

Demystifying India's Competitiveness (2017-18) by the World Economic Forum

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Abstract: *The Global Competitiveness Report (GCR) is a yearly report published by the WEF. The Global Competitiveness Index presents a framework and a corresponding set of indicators in three principal categories: 1. factor-driven (basic requirements) 2. efficiency-driven (efficiency enhancers) 3. innovation-driven (innovation and sophistication). Those are the 3 sub-indexes, that include twelve policy domains (pillars) overall. For the year 2017-18 GCR, out of 137 countries, India has been ranked the 40th most competitive economy- slipping one place down from the last year's ranking. Among the BRICS, China(27) and Russia(38) are placed above India. Whereas South Africa and Brazil are placed at 61st and 80th spots respectively.*

Keywords: *Competitiveness, Institutions, Infrastructure, Macroeconomic environment, Health and Primary education, Higher education and training, Goods market efficiency, Labour market efficiency, financial market development, Technological readiness, Market size, Business sophistication, Innovation.*

Introduction: The world Economic Forum (WEF) mission is committed to improving the state of the world by engaging the foremost political, business and other leaders of society to shape global, regional and industry agendas. It is the international Organisation for Public-Private cooperation; was established in 1971 as not-for-profit foundation and is headquartered in Geneva, Switzerland.

The Global Competitiveness Report (GCR) is a yearly report published by the WEF. By and large the report assesses the unique insight into the drivers of the economies productivity and prosperity.

The Global Competitiveness Index presents a framework and a corresponding set of indicators in three principal categories: 1. factor-driven (basic requirements), 2. efficiency-driven (efficiency enhancers) 3. innovation-driven (innovation and sophistication). Those are the 3 sub-indexes, that include twelve policy domains (pillars) overall.

The twelve policy pillars of competitiveness are: 1. institutions 2. infrastructure 3. macroeconomic environment 4. health and primary education 5. higher education and training 6. goods market efficiency 7. labour market efficiency 8. financial market development 9. technological readiness 10. market size 11. business sophistication and the 12. innovation.

The sub-index 1 includes the first 4 pillars of 12 (as mentioned above), the 2 sub-index comprises 5 to 10 pillars and the last innovation measures the last two pillars of competitiveness of the economies.

For the year 2017-18 GCR, out of 137 countries, India has been ranked the 40th most competitive economy- slipping one place down from the last year's ranking.

On the list, Switzerland topped the position for a ninth straight year, followed by the United States of America and Singapore in second and third places respectively.

An Arab country in Western Asia - Yemen finished (137th) with the wooden spoon as the poor country was devastated by civil war, economic collapse, cholera and near-famine conditions.

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In South Asia, India has garnered the highest ranking, followed by Bhutan (85th rank), Sri Lanka (85), Nepal (88), Bangladesh (99) and Pakistan (115).

India's Performance Overview and India's ranking over the years:

India remains the most competitive country in South Asia, appearing at No.40 in the ranking of 137 countries by the World Economic Forum's Global Competitiveness Report 2017-18. This has been due to the country investing in infrastructure, higher education and training, backed by its state of technological readiness.

	Rank/137 2017-18	Score 1-7
Global Competitive Index	40	4.6
Institutions	39	4.4
Infrastructure	66	4.2
Macroeconomic environment	80	4.5
Health and primary education	91	5.5
Higher education and training	75	4.3
Goods market efficiency	56	4.5
Labour market efficiency	75	4.1
Financial market development	42	4.4
Technological readiness	107	3.1
Market size	3	6.4
Business sophistication	39	4.5
Innovation	29	4.1

2016-17	2015-16	2014-15	2013-14	2012-13
39/138	55/140	71/144	60/148	59/144

Source: The Global Competitiveness Report 2017-18, WEF

Overview of India's Basic requirements(Sub-index A)

Business cost of terrorism is very costly in India as it secured 117/137 place. Security shocks, such as terrorist attacks have the potential to gravely impact short-term economic markets and cause damage to domestic economy including investment, consumer confidence and tourism. In developed nations, terrorist attacks are less likely to have significant long-term economic repercussions. Market conditions in stable, prosperous nations have the ability to bounce back quickly, as economic resilience and consumer confidence overshadow short-term setbacks. Overall, while the physical and emotional impact of terrorism is evident, the longer-term economic costs of terrorist attacks on national economies are more obscure. In 20 years (from 1994 to 2013), India faced 6,024 attacks, a little less than tenth of 68,962 incidents worldwide- dampened the economy by less than 0.8% of GDP .

