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Agricultural Globalization and Non Plantation Agriculture in Sri Lanka

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. Agriculture is still important as the backbone of the economy and it contributes 19 percent of export income while occupying 30 percent of the total labour force. Thus agriculture development has recognized as one of the dynamic sectors of the country that could be generated capital, raw materials, food and labour as advocated by Lewis' model (1954). The non-plantation agricultural sector which includes paddy and other food crops cultivation is occupied by a large number of small producers and characterize with conventional technology and low productivity. The successive governments in Sri Lanka followed various strategic policy options to develop the food crop sector by opening up to foreign market, foreign capital and advanced technology through agricultural globalization. The focal point of agricultural globalization is to increase the production efficiency through the principle of comparative advantage. Thus it is expected to increase the production, employment and income of farming community and to increase the consumer welfare as well. The main objective of this paper is to review how agricultural globalization process has impacted on increasing agricultural production, income and the welfare of farming community. The methodology of the study was based on inductive method and secondary sources information were used. The study reveals that liberal policies that lead to agricultural globalization had made a positive impact on improving domestic food crop sector in Sri Lanka. Thus, domestic food production, productivity, food security and farm income have increased despite some negative impact on income distribution and net returns. However the overall impact would be positive and dynamic along with the rapid globalization process.

Key Words: *Agricultural Globalization, factor productivity, Trade openness, Farming Community, Economic development, vegetable Cultivation*

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