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Economic Models of China and India: A Comparative Analysis[1]

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The article provides a comparative analysis of the modern economic models of China and India as the two leading centers of economic growth in the world economy. It is proven that despite common demographic characteristics and high rates of economic development, these countries have formed fundamentally different approaches to organizing economic activity and ensuring competitiveness. The Chinese model is based on a combination of market mechanisms with powerful state regulation, long-term strategic planning and active industrial policy, while the Indian model is characterized by the dominance of the private sector, the development of the digital economy, democratic institutions of governance and the use of demographic advantages.

Based on the analysis of modern scientific research, theoretical approaches to interpreting the economic models of China and India are summarized, the features of their evolution and transformation in the conditions of digitalization, technological competition and geoeconomic changes are identified. The institutional principles of the functioning of both models, mechanisms of state regulation, features of innovation policy and approaches to integration into global value chains are studied.

It is established that during 2021–2026, China maintains its position as a global manufacturing and technology center due to the implementation of the "dual circulation" strategy, large-scale investments in high-tech industries and active state support for innovative development. At the same time, India demonstrates higher economic growth rates, strengthens its role in the global economy due to the development of digital public infrastructure, production stimulation programs and the expansion of the domestic market. It is shown that the Chinese model provides a higher level of industrialization, labor productivity and integration into global production networks, while the Indian model has advantages related to demographic potential, the dynamics of the development of the service sector and digital transformation. It is substantiated that the further development of both models will depend on the ability to

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adapt to new global challenges, in particular technological competition, demographic changes, geoeconomic fragmentation and the transformation of international production chains. The possibilities of using individual elements of Chinese and Indian experience in the formation of a post-war strategy for the restoration and modernization of the Ukrainian economy are identified, in particular in the areas of strategic planning, the development of industrial clusters, digital public infrastructure and support for innovation ecosystems.

Keywords: economic model, China, India, comparative analysis, state regulation, digital economy, innovative development, global value chains, economic growth, post-war restoration of Ukraine

JEL classification: ***F43, O11, O33, O53, P21, P26***

У статті здійснено компаративний аналіз сучасних економічних моделей Китаю та Індії як двох провідних центрів економічного зростання у світовій економіці. Доведено, що попри спільні демографічні характеристики та високі темпи економічного розвитку, зазначені країни сформували принципово різні підходи до організації економічної діяльності та забезпечення конкурентоспроможності. Китайська модель базується на поєднанні ринкових механізмів із потужним державним регулюванням, довгостроковим стратегічним плануванням і активною промисловою політикою, тоді як індійська модель характеризується домінуванням приватного сектору, розвитком цифрової економіки, демократичними інститутами управління та використанням демографічних переваг.

На основі аналізу сучасних наукових досліджень узагальнено теоретичні підходи до трактування економічних моделей Китаю та Індії, визначено особливості їхньої еволюції та трансформації в умовах цифровізації, технологічної конкуренції та геоекономічних змін. Досліджено інституційні засади функціонування обох моделей, механізми державного регулювання, особливості інноваційної політики та підходи до інтеграції у глобальні ланцюги створення вартості.

Встановлено, що впродовж 2021–2026 рр. Китай зберігає позиції світового виробничого та технологічного центру завдяки реалізації стратегії «подвійної циркуляції», масштабним інвестиціям у високотехнологічні галузі та активній державній підтримці інноваційного розвитку. Водночас Індія демонструє вищі темпи економічного зростання, посилює свою роль у глобальній економіці завдяки розвитку цифрової публічної інфраструктури, програмам стимулювання виробництва та розширенню внутрішнього ринку. Показано, що китайська модель забезпечує вищий рівень індустріалізації, продуктивності праці та інтеграції у світові виробничі мережі, тоді як індійська модель має переваги, пов'язані з демографічним потенціалом, динамікою розвитку сектору послуг та цифровою трансформацією.

Обґрунтовано, що подальший розвиток обох моделей залежатиме від здатності адаптуватися до нових глобальних викликів, зокрема технологічної конкуренції, демографічних змін, геоекономічної фрагментації та трансформації міжнародних виробничих ланцюгів. Визначено можливості використання окремих елементів китайського та індійського досвіду під час формування повоєнної стратегії відновлення та модернізації економіки України, зокрема у сферах стратегічного планування, розвитку індустріальних кластерів, цифрової публічної інфраструктури та підтримки інноваційних екосистем.

