



IMPACT OF INDIAN POLICY ON AGRICULTURE ECONOMICS PRODUCTIVITY AND ITS POLITICAL CHALLENGES: A STUDY

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Abstract

This research focussed on impact of Indian policy on agriculture economics productivity and its political challenges. India's already large population is expected to become the world's largest in the next 20 years, while its economy will soon overtake Japan's to become the world's third largest. The resulting increase in the demand for food will need to be met through higher agricultural productivity or by increasing food imports. This article discusses some of the key areas of progress and challenges for India's agricultural sector, including productivity, water management, government policies and programs, and food distribution and storage. India has a particularly large agricultural sector. The major challenges before the policymakers are manageability of farm productivity; assurance of condition; corruption of natural resources like land; exhausting wellsprings of water; and esteem expansion and agribusiness. Also, the drive for more downstream processing of agricultural products and more noteworthy aggressiveness along the agro-food chain are likewise key needs.

1. OVERVIEW

India is primarily an agricultural nation. Agriculture is the main methods for living for just about 66% of the utilized class in India. It comprises the most critical piece of Indian Economy. Agriculture, alongside its partnered sectors, is verifiably the biggest business supplier in India and most key ventures rely on the sector for their sources of info. Agriculture in India has experienced a quick change in the previous two decades; the strategies of globalization and advancement have opened up new roads for agricultural modernization.

This has prompted commercialization and enhancement, yet additionally activated different mechanical and institutional developments attributable to interests in the sector. Recent economic information of India demonstrated that agriculture had procured 18 percent of India's GDP, even though its offer in national yield has declined from more than 50 percent in the underlying years after Independence from the provincial guideline in 1947 to not exactly a quarter in the recent years as far as business vocation still around 58 percent workforce is occupied with agriculture as their chief occupation. Because of its significance in national yield and business, agriculture was given unique consideration



by India's policy creators and development organizers which helped this sector to assume an imperative job in the economic development of the nation and in improving income and expectation for everyday comforts of immense populace reliant on agriculture.

Amid last one and a half decade, a few challenges have surfaced in Indian agriculture which is ending up increasingly more extreme with the progression of time. These identify with the growth of yield, efficiency, value, and maintainability. The greatest challenge is to switch the sharp decrease in the growth rate of the agriculture sector experienced after the mid-1990s. The growth rate has turned lower than the growth in populace reliant on agriculture suggesting that per capita income in agriculture is falling.

This is viewed as a major factor for huge scale rural misery and an expansive number of self-destructive passing by farmers in different pieces of the nation. Another greatest challenge is to guarantee sustainable utilization of natural resources. While the requirement for quickening agricultural growth is self-evident, the natural asset base in the nation is contracting. There are additionally indications of corruption of land and overexploitation of water in the nation. Post-WTO period has demonstrated genuine challenge to Indian agriculture as domestic prices of a few products have turned higher than international prices. This has made imports attractive and antagonistically influenced fares. The circumstance calls for

improving the intensity of Indian agriculture which requires improvement in efficiency in agricultural production, marketing, transport and so on.

ADB Economic Outlook 2014 estimates that reforms can settle hindrances to venture and could enable growth to accelerate to 5.5% in this financial year and further to 6% FY 2015 the Year 2013-14, saw the Indian economy develop at a subdued rate of 4.9% - overloaded by growth log jam, rising, swelling, falling money and tight fiscal strategies. These factors have guaranteed that the economy kept on operating beneath its potential. A year ago, the food grain production increased by 2.4% achieving a record of 259 million tons against a past yield of 255.36 million tons of food grains production in 2012-13 An effective usage of basic reforms can start more grounded growth.

2. THE POLITICAL ECONOMY OF AGRICULTURAL AND FOOD POLICIES

A few vital recent international developments have brought the political economy of agriculture and food policy (back) to the highest point of the international trade and development plan. The inability to achieve agreement in the World Trade Organization's (WTO) Doha Round of trade arrangements has, once more, conveyed to the front line the vital job that political contemplations keep on playing in agricultural policy and, along these lines, in international trade and



relations. In spite of a solid decrease of the agricultural sector regarding work and yield in rich countries, agriculture and agricultural policy remains lopsidedly essential for rich countries in their trade exchanges even to the degree that they are eager to give WTO dealings a chance to fall over the question on agricultural policy[1].

