

WTO and Its Impact on Indian Agriculture

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Abstract:

Although being main economic activity, Indian agriculture remained underdeveloped for a very long time. Even after a number of steps taken to improve agriculture sector after independence, the fact is well known that share of agriculture in GDP and in employment generation continuously reduced. In the era of globalization, WTO came as a ray of hope by providing larger market access and maintaining fair competition. Important to note that WTO also had no solution to intrinsic problems have their roots in Indian agricultural system which leading to low productivity, high cost-output ratio and damaged marketing system. If we look at the data it does not indicate anything for sure as agricultural growth not merely depends on the agreements of WTO, rather it depends on overall economic progression, climatic condition and other internal issues of the country. But significantly, India's agricultural export and import increments noticeably highlight the importance of existence of WTO. Resistant from the developed economies succeeded in deferring the potential benefits but provides an alternative to develop an interdependent system among the countries of the third world. It is foolish to keep apart in this age of global integration rather no stone should be left unturned to devise a better and competitive structure in order to capitalize maximum from the new world order.

Key Words: WTO, GDP, PDS, MSP, Export Subsidies and Domestic Support

I. Introduction:

Being traditionally agrarian society, Indian economy had been revolving around agricultural sector for a long period in the past. Not only for the supply of food and other basic needs, agriculture sector remained main source of supply of raw materials and markets of output for the industries. Broadly speaking, the industry and service sector mainly remained dependent on agriculture from supply as well as demand side.

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