

Farm Laws Reborn: “Dismantling Food Security”. Toxic Platter for India’s Farmers and Consumers

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India could see an authoritarian central government with subordinate state governments under the control of corporate interests and international finance capital.

So says the Samyukta Kisan Morcha (SKM), a coalition of 40+ farmers’ unions. It contends that the Union Government of India is proposing to undermine the federal rights of state governments by surrendering India’s food security and compromising its national sovereignty under the slogan ‘One Nation. One Market’.

In a December 2024 press release, the All India Kisan Sabha (All India Farmers Union, AIKS) called for nationwide protests against attempts to bring back the three repealed [farm laws](#).

The AIKS said that the government has opted not to address any of the serious demands raised by the farmers’ movement, including legalising the minimum support price (MSP), increasing public investment in agriculture and boosting pro-farmer credit facilities.

Like the SKM, the AIKS says there is an agenda to dismantle the power of the state governments. Proposed reforms to the agrifood sector seek to encroach upon the rights of state governments over agriculture, land, industry and markets — areas that fall under individual states as per the Constitution of India.

Pivotal to this plan is the newly introduced draft National Policy Framework on Agriculture Marketing (NPFAM). The SKM states that the NPFAM, if implemented, will erode the federal rights of the state governments and ignore the interests of farmers, agricultural workers, petty producers and small traders since there is no provision to ensure an MSP and minimum wage to farmers and workers.

The NPFAM essentially marks the return of the three farm laws that were repealed in late 2021 due to a year-long mass protest by farmers. The SKM states that the farmers’ movement sees through the plan to withdraw government support from agriculture and hand over farming and public food distribution to corporations led by Adani, Ambani, Tata, Cargill, Pepsi, Walmart, Bayer, Amazon and others.

The main proposal of the NPFAM is a fundamental restructuring of the existing agricultural marketing system, proposing its transformation into a Unified National Market linked to a Value Chain Centric Infrastructure.

The objective is the entry of corporate agribusiness and the conversion and integration (or eradication) of registered state-managed wholesale markets (mandis, overseen by state-regulated Agricultural Produce Marketing Committees, APMCs) and Grameen Haats (rural markets) with Digital Public Infrastructure (DPI).

Reforms suggested in the NPFAM draft include the establishment of private wholesale markets, direct farm gate purchases by corporate processors and exporters, replacement of traditional market yards with corporate-controlled warehouses and silos and introducing a unified national market fee and trading license system.

The draft proposes that big corporations can purchase produce directly from farmers, bypassing APMC market yards. Additionally, handing over storage infrastructure to private corporations eliminates a critical safety net for farmers during price volatility and may pave the way for corporate exploitation by denying farmers any space for bargaining prices.

The NPFAM aims to integrate agricultural production and marketing in a way that prioritises corporate interests. It will integrate both the private and public sectors through advanced technologies, such as DPI and blockchain. NPFAM reforms propose deregulation, effectively allowing the private sector — specifically, corporate agribusinesses — to establish dominance over production, processing and marketing.

We could see farmers produce raw materials that enter markets controlled by processing industries, trade houses and exporters, who in turn dictate the prices. The NPFAM fails to address provisions that would hold these corporate forces accountable.

There is no mention of ensuring an MSP for farmers, which was a central recommendation of the National Commission on Farmers chaired by the late M S Swaminathan and currently a key issue in the national political discourse.

That is no surprise because the corporate strategy is to procure produce at the cheapest rate and market it to ensure exorbitant profits.

The stranglehold of big business houses is also evident in the suggestions for deepening financialisation via futures and option markets. This will also permit corporations and international finance capital to dominate and control the domestic food industry.

The AIKS says that central government is creating a conducive atmosphere for the corporate loot of agriculture. It adds that it will fight tooth and nail the efforts by the government to hand Indian agriculture on a platter to transnational corporations. It demands that the government withdraw the NPFAM and engage in meaningful dialogue with farmers' organisations and state governments.

Dismantling Food Security

The three repealed farm laws would have facilitated neoliberal shock therapy to India's agrifood sector. If it succeeds, the NPFAM will bring about what the laws intended to do. But first, state-supported infrastructure must be dismantled.

As things currently stand, mandis are state-regulated marketplaces where farmers sell their produce, facilitating direct transactions with buyers and ensuring fair prices through auctions. Managed by the APMCs, mandis play a crucial role in connecting farmers to larger markets and providing essential infrastructure for agricultural trade.

The Public Distribution System (PDS) is a government initiative aimed at ensuring food security for the underprivileged by distributing essential commodities at subsidised rates. Operated jointly by central and state governments, the PDS includes the Targeted Public

Distribution System (TPDS), ensuring focused assistance for those in need.

The Food Corporation of India (FCI) is responsible for implementing food policies, including the procurement, storage, transport and distribution of food grains. By procuring grains at an MSP and maintaining a vast network of depots and Fair Price Shops, the FCI plays a vital role in maintaining food security and nutritional support across the country.

Together, mandis, the PDS and the FCI form a comprehensive state-backed framework for supporting India's agricultural economy and addressing food insecurity.

