

A Comparative Study of Oil Seeds Production and Area: Pre and Post WTO Era



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

Abstract

Every since 1951, Indian Agricultural Production has been increasing at an average annual rate; it is not a mean achievement. None the less this growth has been far short of the growing needs of the country and in consequence our dependence on the vegetable oil imports has continuously been growing. This state of affairs cannot go on for long. The rate of growth of agricultural production of oil seeds in the general food crop in particular must be stepped up. Diagnosis-off and remedies for correcting persistent edible oil shortage have been varied and manifold. A sizeable part of thinking on the agricultural problem has been clouded with prejudices and ideologies of different hues at different times. Fortunately this fog is lifting and the 'New Strategy' for agricultural production is predicated on a correct diagnosis of the problem that the limitation to increased agricultural production of vegetable oil is not the backwardness of the farmer but rather the inadequacy of the supply of current inputs particularly chemical fertilizers and improved seeds.

Keywords: Oil Seeds, Growth Rate, Productivity and Area, WTO

Introduction

'Agricultural Productivity' is in practice an elusive term and its measurement is a difficult job. It may be measured in two ways, viz, output per acre and output per person engaged in agriculture. The latter may be more relevant in economically advanced countries where labour is a scarce and costly resource and where increased returns to labour are sought. On the other hand, in less development countries like India, where labour is relatively abundant while capital and land are scarce, the concept of productivity in the sense of output per acre becomes more meaningful. It is this concept which has been adopted in the paper. The agricultural output varies from year to year depending on the rainfall and weather conditions. Again the output is influenced by the material input like improved seeds, fertilizers and monsoons irrigation, as also by farm practice and technical knowledge and various other incentives offered to the farmer through prices subsidies etc. In such a situation, for an assessment of the impact of any one measure on agricultural productivity, it would be necessary to isolate the impact of all other factors operating on the farm economy. This task is extremely difficult unless special case studies aimed at such isolation are under-taken especially for the purpose. In India the programme of land reforms from a part of an overall plan of agricultural development, which includes a sole range of government or co-operative agencies for credit, supply of form requisites, extension and research, etc. The points that need to be underline is that the assessment of the changes in agricultural productivity or yield per acre over a period of time may be rather simple enough; but attributing changes in productivity to any particular measure such as a lane reforms is by no means easy changes in the agricultural techniques and cop patterns etc, cannot be isolated and apportioned with any semblance of accuracy. In the present paper, therefore tries to disentangle the various facts of the land the process offers a few suggestions for considerations which may help in assessment of the direction of impact of land reforms on agricultural productivity.

WTO(conversely known as globalization) can be defined as a multilateral trading system encompassing a package of principles and rules aiming at integrating national economies with the economies of the rest of the world .Such integration is perceived to be rooted through increased volume of goods ,services ,capital ,technology ,information and ideas across national boundaries for the Welfare of humanity in the globe.

Review of literature

According to Vaidyanathan (1988), the difference between productivity of irrigated and rain-fed lands (expressed as a percentage of the latter) varies from 50 percent in Bihar to 80 percent in Maharashtra. The differences much wider than comparison are made at the district level. The data suggest that the productivity differential between irrigated and rain-fed land is inversely related to the level of rainfall, that is irrigation makes a much greater difference to land productivity under conditions of low rainfall than in high rainfall regions. The quality of irrigation is also important though its effect is difficult to measure empirically.

M. Chattopadhyay and A. Sengupta (1997) concluded that the inverse relationship between farm size and output per hectare seems to have been strengthened in the agriculturally developed regions of West-Bengal compared to the relatively less developed regions. This, they claim, may be due to the impact of green revolution technologies on land productivity on the smaller sized farms. Give their use of disaggregated farm level data for 1989-90. Sampled from six agro-climatic zones across the state of West-Bengal, this is a first sight a potentially significant finding which runs against much of the evidence from India and other countries which suggest a breakdown in the various relationships with higher level of capitalist development in agriculture.