Many Indian companies are groaning under the weight of excess debt. Almost every bank has a mountain of bad loans on its balance sheet. According to the Kotak committee, the way to achieve more transparency and improve the standard of corporate governance in listed companies is by strengthening the three gatekeepers- the board, the auditors and the regulator. The securities market regulator will need to develop capabilities to be able to regulate listed companies more effectively and protect the interests of small shareholders. The Companies Act, 2013, and the Securities and Exchange

Board of India's guidelines mandate that companies have at least two women board members, and at least one of them should be an independent director, in the next two years.

Intellectual Property (IP) has been traditionally categorized into Industrial property and Copyright. The term Industrial Property includes patents, trademarks, industrial designs, and geographic indications of source. Copyright protection is granted to protect literary, artistic and musical works. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and those of broadcasters in their radio and television programs. Intellectual property rights are generally said to be a bundle of exclusive rights granted to the lawful owner. The term intellectual property denotes the specific legal rights, and not the intellectual work itself. It is important to be aware of what these IP rights are, how they can be protected and, in due course, how to benefit from them.

India remains one of the world's most challenging major economies with respect to protection and enforcement of IP. Despite positive statements and initiatives, the pace of reform has not matched high-level calls to foster innovation and promote creativity. India has yet to take steps to address longstanding IP issues that are affecting innovative industries. India was listed on the Priority Watch List in United States Trade Representative's (USTR) Special 301 report for 2017. The country continues to remain the home to several "Notorious Markets" across the breadth of the country, according to USTR's latest report in [November 2016].

One sector key to boosting the country's economic development is infrastructure and most importantly, expansion of infrastructure plays a countercyclical role. Failure to invest in infrastructure means failure to grow and develop our social and economic fabric.

On improving the country's transportation architecture, a merger between Union budget(2017-18) and railway budget has put an end to the 92 years old colonial legacy of having a separate railway budget that was recommended by British politician William Ackworth in 1924.

According to 2009 estimates by Goldman Sachs, India will need to invest US\$1.7 trillion on infrastructure projects before 2020 to meet its economic needs, a part of which would be in upgrading India's road network. The government of India has allocated almost Rs.4 trillion for infrastructure development for fiscal year 2017-18. As part of the new integrated infrastructure planning paradigm comprising roads, railways, waterways and civil aviation, railways got the largest-ever budget allocation at Rs1.31 trillion. India has a road network of over 5,472,144 Kilometres(3,400,233 million), the second largest globally. At 1.66 km of roads per square Kilometre of land, quantitative density of India's road network is higher than that of China(0.46), Brazil (0.18) and Russia (0.08). As for road sector, the government has allocated Rs 67,00 crore for the national highways and additionally, 2,000Km of coastal connectivity roads will be constructed. Of the total capital expenditure of RS 27,000 crores, Pradhan Mantri Gram Sadak Yojana(PMGSY) will be spending Rs 19,000 crores from the allocated funds in order to connect the far-flung habitats along with the state governments that may spend 8,000 crores. Airports Authority of India (AAI) plans to increase its capital expenditure for 2017-18 by 25 percent to Rs 2,500 crore (US\$0.37 billion), primarily to expand capacity at 12 airports to accommodate increase air traffic. As for Available airline Seat Kilometres (ASK) (millions/per week), India's position is 8. ASK is a measure of an airplane's carrying capacity available to generate revenue. It is obtained by multiplying the total number of seats available for scheduled passengers and the total number of kilometers in which those seats were flown. Airlines have to try to match supply with demand for passengers' benefit. While shortage of seats will often result in higher airfare, excess capacity can lead to reduced margins due to higher fixed costs. So an increase in capacity is positive only if it's supported by an adequate rise in demand for air travel. It is important because ASKs give airline senior management a clear indication of their capacity. Larger legacy carriers usually operate several types of aircraft with different seating configurations. Hence, the ASKs help qualify the total number of available seats and the amount each seat will fly. The United States was at the top of the list, with more than 39.2 billion seat Kilometers(whereas India with 4.9b) available per week.

Mobile cellular telephone subscriptions are subscriptions to a public mobile telephone service using cellular technology, which provide access to the public switched telephone network. Post-paid and pre-paid subscriptions are included. Mobile-cellular subscriptions (per 100 people) in India was reported at 86.95 in 2016- this was a massive increase by

443%, compared to 16/100 in 2006, according to the World Bank collection of development indicators. However, WEF report bears no comparison with the world bank report as it gives 110th place of 137 countries.

