

GLOBALISATION AND ITS IMPACT ON AGRICULTURE ECONOMY

Dr. N. B. Chaudhari.

(Associate Professor.)

DR.B.N.P.Arts, S.S.G.G.Commerce & Science College, Lonavla.

Introduction:

The concept of globalisation is frequently used but clear cut meaning of this concept is rarely available. According to cheng ' Globalisation refers to transfer , adoption and development of values ,knowledge technology and behaviral norms across countries and socities in different parts of world.

According to Knight de wit – It is the flow of technology , economy , knowledge, people, values, ideas across borders'

So here we may say that globalisation is :

1. The identification of economic , political and cultural relation across border.
2. The historical period launched since the end of the cold war.
3. The transformation of world economy optimised by literacy of financial markets.
4. An ideology and orthodoxy about the logical and inevitable culmination of the powerful tendencies of the market at work.
5. The inability of nations –States to cope with global problems that require global solutions such as demography , ecology , human rights , nuclear proliferation.
6. Technological revolution with social implications.

Globalisation refers to :

- a) International flow of goods , capital ,labour , services and information.
- b) Globalise production , marketing , technological as well as information network.
- c) Economic independence through mutual co operation & collaboration.
- d) Mutual cultural integration and use of international standard.
- e) Deteriorisation and villgization of the world.

Therefore globalisation has been identified with the impact of globalisation policy reforms of 1991 in India.

Impact of Globalisation on various sector :

a) Impact on Agriculture :

India is mainly an agricultural country . Agriculture is the most important occupation for most of the Indian families. Agricultural employees are 60 % of the Indian population. It contributes about of 16% of total GDP and 10% of total exports. Over 60 % of India's land area is arable making it the second large country in terms of total arable land .Agriculture is the backbone of Indian economy. Agriculture in India is a ' way of life and then Mode of business.'

By 2001 , India completely removed restrictions on imoport at almost 1500 itemsincluding food.

Table no.1.

Particulars./ Year.	1995-96	2000-2001	2012-2013.
Indias growth rate in GDP.	7.29	4.15	4.47
GDP (in million US\$)	326608 (year 1990)	476609	2048517(2015)
Agricultural & Allied sector growth.	-0.70	-0.01	1.42.
Agricultural sector growth	-0.98	-0.61	0.91

Source: 1: Reserve Bank of India ,Central statistical organisation , finance ministry.

2: Economic Survey 2013-14.

Due to the globalisation agricultural production fell by 12.6% in 2003 and growth slow down from 4.69 to 2.6% in 1997-98 & 1.1 in 2002-03. The slow down in agriculture is in contrast to the 6% growth rate of the Indian economy. Farmers suicide 12 % of the suicide in the country in 2000. Credit taken among small & marginal farmers is 20% in rural areas & remaining 48.6% being provided by private money lenders pushed in to debt. The globalisation affects on input costs , price of produce and credit facilities also. The biggest input for farmers is seed. But due to globalisation seeds cost per acre increased from Rs. 70 to Rs. 1000. Due to non availability of spurious seeds it leads to crop failures.Fertilisers prices increased 300% , electricity tariffs also increased by 5 times between 1998 to 2003.

By 2001 , India completely removed restrictions on import at almost 1500 items including food. The credit given to agrarian was extended against recommended target of 18% reduced to 10.3% . Rural development expenditure i.e. 14.5 % of GDP was reduced 8% by 1998 and further to 6%.

Table no 1. Shows that in 1995-96 India's growth was 7.29% which reduced to 4.47 % in 2012-13 and the agricultural & allied sectors growth growth was -.070 in 1995-96 which increased upto 1.42% and agricultural growth was -.0.98 % which increased upto 0.91%.

b) Impact on Unemployment , Poverty:

Table no: 2.

Particulars./Year.	1990	2000	2006	2010	2015	2016
Unemploment.	4.3%	4.3%	3.72%	3.55%	3.49%	3.46%
Number of employees	***	*****	****	*****	48.26 million.	44.85 million.

Table no.3.

Particulars.	2004-05	2009-10	2011-12	2015-16
Poverty.	37.2%	29.6%	12.4%	29.8%
Population under poverty	***	354 million.	172 million	360 million

Source & reference: Suresh Tendulkar committees report.

Unemployment and under employment are chronic problem in India. With the rate of unemployment being close to 10% in 2004.The above table shows that

unemployment was 4.3% in 1990 and it reduced upto 3.46 in 2016. The number of employees was also decreased in the year 2016.

The proportion of world population living in poverty has been steadily decline and since 1980 , the absolute number of poor people has stoped rising and appears to have fallen .

Due to the globalisation there is a reduction in poverty by 10% in india in the year 2000 and number of poor increased by 9 Million in 2002 as compare to 1999.The poverty rate was 37.2% in 2004-05 which reduced upto 29.8% in 2015-16.

c) Export , Import & Globalisation :

Table no.4. Export and Import in US\$ billion.

Particulars./ year.	1995-96	2000-01	2010-11
Export Growth	20.8	21.1	37.34
Import Growth	28	4.6	26.78

India export and input year 2001—2 was to the extended of 32572 and 38362 million respectively. Agriculture export account for 13 to 18% of total annual export of the country. In 2000-01 agricultural product valued at more than US \$ 6 million were exported from the country, 23 of which was contributed by the marine products alone. FDI flow around 0.5% of GDP and export increased from 0.5 to 0.7.The exports of the top products in 2005-06 were 404,719.56 INR crores and it increased up to 19064.44 INR crores..That the growth was 26.13% % import of top products were 572686.81 INR in crores in 2005-06 and it increased upto 736917.94INR crores.

The growth rate of export was 20.8 % in 1995-96 which increased upto 37.34 % in 2010-11 & growth rate of import was 28% which decreased upto 26.78%.It means our export was increased but import from other county was decreased.In short following are some indicators at a glance regarding indian economy.

Table no.5.

Pariculars/year	1995-96	2000-01	2010-11	2013-2014
Growth rate in GDP	7.29	4.15	8.91	4.74
Industrial GDP	11.29	6.03	7.55	0.35
Agricultural & allied sector GDP	0.70	0.01	0.81	4.71
Agricultural sector.	0.98	0.61	0.41	5.34
Service sector	10.11	5.07	9.67	6.78
Gross domestic saving	23.58	23.77	33.68	30.05
Gross capital formation/Investment	26.05	24.21	36.30	31.4

The above tables shows the growth in rates in various sector. It shows that industrial growth rate was 11.29 in 1995-96 & 0.35 in 2013-14 . The growth-rate of service sector was 10.11 in 1995-96 & 6.78 in 2013-14 . That it shows increase in some growth rates and decrease in some growth rates.

So it is interesting to note remark made by Mr. Bimal Jalan , ex.governor of RBI i.e. despite all the talk , we are now where ever close being globalise in terms of commonly used indicator of globalisation . we are one of the least globalise among the major countries.

Conclusion:

The implication of globalisation for national economy has identified interdependence and competition between economies in the world market . This reflected interdependence in regard trading in goods and services and movements of capital. In short due to globalisation –

1. The qualities of goods have improved.
2. There is rapid growth of economy.
3. The Indian exports are boomed.
4. Begging for economic aid has stopped .
5. Inflation rate has gone down.
6. Scarcity of goods have disappear.
7. The growth of industries is high . Overall India become progressive and competitive.
8. Wages of industrial labours has increase.

And now In line with the aim of the government of India @ Make in India initiative manufacturing has growth rapidly in 2015-16.and trying to get success in 'Make in India' Unemployment and under employment are chronic problem in India. With the rate of unemployment being close to 10% in 2004.