

Is A Strong Economy Important For A Small Neighbouring Open Economy?

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As China has significantly grasped the most important market in the world, India is the second biggest market in the world. How about the effect of such a powerful economy to the neighbouring small economies? Is it a threat or an opportunity for its neighbouring small economies? Taiwan, Hong Kong, and Korea have shared the growth of Japan in 1970s-80s and China in 1990s -2000s, mainly underpinned by the previous colonial linkage and historical common cultural background. How about the effect of India upon the development of Sri Lanka? We will examine the extent that the relationship between India and Sri Lanka in terms of economic integration? Is there factors making such a difference from Chinese economies? Diversified cultural difference and unique colonial background could have certain effects.

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