

## Opportunities to share research to benefit emerging countries

Charan Singh<sup>1</sup>

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The starting of a new *Asia–Pacific Journal of Regional Science* is a very welcome step. In my experience, both as a policy maker and in academia, I have consistently felt that India and other emerging countries are different from advanced countries in many ways. Hence, macroeconomic theories and their policy prescriptions would be different. Further, there are many research findings of neighboring economies which are more relevant than distance advanced countries, specifically for those countries which are localized in their trade pattern. Illustratively, after extensive research on balance of payment crisis of 1991, policy makers in India decided to maintain at least one year of international reserves as import cover. In case the regional economies were aware of such research, it can be safely conjectured that impact of Asian crisis of 1997, if not averted, could have been benign. After all, much later, in 1999, Greenspan–Guidotti rule stressed the need for a similar import cover. Similar is the narration on inflation targeting. Though major economies of world were swept away by inflation targeting starting from New Zealand in 1989, India resisted the move and instead, in 1998, adopted a unique Multiple Indicator Approach (MIA) which included inflation as just one variable amongst many others. The MIA saw India safely sail through the global financial crisis. In still another illustration, India, a lone voice, for a few decades had to defend benefits of capital controls. However, in the aftermath of recent global financial crisis, finally, the IMF and advanced countries, agreed that capital controls are necessary for some countries, and therefore, should be considered as a viable action for policy makers in emerging countries. Similar is India’s pioneering experience with regulating commercial banking.

The knowledge base of number of countries in Asia, which continue to be stable in midst of global economic storms, need to be shared respectfully with the

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✉ Charan Singh  
charansingh@iimb.ernet.in

<sup>1</sup> Indian Institute of Management Bangalore, Bengaluru, India

rest of world. The theories generated, developed and perfected in advanced countries may not necessarily be applicable to emerging countries which lag behind in institutions, markets, and instruments. Therefore, such high quality peer-reviewed journals like APJRS which provide an opportunity to scholars to share pragmatic, credible and region specific research applicable to similar countries in terms of economic development and culture, can serve a useful purpose. Instead, the recent global crisis demonstrates that the world is becoming flat and advanced countries may be safer by paying heed to research emanating from emerging countries.