Ключові слова: економічна модель, Китай, Індія, компаративний аналіз, державне регулювання, цифрова економіка, інноваційний розвиток, глобальні ланцюги створення вартості, економічне зростання, повоєнне відновлення України

JEL classification: ***F43, O11, O33, O53, P21, P26***

Introduction

The beginning of the 21st century is characterized by a significant redistribution of economic weight between the traditional centers of the world economy and developing countries. A special place among them is occupied by China and India, which not only demonstrate high rates of economic growth during the last decades, but also form alternative models of economic development that differ from classical Western approaches to the organization of a market economy. As of the mid-2020s, China is the world's second largest economy in terms of nominal GDP and the largest economy in terms of purchasing power parity, while India has the leading position in terms of economic growth and is gradually strengthening its influence in the global economy, already occupying the third position in terms of GDP calculated by purchasing power parity. These two countries are the undisputed leaders in terms of population and the dynamics of their influence on the world economy.

Despite the common status of large Asian states and significant demographic potential, the economic development trajectories of China and India differed significantly. China began market reforms in the late 1970s, implementing a gradual transition from a centrally planned system to a "socialist market economy" model with an active role of the state in the strategic management of economic processes [1]. India, on the contrary, has long followed a model of a mixed economy with a high level of state regulation and only after the balance of payments crisis of 1991 did it carry out large-scale economic liberalization, opening the domestic market to international competition and foreign capital.

In the scientific literature, considerable attention is paid to the study of certain aspects of the Chinese and Indian development models. Thus, according to Tsugami (2024), the modern Chinese model is a combination of market mechanisms and political control of the state, while the content of economic policy has changed significantly compared to the beginning of the 2000s. According to the author, the Chinese model needs further reform, however, given that "the Chinese autocratic system does not have a mechanism for regime change, achieving such reforms will be very difficult" [2].

A number of authors draw attention to the need to transform the investment model of the Chinese economy and innovation, as one that better meets the requirements of modern development [3; 4]. Among the relevant works, it is worth noting the study of L. Zhao, in which the Chinese "economic miracle" is considered through the prism of the specific interaction of the state and the market, which distinguishes the Chinese model from classical neoliberal concepts of modernization [5]. An important contribution to the understanding of the evolution of China's modern industrial policy is made in the works of B. Naughton, which substantiates the strengthening of the role of the state in the formation of technological competitiveness and the implementation of large-scale industrial development programs [6].

The problems of the modern transformation of the Chinese economy are also highlighted in the study of V. Brühl, who analyzes the main factors of China's economic growth in the context of the implementation of the "Made in China 2025" and "Dual Circulation Strategy" strategies [7]. Contemporary structural changes in the Chinese economy after the COVID-19 pandemic are studied in the work of K. Liu, where attention is focused on internal imbalances in economic development and problems of investment activity [8].

As for the Indian model of development, modern research mainly focuses on the phenomenon of digital transformation and the formation of Digital Public Infrastructure. Of considerable scientific interest is the work of experts from the International Monetary Fund Alonso C., Bhojwani T., Hanedar E., Prihardini D., Uña G., & Zhabska K. "Stacking up the Benefits: Lessons from India's Digital Journey" (2023), which proved that the digital platforms Aadhaar, UPI, and India Stack have become important factors in financial inclusion, innovative development, and improving the efficiency of public administration [9].

A separate line of research is related to the impact of digital financial technologies on the development of the Indian economy. Thus, Sandhu K., Dayanandan A., & Kuntluru S. analyze the prospects of using the digital currency of the central bank as an element of India's digital public infrastructure and a tool for increasing the financial accessibility of the population [10].

At the same time, starting from the end of the 2000s, scientists became interested in comparing the economic models of these countries. In 2009, one of the most cited articles on this topic, "China and India Enter Global Markets: A Review of Comparative Economic Development and Future Prospects", was published, where the author compares institutions, the role of the state, economic reforms, integration into the global economy, and the consequences of different economic management models in China and India [11]. However, at the time, the main difference between the models was seen in the different factors of economic growth: China achieved high development rates due to the large-scale accumulation of physical capital and government investment support, while India relied more on human capital and the private sector [12].