The performance of the health and primary education pillar, in which India ranks at 91. It cannot be overstated how poor health and education outcomes can affect the competitiveness of a country and its citizens. India has always had a history of poor public investment in health and primary education and it pays a hefty cost for this in terms of its competitiveness. Such a continued trend in the long run will result in an unequal and mostly unproductive society where only the well-off, who manage to provide nutrition and education for their children, will thrive.

India is the country with the highest burden of tuberculosis (TB). The World Health Organisation (WHO) TB statistics for India for 2016 give an estimated incidence figure of 2.79 million cases of TB for India. It is estimated that about 40% of the Indian population is infected with TB bacteria, the vast majority of whom have latent TB (bacteria are present in very small numbers) rather than TB disease.

India recorded a government debt equivalent to 69.50 percent of the country's Gross Domestic Product in 2016. Government Debt to GDP in India averaged 73.42 percent from 1991 until 2016, reaching an all time high of 84.20 percent in 2003 and a record low of 66 percent in 1996. India recorded a Government Budget deficit equal to 3.50 percent of the country's Gross Domestic Product in 2016. Government Budget in India averaged -3.86 percent of GDP from 1991 until 2016, reaching an all time high of -2.04 percent of GDP in 1997 and a record low of -7.80 percent of GDP in 2009.

Standard & Poor's credit rating for India stands at BBB(lower medium)- with stable outlook. Moody's credit rating for India was last set at Baa2(lower medium) with stable outlook. Fitch's credit rating for India was last reported at BBB(lower medium)- with stable outlook. DBRS's credit rating for India is BBB with stable outlook. In general, a credit rating is used by sovereign wealth funds, pension funds and other investors to gauge the credit worthiness of India thus having a big impact on the country's borrowing costs.

Table 1.0 The Global Competitiveness Index component in detail on factor-driven (basic requirements)

1st Pillar: Institutions	39	2nd pillar: Infrastructure	66
1.01 Property rights	65	2.01 Quality of overall infrastructure	46
1.02 Intellectual property protection	52	2.02 Quality of roads	55
1.03 Diversion of public funds	35	2.03 Quality of railroad infrastructure	28
1.04 Public trust in Politicians	33	2.04 Quality of port infrastructure	4
1.05 Irregular payments and bribes	51	2.05 Quality of air transport infrastructure	61
1.06 Judicial independence	53	2.06 Available air line seat kilometers millions/week	8
1.07 Favorism in decisions of government official	26	2.07 Quality of electricity supply	80
1.08 Efficiency of government spending	20	2.08 Mobile-cellular telephone subscriptions /100pop	110
1.09 Burden of government regulation	20	2.09 Fixed-telephone lines /100pop	111
1.10 Efficiency of legal framework in selling disputes	35	3rd pillar: Macroeconomic environment	80
1.11 Efficiency of legal framework in challenging regulations	23	3.01 Government budget balance % GDP	115
1.12 Transparency of government policymaking	50	3.02 Gross national savings % GDP	23
1.13 Business costs of terrorism	117	3.03 Inflation annual % change	93
1.14 Business costs of crime and violence	80	3.04 Government dept % GDP	101
1.15 Organized crime	89	3.05 Country credit rating 0-100(best)	47
1.16 Reliability of policy services	62	4th pillar: Health and primary education	91
1.17 Ethical behavior of firms	36	4.01 Malaria Incidence cases /100.000pop	47
1.18 Strength of auditing and reporting standards	69	4.02 Business impact of malaria	37
1.19 Efficacy of corporate boards	9	4.03 Tuberculosis incidence /100.000pop	116
1.20 Protection of minority shareholders' interests	42	4.04 Business impact of tuberculosis	109
1.21 Strength of investor protection 0-10(best)	13	4.05 HIV prevalence % adult pop	63
		4.06 Business impact of HIV/AIDS	113
		4.07 Infant mortality deaths/1.000 live births	112
		4.08 Life expectancy years	104
		4.09 Quality of primary education	49
		4.10 Primary education enrollment rate net %	95

Source: The Global Competitiveness Report 2017-18, WEF

Overview of Efficiency Enhancers(Sub-index B)

Education in India is provided by the public sector as well as the private sector, with control and funding coming from three levels: central, state and local. Under various articles of the Indian Constitution, free and compulsory education is provided as a fundamental right to children between the ages of 6 and 14. The ratio of public schools to private schools in India is 7:5. India's improved education system is often cited as one of the main contributors to its economic development.

