

Preface

Macro economic policies were changed dramatically in the first half of 1990s. At the same time, real GDP grew fast. However, the process of economic reforms stopped in the mid-1990s. At present, second generation economic reforms has become a big issue of economic policies. When economic reforms started in 1991, it was expected that competition would contribute to the improvement of productivity and that resources would be distributed efficiently through market mechanism. On the other hand, there were fears of lopsided development in the consumer durable goods industries catering only to the higher income groups. (Although the growth rates of real gross value added in the manufacturing sector were above 10 per cent between 1994-5 and 1995-6, they went down after 1995-6 onwards.)

This project tries to examine the effects of economic reforms on used-basis industry groups on the basis of available data. We have investigated the trends of production, investment, employment and labour productivity to identify the reasons for boom and stagnation after the mid-1990s. Each member has his own viewpoint and in some aspects we might have reached different conclusions.

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