

countries. The 2004 levels indicate less than 3 per cent of total American investment in India, despite the fact that India is considered the top retail destination in the latest A T Keamey's 2005 Global Retail Development Index (GRDI)¹⁸. However, this trend is likely to change with growing interest in India steadily translating into a better percentage of FDI when compared to the approval to investments ratio of 14.87 per cent in 1991 to 24.52 per cent in 2004.¹⁹ (See Table 8)

(k) The advantage in terms of manpower surplus in the working age group and more specifically of an English speaking, technically qualified workforce will not only spearhead India's services sector but also its manufacturing, outsourcing and offshore trade. They also have the potential to fill in these slots in the international market.

(l) India's emergence as a knowledge power is in US interest as it is India, which has the socio-economic capability and geo-strategic congruence to assist the United States to remain ahead of China in its quest to remain the pre-eminent power in the world.

The threat of containment for both India and the United States is emerging as one of the most important concerns. However, it needs to be noted and emphasised that this threat is as much if not more from "economic containment" as it is from "strategic containment". The threat of this form of containment will not be through weapons and conventional armies but from adoption of the rules of globalisation, knowledge, infrastructure development, free trade area treaties and armies of economic warriors.

References

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