At the beginning of the 2020s, the differences between the Chinese and Indian economies crystallized more clearly, which gave reason to talk about two fundamentally different models. In particular, Prabhakar A. C. (2025) proves that the economic success of China and India is based on fundamentally different development models: export-industrial in China and service-oriented in India, which forms different mechanisms for ensuring competitiveness [13]. Urozov S. classifies these models somewhat differently: in his research, the Chinese model is called the state-led development model, and the Indian model is called the market-led development model. It also provides an assessment of the possibilities of using these models by other cranes of the Global South [14].

At the same time, rapid changes in the structure of the economies of both countries, the development of digital platforms, innovative ecosystems, and new mechanisms of state regulation require further scientific understanding and updating of the results of comparative analysis. External factors, which change very dynamically, have a significant impact on the possibilities of implementation and effectiveness of Chinese and Indian economic models. The relevance of the comparative analysis of these two models is enhanced by the need to form the theoretical foundations of the formation of the post-war model of the functioning of the Ukrainian economy.

The purpose of our article is to carry out a comparative analysis of the modern economic models of China and India, to determine the peculiarities of their functioning, the main factors of competitiveness and prospects for further development in the conditions of the transformation of the world economic system.

In order to achieve the set goal, the solution of the following tasks is envisaged: to investigate the evolution of the economic models of both countries; to analyze the institutional foundations and mechanisms of state regulation of the economy; assess the role of innovation and digital transformation in ensuring economic growth; to carry out a comparative assessment of macroeconomic results and to identify the main challenges for the further development of China and India, as well as to assess the possibilities of using the experience of these countries in the development of Ukraine's post-war development strategy.

1. Theoretical foundations and evolution of the economic models of China and India

China's modern economic model was formed as a result of large-scale reforms initiated in the late 1970s under the leadership of Deng Xiaoping. Until this period, the country's economy functioned on the basis of centralized planning, characteristic of the Soviet model of management. Low labor productivity, limited integration into the world economy, and the inefficiency of resource allocation mechanisms determined the need for structural transformations.

A key feature of Chinese reforms was the gradual introduction of market mechanisms without giving up the leading role of the state in economic development. Unlike many post-socialist countries, where market transformations were carried out through rapid liberalization (the so-called "shock therapy"), China chose an evolutionary approach, which involved the experimental implementation of reforms in certain regions and sectors of the economy. Such a strategy made it possible to minimize social risks and ensure the stability of economic growth.

An important element of the transformation was the creation of special economic zones, which provided favorable conditions for attracting foreign capital, technology transfer, and development of export-oriented production. It was through the mechanism of special economic zones that China integrated into global production networks and gradually turned into one of the largest industrial centers in the world.

In the 1990s, the concept of a "socialist market economy" was officially established as the basis of the state's economic development. Its essence lies in the combination of market pricing mechanisms and entrepreneurial activity with centralized strategic management of key areas of development. The state maintains control over strategic industries, including energy, transportation, the financial sector, and the defense industry, while encouraging the development of private business and competition in other areas of the economy.

A special role in the Chinese model is played by the system of medium and long-term planning. Five-year development plans determine the strategic priorities of economic policy, innovative activities, technological modernization and regional development. In modern conditions, the main emphasis is on the transition from an extensive growth model to an innovation-oriented economy, the development of high-tech industries, digital platforms and green technologies.

A significant advantage of the Chinese model is the state's ability to concentrate financial and organizational resources for the implementation of large-scale infrastructure and technological projects. At the same time, the excessive role of the public sector, high indebtedness of certain regions, imbalances in

the real estate market and demographic aging of the population create risks for maintaining high rates of economic development in the long term.

Thus, the Chinese economic model represents a specific form of combination of market institutions with mechanisms of strategic state management, which ensured rapid industrialization, large-scale attraction of investments and transformation of the country into one of the leading actors of the world economy.

Unlike China, India's economic model was formed in the conditions of a democratic political system, a multi-party system and significant regional diversity. After gaining independence in 1947, the country chose the path of a mixed economy, in which the state played an important role in the development of strategic industries, while the private sector operated under strict administrative control.

