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## Modern trends and prospects to develop the agrarian sector of Georgia

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### Abstract

The purpose of the study is the general evaluation of the agrarian sector of Georgia, its statistical analysis, identification of modern trends and prospects for future development. The article applies qualitative and quantitative data analysis methods, including statistic data processing, data grouping and data analysis methods. The modern trends of the agrarian sector of Georgia are as follows: almost half of the population of Georgia lives in rural areas with low-productive farms oriented to meet one's own demands only and being the major source of livelihood; an increasing proportion of the agricultural lands is still not cultivated; the rate of unemployment is low, the number of self-employed increases; the specific weight of agriculture in GDP shows a decreasing trend, the local output of the sector shows an increasing trend.

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### Introduction

At the modern stage of development, on the background of the integration of Georgia with the EU, the development of the agricultural sector becomes increasingly actual. As for the country's integration with the EU market, the safety and high quality of the agricultural products is much important. Therefore, agricultural modernization and development has been recognized as the priority of the country. The state regulation plays a particular role in these processes. Therefore, the development of an expedient agrarian policy and moreover, the efficient realization of the agricultural products are a vitally important and objectively inevitable process. This has

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its final impact on the formation of the Georgian market, which must correspond to the scope of the agreements in the all-inclusive trade space.

Agriculture is an ancient branch in Georgia. The diversified natural-climatic conditions of the country and rich traditions and requirements of agricultural production for the long history of Georgia, necessitated the changes and corrections to the branch structure, standards and production specialization of agriculture.

Historically, in Georgia, agriculture was an important guarantee for the national security and economic independence of the country. It is true that the goal of agriculture is the provision of the people with foodstuff and supply of the domestic industry of the country with local raw materials, but with its nature, it is intersectoral what is evidenced by the close links with other branches of economy. The development of agricultural machine building, manufacturing of weed and pest-killer chemicals and fertilizers, irrigation systems, tourism and other allied fields depends on the development of the sector of agriculture.

Full utilization of Georgian agricultural potential is vitally important for the Georgian economy. For this purpose, the Government intends to create a favourable business environment, attract investments to agriculture and carry out policies that will actively promote further commercialization and growth. Besides, most important is to ensure food safety and security, which is the main duty of the Government, and in particular, of the MOA. According to the UN forecast, a drastic increase in the world population is expected. It will total 9 billion instead of the present 7 billion. Simultaneously, the political developments in the world, as well as global climate changes, create additional challenges to the task of provision of sufficient foodstuff of acceptable quality to the global population. These problems are becoming even acuter given the current global economic and financial crises. It is apparent that Georgia being a part of the global economy cannot be left untouched by the ongoing processes. Despite some transformational dynamics of the economy, the issue of the poverty and provision of foodstuff to the population is still very severe. Therefore, the key objective for the upcoming years is to create a developmental model for the country's agricultural sector that will ensure provision of affordable and quality food to the Georgian population, as well as maximum use of its export potential in commodities where the country has a competitive advantage, and economic diversification by means of creating off-farm jobs, promoting family farming as well as agritourism. In addition, it should be noted that the agrarian sector must create the major export potential of the country, and the strategies to penetrate the international markets must be developed.

Despite these difficulties having occurred since Georgia gained independence and in recent years particularly, the agriculture and allied industrial branches in the country have the potential to give one-third of the country's economic production and are capable of making the largest contribution to the country's export, increasing the rate of employment in rural areas and abolishing the food deficit seen in many regions of Georgia. To date, this potential has not thoroughly recognized or used.

At present, agriculture of Georgia faces many problems and challenges and their solution is one of the priorities for the country and one of the major topics of political and economic discussions. Both, the Georgian and foreign scientists share the view that the agrarian sector for Georgia is the only way to overcome poverty and reach the economic growth and plays an important role in the economic development of the country. However, there are some questions as to what kind of resources and investments are needed to overcome the crisis in the field, how real the improvement of its competitiveness is in terms of global competition, what the role of the state is in its development, how much it is possible to improve the efficiency of a great number of domestic economies, etc. These questions are a subject of study of many scientists (Paata Koghuashvili, 2006; Omar Keshelashvili, 2012; Ramaz Abesadze, 2014; Nino Abesadze, 2014; Gulnaz Erkomaishvili, 2014, etc.). However, at the present stage, the general evaluation of the agrarian sector has a decisive importance to develop the relevant strategies and policy.

This question is to be studied and subject to statistical analysis; the real trends and prospects for future development must be identified what is the principal goal of the study.

## 1. Methodology

The study uses the methods of statistical observation, grouping and analysis – the methods of calculation of the generalized values and time series analytical values. Both general and specific research methods, such as analysis, synthesis, induction, deduction, scientific abstraction, comparison, statistical methods (selection, grouping, observation, dynamics, etc.) are used in the research, as well as statistical graphical and statistical table methods

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