India's higher education system is the third largest in the world, next to the United States and China. As of 2016, India has 799 universities, with a break up of 44 central universities, 540 state universities, 122 deemed universities, 90 private universities, 5 institutions established and functioning under the State Act, and 75 Institutes of National Importance which include AIIMS, IIT's and NIT's among others. Other institutions include 39,071 colleges as Government Degree Colleges and Private Degree Colleges, including 1800 exclusive women's colleges, functioning under these universities and institutions as reported by the UGC in 2016. Colleges may be Autonomous, i.e. empowered to examine their own degrees, up to PhD level in some cases, or non-autonomous, in which case their examinations are under the supervision of the university to which they are affiliated; in either case, however, degrees are awarded in the name of the university rather than the college.

India's performance also improved in ICT (information and communications technologies) indicators, particularly Internet bandwidth per user, mobile phone and broadband subscriptions, and Internet access in schools. A big concern for India is the disconnect between its innovative strength (29) and its technological readiness (up 3 to 107): as long as this gap remains large, India will not be able to fully leverage its technological strengths across the wider economy. The level of technological readiness of individuals and firms in countries like India and China are relatively low. This indicates that the innovative space in these countries is not quite inclusive in nature. Along with innovation, it is necessary to ensure that more people and firms have the required means to access and make use of the new technology. India fares poorly on that front. As mentioned, India ranks a lowly 107 in technological readiness. As long as there remains such a disconnect between technological strength and technological readiness, the gains from it cannot be shared across the wider economy and will only lead to an unequal society. So, India urgently needs to act upon technological readiness to make its economy competitive on a larger scale.

With over 460 million internet users, India is the second largest online market, ranked only behind China. By 2021, there will be about 635.8 million internet users in India. Despite the large base of internet users in India, only 26 percent of the Indian population accessed the internet in 2015. This is a significant increase in comparison to the previous years, considering the internet penetration rate in India stood at about 10 percent in 2011. Furthermore, men dominated internet usage in India with 71 percent to women's 29 percent.

Agriculture, the backbone of India economy has been facing technology deficit. one of the most critical issues for the farming community is availability of water. Fresh water withdrawals are highest by the agricultural sector, and accounts for nearly 84-85 percent of water withdrawal in India, which is well above the global average. India and Israel have had a very strong partnership in Agriculture. Under the India-Israel Agriculture Project, Centre of Excellences were established in various states which are helping the farming fraternity in India to adopt the latest technology such as micro-irrigation system. Israel is the example for the world in optimising the use of water in general and agriculture in particular. India has openly embraced Israel for this. A well established leader in water management, desalination and recycling techniques, Israel has set a template for reusing wastewater for irrigation. It treats 80 per cent of its domestic wastewater, which is recycled for agricultural use and constitutes nearly 50 per cent of the total water used for agriculture. Drip irrigation is one of the most effective forms used by farmers in many developed nations to reduce water wastage. Here water is allowed to drip slowly to the roots of many different plants either onto the soil surface or directly on to the roots through a network of pipes and emitters. The collaboration with Israeli agricultural technologies helped in bringing the most advanced innovations to the India farmers at affordable prices by adopting the concept of Technology transfers leading to "Make in India" combined with extension support by Agronomists from Israel.

Exports of goods and services represent the value of all goods and other market services provided to the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services, such as communication, construction, financial, information, business, personal, and government services. They exclude compensation of employees and investment income (formerly called factor services) and transfer payments. If exports are about 15 percent or less of GDP the economy is considered relatively closed as only 15 percent of its products are sold internationally. That, for example, applies to the U.S. In contrast, many small European countries export over 40 percent of their production. They are considered more open to international trade. Exports of goods and services (% of GDP) in India was reported at 19.18 % in 2016.

GDP comparisons using Purchasing Power Parity (PPP) when assessing a nation's domestic market because PPP takes into account the relative cost of local goods, services and inflation rates of the country, rather than using international market exchange rates which may distort the real differences in per capita income. The GDP per capita PPP is obtained by dividing the country's gross domestic product, adjusted by purchasing power parity, by the total population. The Gross Domestic Product per capita in India was last recorded at 6092.60 US dollars in 2016, when adjusted by purchasing power parity (PPP). The GDP per Capita, in India, when adjusted by Purchasing Power Parity is equivalent to 34 percent of the world's average. GDP per capita PPP in India averaged 3256.23 USD from 1990 until 2016, reaching an all time high of 6092.60 USD in 2016 and a record low of 1737.60 USD in 1991. India's GDP (PPP) is 7.3 % to world GDP.