For several decades, India's economic policy has been characterized by a high level of protectionism, licensing of business activities, and restrictions on foreign investment. Such a system, known as the "License Raj", inhibited the development of competition and reduced the efficiency of the use of resources. As a result, economic growth rates remained relatively low compared to East Asian countries.

The turning point was the economic crisis of 1991, which led to large-scale market reforms. Liberalization of foreign trade, deregulation of economic activity, reduction of state control and opening of the economy to foreign capital laid the foundation of the modern development model. Since then, India has been gradually integrated into the world economy and has begun to show steady rates of economic growth.

One of the key features of the Indian model is the dominance of the service sector as the main driver of economic development. While China has long relied mainly on industrial production and commodity exports, India has gained significant competitive advantages in information technology, financial services, telecommunications and business outsourcing. Companies such as Infosys, Tata Consultancy Services and Wipro have become important players in the global digital services market.

A significant advantage of India is its demographic potential. The country has one of the world's largest shares of the population of working age, which creates favorable conditions for the expansion of the domestic market and the development of labor-intensive sectors of the economy. At the same time, it requires the creation of a significant number of new jobs and the improvement of the quality of human capital.

Over the past decade, digital transformation of state administration and economic activity has become an important direction of development. The creation of digital infrastructure, in particular the digital population identification system Aadhaar, the Unified Payments Interface payment platform and the set of digital public services Digital Public Infrastructure, contributed to financial inclusion, the development of e-commerce and the improvement of the efficiency of public services.

Despite significant successes, the Indian development model faces a number of structural challenges, including uneven regional development, insufficient industrialization, infrastructural limitations, high levels of informal employment,

and social inequality. That is why India's modern economic policy is aimed at stimulating production, developing infrastructure, attracting investments and forming its own production chains in strategically important industries.

So, the Indian economic model is a combination of a market economy, democratic institutions and active state support for certain areas of development. Its characteristic feature is the focus on the development of human capital, digital technologies and the service sector, which provides a high potential for long-term economic growth in the conditions of global digital transformation.

2. Current characteristics of the economic models of China and India (2021–2026)

Despite belonging to the group of the world's largest economies, China and India use fundamentally different approaches to the organization of economic management. The key difference lies in the different understanding of the role of the state and the institutional architecture (Table 1).

Table 1

Comparison of institutional characteristics of economic models of China and India (2021-2026) *

Criterion	China	India
Type of economic model	Socialist market economy	Market economy with a significant role of the state
Strategic planning	Five-year development plans	Branch and national development programs
The role of state-owned enterprises	High	Limited
Level of centralization	High	Federal decentralized system
Industrial policy	Active government support of strategic sectors	Stimulation of private investment through PLI programs
Dominant sector of the economy	Industry and production	Services and digital economy

** Source: compiled by the author based on the analysis of government programs of the People's Republic of China and India*

The Chinese model continues to be based on a combination of market mechanisms with centralized strategic planning and the dominant role of the state in determining development priorities. As already mentioned, five-year plans, state programs to support strategic industries, activities of state development banks and control over key sectors of the economy remain important tools.

During the implementation of the 14th Five-Year Plan (2021–2025), China's main priorities became technological self-sufficiency, digitalization, the development of domestic demand, and the implementation of the Dual Circulation Strategy, aimed at combining domestic economic development with active participation in international trade [15]. At the same time, the state strengthened control over certain segments of the digital economy and the financial sector, which indicates the preservation of the leading role of political institutions in the functioning of the market.

Unlike China, the Indian model is characterized by greater decentralization of economic management and a significant role of the private sector. The federal structure of the state determines the significant influence of state governments on the formation of the investment climate, industrial policy and the implementation of infrastructure projects. At the same time, the central government actively uses mechanisms to stimulate production through the Production Linked Incentive (PLI) program aimed at the development of electronics, automotive, pharmaceuticals and other high-tech industries [16].

Innovative development has become one of the main common factors of the competitiveness of both countries. However, the mechanisms of its provision are significantly different (Table 2).