The worldwide food emergency has likewise attracted consideration regarding the disappointment of agricultural strategies to invigorate speculation and productivity growth in creating countries where farmers have been burdened for quite a long time. In the meantime, the emergency has made international pressures, as the utilization of fare bans and trade imperatives has exacerbated price vacillations on world markets and the accompanying negative impacts for some poor countries and families. International pressures have additionally ascended as food bringing in countries asserted that rich nation appropriations of agricultural production exacerbated food price increases for sustainable power source purposes[2-4].

3. CURRENT CHALLENGES FOR AGRICULTURAL POLICY

Farmers likewise now have the adaptability in the projects to move among crops in light of changing market conditions. This is in stamped difference to the past, when utilization of inflexible grounds portions and marketing quantities kept them bolted into a given production design. This additional adaptability which the set-aside program

gives should permit an increasingly effective utilization of resources. Advancement in policy is the choice to partake in international product agreements. This isn't new, obviously, since we have taken an interest in ware agreements before. In any case, we had walked out on them for quite a while, and generally took a negative perspective on what they could offer. This Administration has just initialled an International Sugar Agreement. Its approval has been held up until agreement is come to on domestic policy.

The Administration has likewise been associated with protracted exchanges on an International Wheat Agreement. Our targets in such an agreement are to get a more prominent sharing of change costs among countries, and to acquire more noteworthy solidness in the international market for wheat, the last to be gotten through the joint management of nationally held hold stocks. The last advancement of our policy is the inconvenience of cut-off points on the extent of direct payments that singular farmers get from the government.

In spite of the fact that these restrictions have likely had just an insignificant impact on the dissemination of income and instalment benefits, most eyewitnesses would concur, that this development has improved the general value of the projects when the value is assessed as far as both the farm maker and the citizen. To outline, both the 1973 and 1977 enactment have given us imperative strides toward developing increasingly discerning product programs. In



any case, regardless we have several essential policy challenges before us. Give me a chance to address something like four of them[5].

The risk is that we will go right back to the old standard approaches, with every one of their suggestions. In addition, there is additionally risk that we could in the long run substitute the majority of our outside provisions with domestic production, with a market share course of action worked out among the different gatherings of domestic producers. Keeping away from such import substitution is a major challenge on the off chance that we are to utilize our resources. On account of dairy, we join numerous different countries in having a genuine change issue. Supplies of dairy products in government hands are fairly extensive. The idealistic standpoint at meat costs may help bring this sector into balance. Be that as it may, it is as yet helpful to approach whether an increasingly suitable policy for the dairy sector may be conceived.

4. INDIAN AGRICULTURE POLICY

The case for such a methodology is clear, in spite of the anxieties and strains which it causes. There are issues, notwithstanding, both in articulating what a food and agriculture policy include, and in dealing with the political and policy-production challenges which it presents. Give me a chance to make a couple of remarks on every issue. The distinctive characteristic of a food and agriculture policy is that it covers the full scope of activities from the

utilization of food, through processing and dissemination activities, production, and the supply of contributions to all sectors considered.

Seen domestically, a food and agriculture policy would cover what is frequently alluded to as the food chain. Be that as it may, to be finished it ought to incorporate the trade sector too, since even a major agricultural exporter, for example, the United States imports a critical offer of its food utilization. Unmistakably the verbalization of such a policy is more troublesome than a tight spotlight on agriculture alone. In the main occurrence, it implies that shopper interests become a vital policy issue. The administrative part of customer approaches has been an essential wellspring of contention in recent years, as has been the troublesome challenge of endeavoring to represent nourishing contemplations

5. CHALLENGES FACING WORLD AGRICULTURE: A POLITICAL ECONOMY PERSPECTIVE

The central challenge confronting the world food system is the since quite a while ago unfulfilled guarantee of taking out yearning and guaranteeing food security for all. It bears observer to significant imbalances in economic access to food organized by unequal production and market relations. This 'long haul' worldwide issue isn't leaving soon. Aside from these imbalances, that present approaches can just perpetuate, agricultural patterns for the coming decades



are a long way from confident. Imbalances inside the worldwide South have ascended in recent decades abandoned somewhere in the range of fifty or so least developed countries with quickly rising populaces and work powers, declining land bases by biological pressure and climate change, dormant land and work productivities, and seriously traded off food security.

