



Deutscher Tropentag, October 8-10, 2003, Göttingen

“Technological and Institutional Innovations
for Sustainable Rural Development”

WTO Entry and Agriculture in China

LIZHI ZHU

Institute of Agricultural Economics (IAE), Chinese Academy of Agricultural Sciences (CAAS), The Research Center for Agricultural Resources and Environment, China

Abstract

Based on macroeconomic view this paper practically analyses the chances and challenges in agricultural industries in China after WTO Entry, and meanwhile analyses the essential changes of the market competition of agricultural products in China with impacts of WTO. Based on the analyses, this paper proposes seven countermeasures to WTO challenges for the agricultural industries in China.

The chances of China WTO entry are described in this paper as: China become one constitutor of WTO rules and will get benefit from it. China enjoys the most-favoured-nation clause steadily and the export environment of agro-products is improved markedly. China can use the relative mechanisms to legally protect its rational interests. China can take full advantage of WTO entry to open new development room. China can further enlarge the cooperation with other countries and promote the modernisation of own agricultural production. China will speed up the reform of agro-products circulation system and the development of market economy. The administrative departments will change their functions entirely and enhance work efficiency.

Meanwhile, there are also challenges of China WTO entry, such as: the market competition will certainly take place great and substantial changes, the promises made by China in “Agreement on Agriculture” will also bring strong challenges. The countermeasures against the challenges are proposed in this paper: Optimising resources collocation, speeding up structure adjustment, developing preponderant products; changing subsidy form directly for farmer to reinforce agricultural industries and to enrich farmer; reforming circulation system, standardising market order and exploiting international market; being brave in innovation and carving out thought; adopting standard system, improving product quality and enhancing competition capacity; improving law and rules and using the regulations of WTO to protect own rights and interests; transforming the function of government to enhance macro-control and administrative efficiency.

Keywords: Agriculture, WTO, agricultural market