of low quality materials in the making.
- Chinese industries doesn't spend much money on innovation, research and development, rather they just manufacture imitation goods whenever new products are innovated in other countries. So, it is morally incorrect to import these goods.

**Against :-**

- As a member of World Trade Organization (WTO), India cannot simply ban imports from its member countries.
- Chinese goods are cheaper when compared with domestic products. If we ban Chinese goods, poor and middle class people will be forced to spend more for necessities.
- For some goods, India is dependent on Chinese imports. For example, for some Indian industries, capital goods come from china. If we import capital goods from other countries, we have to buy them for higher prices, which will inturn raise the final products' cost. So, this is not good for the economy. For example, We are also importing primary goods from China like computer hardware, electronic components etc. These primary goods are used by Indian industries to make final products.
- At present, India has no good alternatives to some of the Chinese products.

**Steps taken by India :-**

- India is imposing anti-dumping duty on low quality goods from China. As of 2019, India imposed anti-dumping duty on 99 products from China.
- India is in talks with China to export more agricultural products such as pomegranates, soyameal, grapes etc to reduce trade deficit

**Facts :-**

- Chinese goods are cheaper mainly because of 'Large scale production' and 'cheap labor'.
- 'Obra' village in Bihar officially imposed ban on Chinese goods.
- 'The Confederation of All India Traders' (CAIT) has claimed that the sale of Chinese goods in the Diwali season, 2016 was down by 60% as a result of the social media campaign urging people to boycott Chinese goods.

**Conclusion :-**

We cannot completely ban Chinese goods, because India is a member of WTO. But we can take steps to achieve balance of trade and to reduce our dependence on

Chinese imports. There is a need improve our manufacturing culture to produce goods at cheaper prices domestically. And there is also a need to be strict with the low quality imports. It is good for any country to be self-sufficient as much as possible.

### **Your Turn...**

Do you think Chinese products affect Indian industries? Express your opinion in the comment section below.

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