

## For Favour of Publication

**Patna, 31 August.** As part of the ADRI Online Lecture Series, Oindrila Dey has delivered a lecture titled "Power Dynamics in The Asia-Pacific: A Game Theoretic Framework for Analyzing India-China International Trade Rivalry" today. The paper was a collaborative work of Oindrila Dey and Debashis Chakraborty (Indian Institute of Foreign Trade, Kolkata Campus), and Julien Chaisse (City University of Hong Kong).

Oindrila Dey argued that over the recent two decades, a major section of the literature have devoted considerable attention to the trade orientation and economic expansion of the two Asian economic giants, namely, China and India. The two countries presently do not share a vibrant preferential trade agreement. The direct influence of India's recent decision to sever ties with Regional Comprehensive Economic Partnership (RCEP) may be viewed as a further delay in an effective bilateral trade agreement between India and China. It is important to judge whether the existing trade relationship of India to most of the RCEP nations may in near future ease its return to the trade bloc or whether the potential compliance barriers and threat perceptions could prolong the process. The current analysis evaluates India's RCEP pull-out decision and the possibilities of its re-entry in the bloc through a game-theoretic analysis. India's long-term decision to re-enter RCEP would crucially depend on growth of domestic demand (and in turn, employment opportunities) and improvement in trade balance. Considering the strategic options of China, India and RCEP, the following conclusion is reached. If RCEP takes account of India's concerns about tariff reform flexibility and lowering of the NTMs, threats from Chinese dumping may be limited; otherwise China will continue to implement WTO-incompatible policies. It can be observed that taking recourse to WTO-incompatible instruments can emerge as dominant strategy (i.e., a lucrative option) for China, with the consequent ramifications for Indian dilemma over RCEP re-entry.

The lecture was presided by Dr. Ashmita Gupta, Assistant Professor, ADRI. The lecture was attended by scholars and academics from Patna and other places in the country.

(Anjani K Verma)