The corruption is the most problematic factor for doing business in India. The next biggest bottleneck is 'access to financing', followed by 'tax rates', 'inadequate supply of infrastructure', 'poor work ethics in national labour force' and 'inadequately educated work force', among others.

Lack of access to financing might gradually subside when the problems of non-performing assets (NPAs) with banks is remedied. Tax regulations might change once the economy adjusts to the newly-implemented Goods and Services Tax (GST).

Table2.0 The Global Competitiveness Index component in detail on efficiency- driven (efficiency enhancers)

5th pillar: Higher education and training	75	6th pillar: Goods market efficiency	56
5.01 Secondary education enrollment rate	97	6.01 Intensity of local competition	98
5.02 Tertiary education enrollment rate	88	6.02 Extent of market dominance	23
5.03 Quality of the education system	26	6.03 Effectiveness of anti-monopoly policy	33
5.04 Quality of math and science education	37	6.04 Effect of taxation on incentives to invest	24
5.05 Quality of management schools	41	6.05 Total tax rate	124
5.06 Internal access in schools	51	6.06 No. of procedure to start a business	131
5.07 Local availability of specialized training services	49	6.07 Time to start a business days	110
5.08 Extent of staff training	34	6.08 Agricultural policy costs	34
7th pillar: Labor market efficiency	75	6.09 Prevalence of non-trait barriers	54
7.01 Cooperation in labor-employer relations	56	6.10 Trade tariffs %day	124
7.02 Flexibility of wage determination	104	6.11 Prevalence of foreign ownership	64
7.03 Hiring and firing practices	19	6.12 Business impact of rules on FDI	4
7.04 Redundancy costs	67	6.13 Burden of customers procedures	4
7.05 Effect of taxation on incentive to work	32	6.14 Imports %GDP	118
7.06 Pay and productivity	33	6.15 Degree of customer orientation	63
7.07 Reliance on professional management	48	6.16 Buyer sophistication	15
7.08 Country capacity to retain talent	24		
7.09 Country capacity to attract talent	19		
7.10 Female participation in the labor force	129		
8th pillar: Financial market development	42		
8.01 Availability of financial services	43		

8.02 Affordability of financial services	34
8.03 Financing through local equity market	34
8.04 Ease of access to loans	35
8.05 Venture capital availability	13
8.06 Soundness of banks	78
8.07 Regulations of securities exchanges	64
8.08 Legal rights index	49

Source: The Global Competitiveness Report 2017-18, WEF

9th pillar: Technological readiness	107
9.01 Availability of latest technologies	72
9.02 Firm-level technology absorption	73
9.03 FDI and technology transfer	59
9.04 Internet users %pop	100
9.05 Fixed-broadband Internet subscriptions /100pop	105
9.06 Internet bandwidth kb/s/user	102
9.07 Mobile-broadband subscriptions /100pop	124

10th pillar: Market Size	3
10.01 Domestic market size index	3
10.02 Foreign market size index	4
10.03 GDP(PPP) PPP\$ billions	3
10.04 Exports %GDP	111

Overview of Innovation and Sophistication Index (Sub-index C):

Business sophistication is conducive to higher efficiency in the production of goods and services. This leads, in turn, to increased productivity, thus enhancing a nation's competitiveness. Business sophistication concerns the quality of a country's overall business networks as well as the quality of individual firms' operations and strategies. This is particularly important for countries at an advanced stage of development, when the more basic sources of productivity improvements have been exhausted to a large extent. The quality of a country's business networks and supporting industries, as measured by the quantity and quality of local suppliers and the extent of their interaction, is important for a variety of reasons. When companies and suppliers from a particular sector are interconnected in geographically proximate groups ("clusters"), efficiency is heightened, greater opportunities for innovation are created, and barriers to entry for new firms are reduced. Individual firms' operations and strategies (branding, marketing, the presence of a value chain, and the production of unique and sophisticated products) all lead to sophisticated and modern business processes (Porter & Schwab, 2008, p.8).

