

ANALYZING INDIA'S BILATERAL TRADE DYNAMICS WITHIN THE QUAD: A GRAVITY MODEL APPROACH

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ABSTRACT

This paper aims to analyze India's bilateral trade flows within QUAD concerning the Gravity Model of International Trade. The study includes distance and GDP as essential factors of trade relations and other quantitative variables. The results show the influence of importing nations' GDP and Population on India's exports, which underscores the significance of market size and demand in shaping trade relations. The presence of free trade agreements between India and its trading partners has also been found to facilitate trade activities. Contrary to conventional expectations, distance has been found to have a statistically insignificant impact on trade flows among the Quad countries. This suggests that advancements in communication and transportation technologies have mitigated the barriers posed by geographic distance, enabling countries to engage in trade relations irrespective of their physical proximity. The study suggests that policymakers are encouraged to bolster economic relations through initiatives like free trade agreements, recognizing the pivotal role of economic prowess in shaping bilateral trade within the QUAD. Additionally, investing in infrastructure and technology can help overcome geographic barriers, fostering smoother trade interactions among QUAD nations. Market access promotion, tariff reduction, and customs procedure streamlining are suggested measures to stimulate trade and enhance economic collaboration in the Indo-Pacific region.

KEYWORDS: *QUAD Countries, Panel Data, Gravity Model, Trade Potential.*

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