REVIEW OF RESEARCH

GLOBALIZATION REGIME: INDIA'S PULSES IMPORTS RESPONSE

Dr. Veer Virendra Singh

Associate Professor , Department of Economics ,
J. S. Hindu P.G College, Amroha.

ISSN: 2249-894X
IMPACT FACTOR : 5.7631(UIF)
UGC APPROVED JOURNAL NO. 48514
VOLUME - 8 | ISSUE - 8 | MAY - 2019

ABSTRACT:

Agricultural development in India is an integral part of economic development. Around 20 percent of GDP comes from agricultural and it provides employments about 65 percent of the Indian population. Nearly 12 percent of India's export earnings from agricultural exports. India has lives with pulses shortage for very long periods and the food grain production in India has increased significantly over the period of planning but pulses production is very low in India and depends on pulses imports. After Globalization, India's pulses import increases significantly and exports are very low.

KEYWORDS: *Pulses, Imports, Growth Rate, Globalization.*

INTRODUCTION

India had remained a closed economy till the early nineties. Even the economic reforms initiated since 1991 cover mostly agricultural and non -agriculture sectors. The term globalization broadly signifies the process of increase trade, flow of capital and human resources and transfer of technology between nations. Global integration, which started after the Second World War, accelerated over the last two decades. Rapid technical change has facilitated the process of globalization by creating a conduced atmosphere.

WTO as a multilateral trading system, which comes under globalization, has become fully operative with the implementation of the General Agreement on Tariffs and Trade and Trade Treaty of 1995 in Marrakesh, Morocco as a result of prolonged seven-year GATT negotiations, the so called Uruguay Round .WTO has been created to replace GATT and to overcome major shortcomings under the GATT system by introducing a stronger and more comprehensive liberal trade regime. Since 1995, nearly all developing countries have become members of WTO and agreed to abide by the discipline of non-discriminatory trade liberalization. For the purpose of this work, it is worth mentioning that agriculture for the first time in the history has bought into framework of the world trading system .Likewise are the Trade Related Intellectual Property (TRIP's),Sanitary and Phytosanitary measures ,environment and child labour and anti-dumping as well as safeguard measures . The pro-globalization camp argues that without economic growth, spurred by global free trade and investment, there is not much future for the poor and developing countries.

The pro-globalization camp argues that without economic growth, spurred by global free trade and investment, there is not much future for the poor and developing countries .Added to this, the camp attributed the depressed and destabilized world prices, specially for agricultural commodities, to the protectionist measures and inward-looking strategies adopted by almost all countries around the world ,preventing producers from utilizing the viable investment opportunities and from realizing the benefits of their true competitiveness. The pro – globalization camp also strongly argues that the scarcity of natural resources and their physical limits, made it possible to develop and invest in resources expanding technologies in agriculture and other areas which would reduce the factor of food security, pollution and environment as long-term constraints to economic growth.

The arguments put forward by the pro-globalization camp are met by counter arguments being expressed by the camp not favoring globalization. The camp argues that the economic growth strategy and the "trickle-down effect of growth and globalization are two faces of the same coin .The experience of third world with growth "trickle-down process" over at least 50 years ,was disappointing as it did not produce the perceived desirable economic and social changes. Instead, it resulted in greater economic and social inequality between Third World and the Developed countries.

The prolonged secular decline in real prices of agriculture commodities as well as the declining demand for exportable agriculture commodities is still persistent, threatening the growth in national income and the livelihood of the rural people of the most third world countries .Moreover, the ability of small farmers of developing countries to respond to market signals is limited and hence their gains from global market, the only gainers will be the multinational companies engaged in agricultural production and marketing.

REVIEW OF LITERATURE

UNDP (1992), in this context, reference is generally made to change in the capitalist organization of production and society, extensions of a process of capital accumulation. As prescription, globalisation involves the liberalization of national of national and global markets with the belief that free flows of trades, capital and information will produce the best outcome for growth and human welfare.

Bhagwati, Jagdish (2004) Globalization is not limited to economic globalization. Economic globalization and Information technologies affect global culture. The free flow of goods establishment of manufacturing facilities, spread of restaurants, internet, satellite &cable T.V are sweeping away cultural boundaries. Thus globalization has many aspects such as economic, political, social, culture etc, but this study focuses mainly on economic globalization and the term globalization in the stsudy means economic globalization.

Nayyar, Deepak (2006), the process of globalization accelerated during the last quarter of twentieth century. There are three main phenomenon-international trade international investment and international finance, which also constitute its cutting as edge. But there is much more to globalization. It refers to the expansion of economic transactions and the organization of economic activities across the political boundaries of nation states. More precisely, it can be defined that as a process associated with increasing economic openness, growing economic interdependence and deepening economic integration between countries in the world economy.