Table 2

Comparative characteristics of innovative development of China and India *

Indicator	China	India
Position in Global Innovation Index 2025	10	38
The main model of innovative development	State support for high-tech production	Digital platforms and entrepreneurial ecosystems
Key Innovation	reas AI, Semiconductors, Electric Vehicles, Robotics	FinTech, Digital Services, GovTech, Startups
The role of the state	High	Moderate
The main driver of digitalization	Technology corporations and government programs	Digital Public Infrastructure (Aadhaar, UPI, India Stack)

** Source: compiled by the author based on [17; 18; 19].*

China has steadily increased investment in research and development (R&D) over the past decade, creating one of the world's largest innovation systems. According to the results of the Global Innovation Index 2025, China entered the top ten most innovative economies in the world for the first time, ranking 10th among 139 countries. At the same time, the country remains a leader among states with an income level above the average [17].

A feature of the Chinese innovation model is the combination of large-scale state funding of research with high innovation activity of large technological corporations. Significant resources are directed to the development of artificial intelligence, the semiconductor industry, quantum technologies, biotechnology and electromobility.

India is showing a different trajectory of innovation development, based on the rapid expansion of digital infrastructure and the development of entrepreneurial ecosystems. According to the Global Innovation Index 2025, the country ranked 38th among 139 countries in the world, improving its position compared to previous years. WIPO also ranks India among a group of economies that have consistently demonstrated innovation performance that exceeds expectations for their level of development [18].

An important feature of the Indian model was the construction of a digital public infrastructure, which includes the Aadhaar digital identification system,

the UPI payment system, and e-government service platforms. According to the Reserve Bank of India, in the first half of 2025, digital payments provided 99.8% of all payment transactions by the number of transactions, which indicates an extremely high level of digitization of the financial sector [19].

The third important criterion by which the economic models of China and India differ is investment policy and integration into global value chains. Investment policy itself remains one of the key elements of ensuring long-term economic growth for both China and India. At the same time, both countries use different mechanisms for integration into global value chains (GVCs) (Table 3).

Table 3

Features of the investment model and integration into global value chains *

Criterion	China	India
Basic model of investment attraction	Export-production clusters	Stimulation of production localization
Role of special economic zones	High	Moderate
Main industries of FDI attraction	Electronics, mechanical engineering, green energy	Electronics, pharmaceuticals, telecommunications
Place in global value chains	Global production center	New center of production diversification
Main strategy 2021–2026	Dual Circulation Strategy	Production Linked Incentive (PLI)
FDI trend	High volumes in conditions of slowing growth	Stable growth of investment attractiveness

** Source: compiled by the author based on [20; 21;22]*

China has formed its competitiveness through large-scale participation in international production and export-oriented industrialization. Over the past decades, the country has become a key production platform for global corporations, integrating into global value chains in the electronics, mechanical engineering, telecommunications equipment and renewable energy sectors. Even in conditions of geopolitical tension, China continues to remain one of the largest recipients of foreign direct investment in the world, although in recent years there has been a certain decrease in the dynamics of investment receipts [20].

India is implementing a different model of integration into the global economy. The government is actively encouraging the localization of production of international corporations through tax breaks, subsidies and the Production Linked Incentive program. Particular emphasis is placed on attracting investment in the production of electronics, batteries, telecommunications equipment and pharmaceutical products [16].

According to the UNCTAD World Investment Report 2025, India ranked 15th among the largest recipients of foreign direct investment in the world, attracting 27.6 billion USD in 2024 [22]. In recent years, an additional factor in changing global production chains has been the processes of “China+1” and diversification of production, when international corporations seek to partially

transfer production capacities from China to other Asian countries, primarily India and the countries of Southeast Asia. This creates new opportunities for India to expand its participation in global production networks.

Thus, a comparative analysis shows that China and India demonstrate different models of ensuring economic competitiveness. China relies on centralized strategic management, large-scale investments in high-tech production and deep integration into global production networks. India relies on digital transformation, private sector development, attracting investment through market incentives and using demographic advantages. Despite differences in institutional architecture, both countries remain key centers of economic growth and innovative development in the global economy of the 21st century.

3. Comparative assessment of the effectiveness of China's and India's economic models

The effectiveness of China's and India's economic models is most clearly demonstrated through macroeconomic development results. Despite the global consequences of the pandemic, geopolitical tensions, and fragmentation of international trade, both countries remain the main drivers of global economic growth (Table 4).