The National Innovation Foundation (NIF)- India has taken initiatives to serve the knowledge to economically poor people of the country. It is committed to making India innovative by documenting, adding value, protecting the intellectual property rights of the contemporary unaided technological innovators as well as of outstanding traditional knowledge-holders and disseminating their innovations on commercial and non-commercial basis.

The Patent Cooperation Treaty (PCT) is an international treaty with more than 145 Contracting States. It is administered by the World Intellectual Property Organisation (WIPO). The PCT makes it possible to seek patent protection for an invention simultaneously in a large number of countries by filing a single "international" patent application instead of filing several separate national or regional patent applications. • The granting of patents remains under the control of the national or regional patent Offices in what is called the "national phase".

Statistical report on India's patent related activities for the year 2016:

- IP Filing (Resident + Abroad, Including Regional) and Economy: Patent-25,795, Trademark-284,286, Industrial Design -7,600, GDP (Constant 2011US\$)- 8067.71
- Patent application: Resident- 13,199; Rank-10. Non-resident-31,858; Rank-10. Abroad-12,156; Rank-14.
- Patent application by Top Fields of Technology and its share (2002-2016): Pharmaceuticals-16.76, Computer technology- 15.98, Organic fine chemistry-14.80, Semiconductors- 5.98, Biotechnology-4.20, Digital communication-4.18, Basic materials chemistry-3.28, IT methods of management- 2.92, Medical technology- 2.52. Measurement-2.30 and Others-27.08.
- Patents Grants: Residents-1,115; Rank- 24. Non-resident-7,133; Rank-10. Abroad-5549; Rank-17.
- Patents in force:49,575; Rank-23.
- Utility Model applications: Abroad-24; Rank-37.

- Trademark applications:Residents-264,662;Rank-2.Non-resident-31,640;Rank-3. Abroad-19,624; Rank-32.
- Trade Registrations: Residents-158,415;Rank-2.Non-resident-28,833;Rank-4. Abroad-14,563; Rank-32.
- Industrial Design Registrations: Residents-4901;Rank-9.Non-resident-2430;Rank-10. Abroad-830; Rank-45.

In the long run, standards of living can be enhanced only by technological innovation. Innovation is particularly important for economies as they approach the frontiers of knowledge and the possibility of integrating and adapting exogenous technologies tends to disappear. Designing and developing cutting-edge products and processes to maintain a competitive edge requires an environment that is conducive to innovative activity, supported by both the public and the private sectors.

A national survey on the status of research and development in the country has shown that the gross expenditure on R&D (GERD) has more than tripled from Rs. 24,117 crore to Rs. 85,326 crore in the decade from 2004-05 to 2014-15. A significant finding of the survey is that as much as 81.3 % of R&D expenditures incurred by central government sources came from just eight major scientific agencies : Defence Research and Development Organisation led the table with a share of 37.8 %, followed by Department of Space (16.6%), Department of Atomic Energy (11.6 %), Indian Council of Agricultural Research (11.4 %), Council of Scientific and Industrial Research (9.5 %), Department of Science and Technology (7.7 %), Department of Biotechnology (2.9 %) and Indian Council of Medical Research (2.4 %) during 2014-15.

Table 3.0 The Global Competitiveness Index component in detail on innovation- driven (innovation and sophistication).

11th pillar: Business sophistication	39	12th pillar: Innovation	29
11.01 Local supplier quantity	53	12.01 Capacity for innovation	42
11.02 Local supplier quality	69	12.02 Quality of scientific research institutions	35
11.03 State of cluster development	31	12.03 Company spending on R&D	23
11.04 Nature of competitive advantage	28	12.04 University-Industry collaboration in R&D	26
11.05 Value of chain breadth	30	12.05 Govt procurement of advanced technology products	8
11.06 Control of international distribution	28	12.06 Availability of scientists and engineers	32
11.07 Production process sophistication	41	12.07 PCT patents	63
11.08 Extent of marketing	61		
11.09 Willingness to delegate authority	45		

Source: The Global Competitiveness Report 2017-18, WEF

Conclusion: India has the ability to create a unique spot in innovation history to meet its own market requirements by using its cultural advantages of frugality and sustainability. India might be improving on the competitiveness index owing to high public investment in some crucial sectors, but large ailments within the economy still remain. Problems of corruption and a gross negligence of health and education sectors have always defined India's competitiveness. A recent growth in innovative tendencies seemed to be a saving grace but as it turns out, there seem to be distributive issues. How India handles these concerns will determine its future.

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