World Bank (2006), Globalization has created opportunities for developing countries. The experience of India, China, Indonesia, Thailand and some other countries have demonstrated that integration into the global economy is necessary for long term growth and poverty reduction.

Handbook of Agriculture, 2009; Ali and Gupta, (2012), According to these pulses are the second important group of crops. It contributed in providing nutritionally balanced food for vegetarian population in India. Many factors plays important role in shortage of pulses like stagnation of production, poor spread of improved varieties and technologies, climate changes, complex weed-pest-disease syndrome. The country filled this shortage by importing 3-4 million tones every years.

OBJECTIVE

To examine the relationship between Globalization and growth rate of pulses imports

METHODOLOGY

Here, we will calculate the compound annual growth rate by following tool:

$$Y= AB^t$$

Where,

Y= Growth rate of pulses exports and imports
T= Time period
A&B= Coefficient

Therefore, compound growth rate is:

CAGR= (b-1)*100

Where,

A=Intercept
B= Antilog of log B

DATA ANALYSIS

We are calculating the compound annual growth rate by availability of imports data of pulses in following table:

Table: Pulses Imports during 1980-81 to 1913 -14

Years	Quantity (000' t)	Value (Rs in crores)	Years	Quantity (000' t)	Value (Rs in crores)
1980-81	172.96	29.76	1997-98	1008.15	1194.67
1981-82	128.07	44.34	1998-99	563.53	708.81
1982-83	102.36	36.68	1999-00	252.82	385.25
1983-84	227.9	82.85	2000-01	350.57	500.06
1984-85	235.39	100.7	2001-02	2232.29	3163.72
1985-86	431.44	189.06	2002-03	1995.33	2741.05
1986-87	624.79	233.66	2003-04	1723.33	2284.87
1987-88	612.4	272.02	2004-05	1339.45	1777.58
1988-89	755.56	1190.01	2005-06	1695.65	2476.65
1989-90	469.9	228.35	2006-07	2270.97	3891.91
1990-91	1273.43	481.17	2007-08	2835.05	5374.94
1991-92	312.61	254.77	2008-09	2474.11	6246.4
1992-93	382.62	334.38	2009-10	3509.58	9813.37
1993-94	627.96	566.85	2010-11	2698.66	7149.62
1994-95	554.08	593.37	2011-12	3364.8	8931.24
1995-96	485.65	685.55	2012-13	3839.3	12733.7
1996-97	654.79	890.34	2013-14	3049.29	10550.97
CAGR#			**CAGR**		
befor1991	**24.53**	**36.38**	**after1991**	**12.21**	**18.82**

Source: Directorate of Economics and Statistics, DAC&FW
#**CAGR**: Compound Annual Growth Rate

The above table shows that CAGR of pulses quantity imports during 1980-81 to 1990-91 were 24.53 million tons before globalization and 12.21 million tons in 1991-92 to 2013-14 after implementation of globalization. It is clear that after globalization trade policies the compound annual growth rate of pulses quantity imports are positive but not increase.

CAGR of pulses imports during 1980-81 to 1990-91 were Rs 36.38 crores before globalization and Rs 18.82 crores in 1991-92 to 2013-14 after implementation of globalization. It is clear that after globalization trade policies the compound annual growth rate of pulses imports are positive but not increase. It is clear that after implementation of globalization imports of pulses affected adversely. It is good sign for of Indian economy.

REFERENCES

1. Bawa,R.S (2000), " Challenges and Opportunities of Globalization; Implications for India,'' Presidential address to 84th Annual Conference of Indian Economic Association, the Indian Economic Journal, Vol.49(3).
2. Bhagvati,Jagdish (2004), In Defense of Globalization, Oxford University Press, New Delhi.
3. Nayyar,Deepak (2006), "Towards Global Governance**",** in Nayyar, Deepak(Ed.) (2006), Governing Globalization**:** Issues and Institutions Oxford University Press, New Delhi.
4. Rassekh, Farhd (2007), "In International Trade More Beneficial to Lower Income Economies? An Empirica Inquiry'', Review of Development Economics, Vol. 11(1)
5. Stiglitz , Joseph E. (2002), Globalization and its Discontents, Penguin Books , New Delhi.
6. Steger, Manfred B. (2006), Globalization: A Very Short Introduction, Oxford University Press, New Delhi.
7. **World Bank (2007),** Global Economic Prospects: Managing the Next Wave of Globalization, Washington, D.C.
8. Yusuf, Shahid (2001), Globalization and the Challenges for Developing Countries, World Bank Policy Research Working Paper, 2618, Washington, D.C.
9. Zind, Richaaard G. (1990), Comparative Development Gains: An Empirical Assessment, the Development Studies, Vol. XVIII, June, NO. 2 pp 1-21.

Dr. Veer Virendra Singh
Associate Professor , Department of Economics , J. S. Hindu P.G College, Amroha.