Table 4

Key macroeconomic indicators of China and India (2024–2025)*

Indicator	China	India
Real GDP growth in 2025, %	5.0	6.5–6.7
Main driver of economic growth	Industrial exports and high-tech production	Domestic demand, services and production
Position in the world economy by GDP:		
- at the current dollar exchange rate	2nd economy in the world	5th economy in the world
- at purchasing power parity	1st economy in the world	3rd economy in the world
Development model	1 Export-industrial	Service-digital with gradual industrialization
The role of the domestic market	Growing within the framework of the Dual Circulation strategy	One of the key drivers of economic

** Source: compiled by the author based on [23]*

China remains the world's second-largest economy and a leading global manufacturing hub. In 2025, the country's economic growth was around 5%, in line with the government's official targets. Industrial production and high-tech exports remained the main drivers of growth, although domestic demand and the real estate market continued to show signs of structural weakness.

India has been the world's fastest-growing major economy in recent years. According to official estimates, GDP grew by 6.5% in the 2024/25 fiscal year, with some quarters showing growth of over 7%. The main drivers were construction, manufacturing, digital services and domestic consumer demand.

Comparative analysis shows that the Chinese model provides higher productivity in the industrial sector and deeper integration into global production networks, while the Indian model is characterized by higher economic growth dynamics, significant demographic potential and rapid development of the digital services sector.

To assess the effectiveness of economic models, it is important to study the dynamics of the ratio of the main macroeconomic indicators of the selected countries. As can be seen from Table 5, during the decade 2005-2015 the gap between the level of total GDP and GDP per capita grew in favor of China. The fact is that Chinese reforms began much earlier (since the late 1970s) and at the beginning of the 21st century they gave tangible results. Reforms in India began only in the early 90s. And it was in the last decade that, due to accelerated economic growth, India began to reduce its lag. However, given the ratio of the economic growth rates of China and India, there is no good reason to believe that the Indian economy will catch up with the Chinese economy in terms of volume over the next 25-30 years.

Table 5

Dynamics of the ratio of key macroeconomic indicators of China and India *

Indicator	China			India			Ratio China/India		
	2005	2015	2025	2005	2015	2025	2005	2015	2025
GDP, Nominal, bl. USD	2,820	11,280	19,626	820	2,101	3,916	2.44	5.37	5.01
GDP, PPP, bl. USD	6,710	18,580	41,241	3,390	7,200	17,257	1,98	2.59	2.39
GDP, Nominal, per capita, USA	1,778	8,175	12,989	710	1,584	2,279	2.50	5.16	5.70
GDP, PPP, per capita, USA	5,148	13,463	28,908	2,936	5,425	12,095	1.75	2.48	2.39

Source: calculated by [24; 25]

Economic growth in both countries has been accompanied by large-scale social changes. China has made significant progress in raising living standards and eradicating poverty. At the end of 2020, the Chinese government officially announced the elimination of absolute poverty, which has become one of the most significant socio-economic achievements of our time. However, the country faces the problems of an aging population, regional inequality, and a shrinking labor force.

India, on the other hand, benefits from a young demographic structure. According to international organizations, more than two-thirds of the population is of working age, which creates the prerequisites for long-term economic growth. At the same time, a significant part of the population continues to work in the informal sector, and the level of regional and social inequality remains high.

Despite significant successes, both economic models face a number of systemic challenges. For China, the key risks remain: demographic aging; debt problems of local governments; crisis in the real estate market; increasing trade restrictions by the world's leading economies; the need to ensure technological independence in strategic sectors. For India, the main challenges are: insufficient

level of development of the manufacturing sector; infrastructure constraints; uneven regional development; significant scale of the informal economy; the need to create millions of new jobs every year. At the same time, both countries demonstrate different but effective mechanisms for economic modernization, which can be useful for developing a post-war recovery strategy for Ukraine.

Of particular interest to Ukraine is the Chinese experience in the formation of industrial clusters, special economic zones and the implementation of large-scale infrastructure projects. After the end of the war, it is the modernization of transport, energy and industrial infrastructure that can become one of the key factors in restoring the competitiveness of the national economy.