The gigantic food price increases saw in the course of the most recent four years that created profound misery among a huge number of poor people and food-uncertain over the world may likewise be viewed as a required cautioning to the national and international powers of the costs of gross dismissal and delicate palliatives. That the price increases were themselves essentially because of the sucking up of agricultural resources by the financed growth popular for bio-energizes in the propelled countries, and furthermore to the jogging growth sought after for extravagance foods, further underlines the job of worldwide income disparities. Consequently, the recent price flood augurs the state of things to accompany the regularly fixing linkage inside the food– powers complex, which climate change and rising vitality prices can just irritate. This Assessment expects to survey the long haul prospects for worldwide agriculture in guaranteeing food security for all, to envision financial holes that present structures, approaches, and practices predict, and to propose a political economy perspective going past the same old thing that is required to fundamentally

evaluate solid valuations and viable arrangements.

6. CONCLUSION

More explicitly, researcher had initially given a concise synopsis of the key bits of knowledge of the prior writing to put the more up to date developments into a more extensive perspective. This is trailed by a survey of new information and new experiences from the writing wherein I talk about changes in the political economy of trade policy writing and its suggestions, just as new bits of knowledge on the job of political establishments, philosophy, and disparity on the impact of emergencies and spasmodic changes. At last, I survey new bits of knowledge on the political economy of information and the job of the broad communications. In the last area of the article, issues for further investigation are distinguished.

More recently, a few (politically "shrewd") African pioneers have been utilizing (rural) interests either to guarantee their political survival. Next, experiences concerning the job of emergencies have improved, yet have not yet been integrated into econometric investigations. A first issue is the significance of the decision of which "emergency" and which "outer change" to incorporate as illustrative factors. While creators seeking after a single nation or regional econometric analysis might be very much aware of key outside factors that should be incorporated, it is a lot harder to choose such factors for studies utilizing the whole (worldwide) dataset.



The reason for this research was essential to acquire a general image of the economic characteristics of those countries accomplishing the quickest advancement in diminishing poverty. It is inappropriate to finish up on this premise of this research, for instance, that the greater speculation there is in agriculture, the more growth will pursue, and the more poverty will be diminished. Cautious consideration should be paid to the particular circumstance in individual countries, to the idea of interests in the sector, and specifically to the macroeconomic condition in which the sector operates. Since more than half of workforce is still engaged in agriculture for their livelihoods and employment, agriculture continues to be a predominant sector of Indian economy, even though its share in national Gross Domestic Product has declined in recent years.

This research has audited the economic writing identified with agricultural policy. Since the key inquiry is the way to utilize agriculture in support of a basic change of the economy, we started by analysing the pretended by agriculture in the development process and its interactions with different sectors. In poor countries, agricultural growth has a colossal ability to diminish poverty. Because of this potential, improving productivity in the agricultural sector in creating countries is basic and a basic advance to achieve the Millennium Development Goals. Somewhere in the range of 75 percent of the present poor living in rural areas would profit enormously from higher incomes in agriculture.

The most troublesome challenges are institutional and are identified with market disappointments, missing markets and property rights. Agriculture can likewise be a motor of growth and give business chances to the rural non-farm economy on account of its linkages with small urban areas and rural areas. Rural development and network driven development can aid this process. The government should assume a critical job for a considerable lot of the assignments proposed in this research. It ought not, be that as it may, be the main purveyor. The private sector will be the fundamental wellspring of speculation reserves and a provider of administrations

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