

**THE APPROACH WHICH INDIA NEEDS TO ADOPT IN DEALING WITH CHALLENGES AND OPPORTUNITIES OF WTO****Voice of Research**
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ISSN No. 2277-7733**Archana Singh**Associate Professor
Dept. of Applied Economics,
University of Lucknow**Abstract**

India should be clear in perceptions regarding goals and development strategies, negotiation strategies and effective coordination with like minded countries and negotiators. In our country, general awareness about the different agreements of WTO, their implications and knowledge about the new issues that are likely to come up in the various review meetings are inadequate. The paper discusses the approach India should adopt in dealing with challenges and opportunities of WTO

Keywords: WTO, approach of India, challenges and opportunities of WTO

Preparedness for negotiations is most important failure of India in the context of WTO system. India should be clear in perceptions regarding her goals and development strategies, negotiation strategies and effective coordination with like minded countries and negotiators.

In our country, general awareness about the different agreements of WTO, their implications and knowledge about the new issues that are likely to come up in the various review meetings, are extremely poor and inadequate. The government machinery is often scared of throwing the issues for public debate on the apprehension that this may create embarrassment to the negotiating strategy to be adopted by the government negotiators. Unfortunately, it is not recognized that a widespread debate on the issues of negotiations and increasing awareness about the emerging challenges and opportunities would be useful to the government negotiators in acquiring greater clarity in the identification of the options open to them. In short India should strengthen the process of preparedness of the various issues of negotiations.

In regard to our import liberalization for increasing market access in our economy, we have reduced our tariff rates to a much greater extent that was warranted. This has implied a sudden exposure of domestic industry and agriculture to big international competition. Steps should be taken to strengthen the competitive capability of the domestic industry, trade and agriculture by providing suitable infrastructural support. Domestic economic entities should be freed from the unwarranted domestic state interventions before exposing them to the international competition. An integrated approach to the task of implementing our commitments under WTO would enable us to take advantage of the emerging opportunities of minimizing the adverse effect of threats of open competition from the more powerful entities.

The agreement on agriculture provides new opportunities for increased international trade in agriculture. However, ability to take advantage of these opportunities would

depend upon the structural strength of the agricultural sector. Unfortunately in the emerging liberalized and globalised environment, the domestic agricultural sector is becoming weaker and getting further marginalized. With the decline in the infrastructural investment by the state and with the withdrawal of various types of domestic incentives and also with the increased threat of dumping of agricultural goods in the liberalized frame work, there is every danger of our agricultural sector shrinking further, there by generating and further aggravating the huge problem of poverty, unemployment and rural deprivation. It is worth recognizing that despite the commitments to reduce subsidies, the countries in EU are continuing their agricultural subsidy programmed in some form or other. Studies have demonstrated that EU countries are increasingly adopting the green box measures of the agreement which are exempted from the subsidy reduction commitments. In this background continued increase in the exposure of domestic agriculture to the international unfair competition would bring considerable damage to the domestic agricultural sector. It is therefore necessary that an integrated strategy for the agricultural sector is adopted in the context of the new trading system.

Legal legislations and legal enforcements are an integral part of WTO system. Legal battles will have to be fought not only at national level but also at international courts which would be unaffordable for the poor countries. It is well known that many patent disputes - neem, basmati rice etc. had to be fought in the court of the U.S.A., at a huge cost. We should be aware of the fact that our level of expertise on WTO issues in our legal profession is very poor. Consultancy organizations specialized in WTO matters need to be established and their linkage with similar institutions in other countries needs to be encouraged. Some innovative approaches are required to deal with the most crucial aspect of the challenges posed by the WTO system for India.

Textile sector is India's largest industry accounting for nearly about twenty percent of the economy's industrial



output. Unfortunately its importance is not well recognized either in the industrial circles or in the policy circles. It has the potential of remaining as the leading sector for income generation and employment creation. Skill requirement of the sector is not up to the mark.

In recent years, the textile sector is shrinking in size and there is urgent need of modernization, technical change, restructuring and financial support. Facilities for training and retraining the labor for new and more skilled job profiles need to be strengthened. Presently, the textile industry, both in the public and in the private sector, is in deep mode of sickness and slackness. National Textile Corporation has failed to revive the sick units. A multi-pronged strategy needs to be worked out keeping in view the long term potential of this sector.

In the new rule based system, adoption of unfair business practices such as dumping, anti competition methods are flourishing. The dumping and anti dumping measures stipulates a rigorous framework for dealing with the problem of dumping. It is envisaged that anti dumping measures can be initiated only when existence of dumping is identified, injury to industry is measured and casual link between dumping and industrial injury is established. All these steps require strong technical and analytical support from technologists, chartered accountants, industrial and marketing consultants, researchers and policy makers. We do not have such an integrated institutional framework for monitoring the dumping cases well in advance and for identifying suitable anti dumping measures.