No less important is the Indian experience of digital transformation. The creation of a digital public infrastructure based on integrated state platforms has allowed India to significantly increase the efficiency of administrative services, financial inclusion and transparency of public administration. For Ukraine, which already has significant achievements in the field of digital services, further scaling of the digital ecosystem can become one of the drivers of the post-war modernization of the economy.

In addition, both countries demonstrate the importance of combining state strategic management with market mechanisms of development. For Ukraine, this means the need to transition from a situational response model to a systemic long-term reconstruction policy focused on innovation, exports and integration into European production chains.

Conclusions

The study confirmed that China and India have formed two different but successful models of economic development that ensure high rates of economic growth and strengthen their positions in the global economy. The Chinese model is based on a combination of market mechanisms with powerful state regulation, long-term strategic planning and active industrial policy. It is the concentration of resources on the development of production, infrastructure and high-tech sectors that has allowed the country to become one of the leading participants in global value chains and one of the world's technological leaders.

The Indian model is characterized by a greater role of the private sector, democratic institutions of governance, rapid development of the digital economy and the use of demographic advantages. Significant results have been achieved through the creation of digital public infrastructure, the development of information technologies and the stimulation of entrepreneurial activity.

The comparative analysis showed that China has advantages in the field of industrial production, innovation policy and integration into global production networks, while India demonstrates higher economic growth dynamics, better demographic prospects and significant potential for the development of the digital economy. At the same time, both models face their own structural challenges, related to the aging population and the need to create new jobs, respectively.

The practical significance of the study lies in the possibility of using individual elements of the Chinese and Indian experience when forming a post-war strategy for the recovery of the Ukrainian economy. Promising areas are the implementation of strategic development planning mechanisms, the creation of

industrial clusters and special economic regimes, stimulating the localization of production, the development of digital public infrastructure, supporting innovation ecosystems and the integration of Ukrainian enterprises into European and global value chains. The implementation of these approaches can contribute to Ukraine's transition from a recovery model to a model of accelerated modernization and ensure long-term economic growth in the conditions of post-war reconstruction.

Declaration on the Use of Artificial Intelligence. *During the preparation of this manuscript, the author used ChatGPT (OpenAI) solely for language translation and linguistic polishing to improve the clarity and readability of the text. AI was not used for scientific research, data analysis, or the formulation of conclusions. The author reviewed and verified the final manuscript and bears full responsibility for its content.*

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Economic Models of China and India: A Comparative Analysis

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The article provides a comparative analysis of the modern economic models of China and India as the two leading centers of economic growth in the world economy. It is proven that despite common demographic characteristics and high rates of economic development, these countries have formed fundamentally different approaches to organizing economic activity and ensuring competitiveness. The Chinese model is based on a combination of market mechanisms with powerful state regulation, long-term strategic planning and active industrial policy, while the Indian model is characterized by the dominance of the private sector, the development of the digital economy, democratic institutions of governance and the use of demographic advantages.

Based on the analysis of modern scientific research, theoretical approaches to interpreting the economic models of China and India are summarized, the features of their evolution and transformation in the conditions of digitalization, technological competition and geoeconomic changes are identified. The institutional principles of the functioning of both models, mechanisms of state regulation, features of innovation policy and approaches to integration into global value chains are studied.

It is established that during 2021–2026, China maintains its position as a global manufacturing and technology center due to the implementation of the "dual circulation" strategy, large-scale investments in high-tech industries and active state support for innovative development. At the same time, India demonstrates higher economic growth rates, strengthens its role in the global economy due to the development of digital public infrastructure, production stimulation programs and the expansion of the domestic market. It is shown that the Chinese model provides a higher level of industrialization, labor productivity and integration into global production networks, while the Indian model has advantages related to demographic potential, the dynamics of the development of the service sector and digital transformation.

It is substantiated that the further development of both models will depend on the ability to adapt to new global challenges, in particular technological competition, demographic changes, geoeconomic fragmentation and the transformation of international production chains. The possibilities of using individual elements of Chinese and Indian experience in the formation of a post-war strategy for the restoration and modernization of the Ukrainian economy are identified, in particular in the areas of strategic planning, the development of industrial clusters, digital public infrastructure and support for innovation ecosystems.

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