

## **CHAPTER V**

### **CONCLUSION**

India is a country in the southern part of the Asia continent which has the second largest population in the world, with its population around 1.2 billion. In geographical conditions, India has a lot of large rivers such as the Ganges, Brahmaputra, Yamuna River, River Godavari and the Krishna River. The existence of these streams, cause most of the lands in India to flourish. It puts the agricultural sector as the heart of life for India since time immemorial.

India is one of the founders of GATT (General Agreement on Tariffs and Trade) and it participated in signing it in October 1947. Later, India was known as a spokesman for developing countries that concern about the discussions to develop GATT. India's participation in international economic negotiations as an illustrator of developing countries with their attention to the interests of trade and the world trading system as the access of national development. Activeness India firmly believes that trade is a path of prosperity, as observers economists confirmed that the integration of international trade an opportunity.

The 9<sup>th</sup> Ministerial Conference of the World Trade Organization was held in Nusa Dua, Bali on December 3<sup>rd</sup> to 7<sup>th</sup>, 2013. The results of the 9th Ministerial Conference of WTO packed into Bali Package. It includes three agenda, namely trade facilities, agriculture sector and Development of the least developed countries (Least Developed countries / LDCs).

Bali Package is a historic moment in the course of the WTO since it was founded in 1995, which contains three important agenda, namely:

1. Developing countries and least developed benefit greatly with the result of trade negotiations that the new facility was first performed throughout the course of the WTO.
2. Bali Package provides flexibility for developing countries, especially countries with large population such as Indonesia and India to provide subsidies for their farmers and ensure food security for the poor.
3. The result of Bali Package agreement also encouraged to pay more attention to less developed countries both in terms of market access as well as other assistance.

The agenda have provided an opportunity for developing countries and less developed benefit greatly with the results of trade negotiations that the new facility was first performed throughout the course of the WTO. Bali packages also provide flexibility for developing countries in the field of food security program. In this case, there will be a change in the Agreement on Agriculture. Bali package also includes a political commitment to reduce export subsidies in agriculture and maintain it to remain at a low level, and reduce trade barriers for agricultural products imported under the quota system. Bali Package also contains draft agreements in the field of intellectual property rights (IPR), the work program in the field of electronic commerce, the work program for the economically weak countries, aid for trade, and trade and technology transfer.

In a meeting of the WTO in Bali, December 2013, an agreement called Bali Package was reached. However, before the agreement of Bali Package, when still in draft being rejected from the India government representatives. India Commerce Minister, Anand Sharma, make the effort to walk out for refusing the provisions on food subsidies. Assertion India is based on the India

National Food Security Act, in which the opening listed in The India National Food Security Act 20 of 2013, that Act confirms the state should provide food and nutrients in every stage of life of its citizens, by ensuring the availability of sufficient quantity and good quality at an affordable price for all citizens. Anand Sharma, Minister of Commerce of India rejected provisions that may be harmful the subsidies for grain based India policy which can provide food at affordable prices to the poor.

India's strong attitude towards Bali Package, which was followed by other countries such as Cuba, Bolivia, Nicaragua, and Venezuela who rejected the draft WTO agreement. Four countries agreed because there is the removal of references trade embargo the United States (US) that has endured for decades. These four countries wanted the issue to be taken to the WTO agreement. India reflected a contradiction the attitude with the attitude of developed countries indicates India does not want to be dictated by the WTO regime that perpetuates unilateral advantage that for developed countries. India contradiction attitude reaped through rules or regulations regarding agriculture. The difference is in the form of the attitude of India asked for an indefinite time of the application of additional agricultural subsidies developing countries from 10% to 15% of the value production. The gap that shows up is the subsidy itself. In which the developed countries gives the disbursement of subsidies to the agricultural sector. Developed countries like the United States have been providing subsidies in agriculture which are not less than 100 billion per year.

Therefore, in Europe they disburse the subsidies at least 80 billion Euros each year. That is, the fact is actually overturning of reality in which the developed countries to keep away from a trap of free markets regime and secure the country while developing countries, especially India, overshadowed frightened by the absence of the subsidy may be granted by the government so

that the stakes are causing social frustration that helped frame the presence of destruction for these nations.

The agricultural sector is an issue for India as a country that its population density is the 2nd largest in the world, and also about 56% of India's populations are farmers. Food security is not only a sensitive issue for India but also has a high social dimension. This is because the issue of food security is the responsibility of the state over its people in protecting food security. India runs the Food Safety Law, known as the India National Food Security Law with food supplies on the market to balance the price rising. The India Food Safety Law has two objectives, namely easier access to food and support farmers in the country. A total of 22 billion dollars on welfare schemes, subsidies for rice and wheat by 67% to 1.2 billion people. This scheme will be expanded on a massive scale to strengthen the program to provide food for 218 million people.