However, the aim is for the [state to withdraw from these areas and to let private interests capture](#) the space left open. Indian agriculture has witnessed [gross underinvestment](#) over the years, whereby it is now wrongly depicted as a basket case and underperforming and ripe for a sell off to those very interests who had a stake in its underinvestment.

The aim is to restructure India's agri-food sector for the needs of global supply chains and markets. As independent cultivators are bankrupted, the goal is that land will eventually be amalgamated to facilitate large-scale industrial cultivation. Those who remain in farming will be absorbed into corporate supply chains and squeezed as they work on contracts dictated by large agribusiness and chain retailers.

The FCI has historically been a stabilising force in India's food procurement and distribution system, ensuring that (some) farmers receive fair prices through MSP while maintaining strategic food stocks. Once its role is diminished, the Indian government may find itself purchasing essential commodities from volatile (manipulated) international markets using its foreign exchange reserves; food sourced from the very corporations that have replaced the FCI (see chapters 4-7 of [Food, Dependency and Dispossession: Resisting the New World Order](#)).

Companies like Bayer attempt to depict these developments as 'modernising' Indian agriculture [and portray the sector as 'backward'](#). However, such corporations cynically exploit notions of backwardness and modernisation to promote their financially lucrative agricultural practices and technologies in a bid to secure control of the sector.

Prominent agricultural scientist M S Swaminathan (referred to earlier) highlighted that farmers' incomes are declining due to inadequate pricing mechanisms and market access, rather than a lack of technological advancements. He advocated for a an MSP that is at least 50% above the cost of production to ensure farmers can sustain their livelihoods. _

The failure to implement this has contributed significantly to the ongoing agrarian crisis. This situation has led to widespread farmer distress and suicides, which he attributed largely to economic pressures rather than technological shortcomings.

Deliberate Policy to Underinvest

And this failure is a deliberate policy decision.

Instead of ensuring that all farmers have reliable access to markets where they can sell their produce at fair prices, improving access to timely and affordable credit to prevent farmers from falling into debt traps and strengthening procurement policies and expanding the mandi, MSP and public distribution systems, we are witnessing a reversal.

Farmers are being displaced through policies that intentionally render farming financially unviable. We also see policies aimed at facilitating the sale and consolidation of land for industrial agriculture and the undermining of rural communities and traditional farming practices.

Additionally, there is a concerning rise in health issues as traditional, nutritious diets are increasingly replaced by unhealthy, ultra-processed foods or less nutrient-dense alternatives.

If consumers want to see what the future may bring, look no further than countries reliant on the Western agrifood model. From cultivation to retail, a [disease-causing](#) system promoted and protected by corporate lobby groups like the International Life Sciences Institute and CropLife embedded in decision-making processes (both are already firmly established in India).

A [system](#) that sees international finance firms like BlackRock, Vanguard, State Street, Fidelity and Capital Group investing in the global food giants that sicken and also in the pharmaceuticals sector that supposedly 'cure'.

A system handed over to agricultural land speculators, toxic agrochemical manufacturers and their proprietary hybridised seeds, global commodity traders and purveyors of junk food.

India is on course to be a subsidiary of global capital at the expense of its local agricultural communities and farmers, its ecosystems, its food security, its (limited) democracy and the overall wellbeing of the population.

Alternatively, MSPs via state procurement of essential crops and commodities could be extended to the likes of maize, cotton, oilseed and pulses. This would not only boost the nation's health but also increase farmers' incomes. At the moment, only farmers in certain states who produce rice and wheat are the main beneficiaries of government procurement at MSP.

Instead of rolling back the role of the public sector and surrendering the system to foreign corporations, there is a need to further expand official procurement and public distribution. That would cost [around 20%](#) of the handouts ('incentives') from the public purse received by corporations and their super-rich owners (based on 2020-21 figures).

During the 2020-21 farmers protest, a video that appeared on social media showed Ayush Sinha, a top government official, encouraging officers to "[smash the heads of farmers](#)" if they broke through the barricades placed on a highway.

Since the farmers renewed their protest in early 2024, tear gas and water cannons have been used against farmers to break up protests and prevent them marching to Delhi. The authorities must show international finance and agri-capital that they are being tough on farmers. They need to demonstrate that they remain steadfast in defeating the farmers movement in order to attract FDI (maintain 'market confidence') and pave the way for a corporate-financial takeover of the sector.

In late 2021, Bharatiya Kisan Union leader Rakesh Tikait stated that around 750 protesters had died during the year-long struggle.

In summing up the situation, we may [paraphrase](#) renowned campaigner and environmentalist Aruna Rodrigues:

It is a detailed horror tale in the making for India, handing over Indian sovereignty and food security to big business. There will come a time pretty soon — not something out there but imminent, unfolding even now — when we will pay the Cargills, Ambanis, Bill Gates, Walmarts (in the absence of national buffer food stocks) to send us food. We will finance borrowing from international markets to do it. A policy change to cash crops and the end to small-scale farmers, pushed aside by contract farming and GM crops.

What is at stake is the integrity of India’s federal governance structure, its food security, the wellbeing of its farmers and farming communities and the overall health of the population.

Meanwhile, the future remains uncertain for what has become a more [fragmented farmers’ movement](#). Its capacity to regain momentum and draw in greater support from consumers and consumer groups against the neocolonial ambitions of global finance and foreign agricultural capital remains in question.

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