

Globalization and Indian Agriculture: How the World is Changing Our Farms

Makey Sri Chakra Naga Vardhan¹, Saloni Patil¹

Department of Agronomy, School of Agriculture, Lovely Professional University, Phagwara.

Introduction

Agriculture has always been the backbone of India. Most rural families depend on farming, and the food grown here feeds more than a billion people. But over the last 20-30 years, the world around us has changed. Countries have become more connected. Goods, ideas, money, and technologies now move across borders easily. This process is called globalization, and it has changed Indian farming in many ways.

What Globalization Means for Farmers

Globalization simply means that the world is linked like one big market. Earlier, farmers mainly sold produce in nearby mandis. Today, they can sell to buyers in Dubai, Europe, or America. In the same way, seeds, fertilizers, machines, and even food items from other countries also come into India.

Because of globalization:

- India started exporting more food products.
- Foreign companies began investing in seeds, fertilizers, processing, and storage.
- New machines and better technologies reached Indian villages.
- Farmers started growing crops based on global demand.

So, farming is no longer just a local activity. It is connected to international trade, prices, and standards.

WTO: The Organisation that Controls Global Trade Rules

In 1995, India joined the World Trade Organization (WTO). This organization makes rules for how countries should trade with each other. For agriculture, the WTO created the Agreement on Agriculture (AoA), which focuses on three things:

1. Market Access

Countries should reduce barriers like very high import taxes. This makes it easier to sell products across borders.

2. Domestic Support

Countries should not give too many subsidies that distort trade. Some support (like MSP and food security programs in India) is allowed because they help poor farmers.

3. Export Subsidies

Countries should not give too much money to exporters to artificially reduce prices in the world market.

For India, joining the WTO meant:

- We could sell more products abroad.
- We had to follow international quality rules.
- We had to protect our farmers without breaking WTO rules.

Positive Impacts of Globalization on Indian Agriculture

Globalization has brought many opportunities. Let's understand them one by one.

1. More Export Opportunities

India today exports rice, spices, fruits, vegetables, cotton, basmati, shrimp, and many other products. For example: Basmati rice exports increased from 1.2 million tonnes in 2005 to 4.6 million tonnes in 2023. India now supplies 40% of the global spice demand.

This gives farmers a chance to earn more by producing high-quality crops.

2. Access to New Technologies

Farmers today use Hybrid and high-yielding seeds, Drip irrigation and sprinklers, Drones for spraying, Mobile apps for weather and disease alerts, Machines that reduce labour work, Improved fertilizers and nano-products

Many of these technologies came to India because of global research partnerships.

3. More Job Opportunities

When exports grow, many related activities also grow, Sorting and grading, Packaging, Cold storage, Transport, Food processing.

These create thousands of new jobs in villages and small towns.

4. Better Income for Farmers

If farmers grow crops that have demand abroad like grapes, pomegranates, bananas, spices, and pulses they can earn better prices than the local market.

5. Availability of Food Throughout the Year

Due to global trade, India can now import food items when needed. This reduces shortages and improves food security.

Challenges Indian Farmers Face Because of Globalization

Globalization also brings serious challenges. Many farmers in India struggle with these problems.

1. High Production Costs

Modern seeds, fertilizers, pesticides, and machines are expensive. Small farmers find it hard to afford them. But they must compete with countries that have large farms and cheap production.

2. Low Selling Prices

Indian farmers spend more to grow crops, but global prices are often low. This creates a gap between cost and income, leading to debt.

3. Small Landholdings

Most Indian farmers own very small pieces of land. With such small fields, it is hard to:

- Use big machines
- Produce large quantities
- Reduce cost per unit

So, competing globally becomes difficult.

4. Developed Countries Give Huge Subsidies

Countries like the USA and Europe support their farmers with lakhs of rupees per farmer each year. This makes their products cheap in global markets. Indian farmers do not get that level of support so they face unfair competition.

5. Dependency on Foreign Companies

Many seeds and inputs today come from multinational companies. These are often expensive and patented. Farmers become dependent on them, increasing production costs.

6. Importing New Pests and Diseases

When seeds, fruits, or vegetables come from other countries, pests and diseases can also enter India. This can damage crops on a large scale.

7. Loss of Rural Jobs

Machines and automation have reduced demand for human labour. Traditional rural activities, cottage industries, and local food processing units are declining.

What India Needs to Do

To protect our farmers and still enjoy the benefits of globalization, India must:

- Strengthen MSP and procurement systems
- Improve irrigation and storage infrastructure
- Train farmers to meet export standards
- Support Farmer Producer Organizations (FPOs)
- Provide cheaper credit and insurance
- Regulate seed and input prices
- Promote organic, natural, and climate-resilient farming
- Create more food processing units near villages

Globalization should not only benefit large farmers it should work for everyone.

Conclusion

Globalization has opened new doors for Indian agriculture, but it has also exposed farmers to new risks. The challenge is not to stop globalization, but to manage it wisely. Farmers need better support systems, affordable technologies, fair prices, and strong government protection. If India strengthens its policies and empowers small farmers, globalization can be a tool for growth rather than a source of struggle. Our farmers have the skill and commitment they

just need the right support to succeed in a fast-changing world.

References

- Al-Busafi, M. A. J. I. D., And Benn, T. (2010). Impacts Of Globalization on sport and coach education fields. *Ovidius University Annals, Series Physical Education and Sport/Science, Movement and Health*, 10(2).
- Bhagwat, S., and Maravi, A. S. (2016). A Study of Impact of the WTO Regime on Indian Agricultural Commodities. *International Journal of Research in Finance and Marketing*, 6(6): 148-165.
- Jones, Steve. (2025) "What Is Globalization?" *ThoughtCo*, thoughtco.com/what-is-globalization-3310370.
- Kar, A., Shegiwal, E., Kumar, P., and Prakash, P. (2018). Impact of contract farming on basmati rice (*Oryza sativa*) in India. *The Indian Journal of Agricultural Sciences*, 90(7).
- Kavita, K., Kumar, A., Singh, P., Sumit, and Mehta, V. P. (2021). Indian agricultural trade in WTO regime. *The Indian Journal of Agricultural Sciences*, 91(2).
- Kumar, S., Chahal, V. P., Jhajhria, A., and Kumar, S. (2021). Contract farming and Indian agriculture: Potential and challenges. *Indian Farming*, 71(9). Retrieved from <https://epubs.icar.org.in/index.php/IndFarm/article/view/118460>
- Mahadevan, R. (2004). Productivity growth in Indian agriculture: The role of globalization and economic reform. *Asia-Pacific Development Journal*, 10(2): 57–72.
- Mohta, R. (2020). Globalization and its effects on Indian agriculture sector. *International Journal of Social Science and Economic Research*, 05(07)
- Yadav, p., and joshi, m.(2025) globalization of agriculture and wto. *The agbiz today e-magazine*, 2(1)