Bhalla and Tyagi (1999), shows that the rate of change in area and yield of all crops, as well as their relative importance in accounting for the growth

Data Analysis**Table: Oil Seeds Productivity and Area during 1950-51 to 2013-14**

(Area in million hectares & production in million tons)

Years	Area	Production	Years	Area	Production	Years	Area	Production
1950-51	10.73	5.16	1973-74	16.91	9.39	1995-96	25.96	22.11
1951-52	11.69	5.03	1974-75	17.31	9.15	1996-97	26.34	24.38
1952-53	11.18	4.73	1975-76	16.92	10.61	1997-98	26.12	21.32
1953-54	10.99	5.37	1976-77	16.47	8.43	1998-99	24.28	24.75
1954-55	12.52	6.4	1977-78	17.17	9.66	1999-00	22.77	20.72
1955-56	12.09	5.73	1978-79	17.71	10.12	2000-01	22.64	18.44
1956-57	12.49	6.36	1979-80	16.94	8.74	2001-02	21.49	20.66
1957-58	12.66	6.35	1980-81	17.61	9.37	2002-03	23.66	14.84
1958-59	13.01	7.31	1981-82	18.91	12.08	2003-04	27.52	25.19
1959-60	13.95	6.56	1982-83	17.76	10.01	2004-05	27.86	24.35
1960-61	13.77	6.98	1983-84	18.69	12.69	2005-06	26.51	27.98
1961-62	14.77	7.28	1984-85	18.92	12.95	2006-07	26.69	24.29
1962-63	15.34	7.39	1985-86	19.02	10.83	2007-08	27.56	29.76
1963-64	14.82	7.13	1986-87	18.63	11.27	2008-09	25.96	27.12
1964-65	15.26	8.56	1987-88	20.13	12.65	2009-10	27.22	24.88
1965-66	15.25	6.4	1988-89	21.9	18.03	2010-11	26.31	32.48
1966-67	15.02	6.43	1989-90	22.8	16.92	2011-12	26.53	29.8
1967-68	15.67	8.3	1990-91	24.15	18.61	2012-13	-----	30.94
1968-69	14.47	6.85	1991-92	25.89	18.61	2013-14	-----	32.75

Remarking An Analisation

of total output between the early sixties and the early eighties, varies widely across states. Yield improvement has been the more important source of output growth in most states. States experiencing more rapid growth of total output also tend to have higher rates of increasing in crop output per hectare. These are not much of an association between crop area growth and output growth.

Singh A.K (2017), describe that India is the world third largest economy. Quality of life of Indians also increases as well as people change their food habits. This results more consumption of quality foods and fatty substances also.

Objective of the Study

To know the oil seeds productivity and area growth rate in India pre and after WTO era

Methodology

To know the growth of agricultural oil seeds productivity and area we will use the compound annual growth rate formula-

$$Y = AB^t$$

Here,

Y = growth rate of the variable, like area and production of oil seeds

T= time period

A and B = coefficient

Therefore, CGR is given formula-

$$CAGR = (b-1) * 100$$

Where,

A= intercept

B= antilog of log 'B'

1969-70	14.81	7.73	1992-93	25.24	20.11	2014-15	-----	27.38
1970-71	16.64	9.63	1993-94	26.91	21.51			
1971-72	17.27	9.08	1994-95	25.31	21.34			
1972-73	15.79	7.14						
CAGR*				1.74	2.95		0.49	2.29

Source: Directorate of Economics and Statistics, DAC&FW

* **CAGR:** Compound Annual Growth Rate

Conclusion

CAGR of oil seeds area were 1.74 in 1950-51 to 1994-95 and 0.49 from 1995-96 to 2011-12. This study shows that oil seeds area were normal before WTO era. CAGR of oil seeds area were very low after implementation of WTO policies. There is an adverse effect of oil seeds area in Indian. After WTO policies shows high declining trends in oil seeds area in India.

CAGR of oil seeds production were 2.95 in 1950-51 to 1994-95 and 2.29 from 1995-96 to 2014-15. The results shows that oil seeds production were normal before WTO era. CAGR of oil seeds production were decrease after implementation of WTO policies. There is an adverse effect of oil seeds production in Indian. The result shows declining scenario in oil seeds production in India after WTO policies.

References

1. Chand Ramesh(2002b), "Trade Liberalization, WTO and Indian Agriculture: Experience and Prospects", Mittal Publications, New Delhi.

2. Ghose, A.K, *Farm Size and Land Productivity in Indian Agricultural Journal of Development Studies*, No.16, 1980.
3. Kearney A.T *Foreign Policy*, (2004), *Measuring Globalization: Economic Reversals, forward Momentum, and The Carnegie Endowment for international peace*, *Foreign Policy*, March/ April, pp.57.
4. Singh A.K, (2017), *India Cereals Saga: Stand point and Way Forward*, *Journal of Agrisearch* 4(1):1-9.
5. Vaidyanathan, A, *India's Agricultural Development Policy Economics and Political Weekly*, May 31, 2001.
6. Government of India (2001), *WTO Agreements on Agriculture-India's Proposals*, Ministry of Commerce and Industry, New Delhi.
7. *Economics Survey*, Publication Division, Government of India.
8. *Agricultural Statistics at a Glance 2017*, Ministry of Agriculture.