

Neoliberalism Coupled with GMO: Farmers' Struggle Not Over, Corporate Takeover of Indian Agriculture Still Looms

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Global Research, May 16, 2022

Region: [Asia](#)

Theme: [Biotechnology and GMO](#), [Law and Justice](#)

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The following is an unpublished transcript of an interview I did for a TV channel that covers issues of interest to the worldwide Sikh diaspora. It concerns three pieces of farm legislation in India that were repealed in late 2021 after a prolonged protest by India’s farmers that gained global support and recognition.

Although the interview took place before the laws were repealed, the issues discussed remain highly relevant. That is because farmers are concerned that the government is dragging its feet on a number of issues more than six months after the legislation was repealed, not least a guaranteed minimum support price for produce procured by the public and private sectors, loan default injustices and other matters that have fuelled and deepened the country’s agrarian crisis.

The government’s apparent reluctance to implement the demands of farmers might indicate that **the global corporations and financial institutions behind the legislation remain steadfast in seeking to secure what the laws aimed to bring about - the full-scale neoliberal marketisation of India’s agrifood sector**, including the displacement of peasant farmers and independent, indigenous enterprises.

The interview took place with prominent UK-based campaigner **Ranjit Singh Srail**.

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Ranjit Singh Srail (RSS): There has been much said about PM Modi’s new farm laws in terms of the motivation and the potential effect on farmers as well as the wider population. The government’s narrative has been pushed by its media friends and those taking part in the agitation have had their arguments patronisingly rubbished and simply been targeted as foreign agents, criminals and even terrorists. How do you see the outcome of any

implementation of these new laws and the motivation behind them?

Colin Todhunter (CT): The new farm laws are being narrowly framed by certain commentators and sections of the corporate media. We hear they will be good for farmers and good for consumers. Farmers will have more freedom of choice when it comes to selling their produce and we will see more distribution networks and opportunities emerge.

We also hear that farmers will receive good prices as well. Farmers are concerned about the minimum support price mechanism being done away with. But we also hear that this will not occur and, even if it does, it will not matter so much because farmers will still be receiving good prices as a result of the farm legislation.

So, it is all being portrayed as a great success for farmers, for consumers and for the agribusiness corporations. Once this narrative is established, as it has been, it becomes easy to portray anyone who questions any of it as being somehow politically motivated.

But this depiction of those who protest or raise uncomfortable questions about the farm laws is little more than a diversion. To properly understand the new legislation and the reasons behind it, we must go back 30 years to India's foreign exchange crisis.

At that time, the IMF and the World Bank granted India the equivalent of £90 billion worth of loans (around double that figure in 2022 given inflation) in return for the government dismantling its state seed supply system and reducing public funding for agriculture. India was also directed to shift towards the growing of cash crops to earn foreign exchange and to move 400 million people from the countryside into the cities.

Although many factors are at play, reducing the public sector's role and the consequent lack of support for agriculture in general have to a large extent fuelled the ongoing agrarian crisis in the country.

This plan for agriculture has been going on for a long time regardless of which party has been in power. But under the current administration and with the implementation of the three farm laws, this programme is set to be accelerated.

The farm legislation is intended to drastically dilute the role of the public sector in agriculture, reducing it to a mere facilitator of private capital, leading to the entrenchment of industrial agriculture and the replacement of small-scale farms. To put it in simple terms, the legislation is intended to deliver a knockout blow to small holder agriculture and the peasantry.

(It must be added here that this form of agriculture remains vital. Contrary to much mainstream thinking, it can be said that rural India subsidises urban India. It provides a vast but cheap pool of labour to work in more menial positions. Millions migrate between city and village, especially when times get tough. When work dries up – or when the COVID-related lockdown was enforced – they headed back to their villages to survive. Moreover, the money earned in the city can be insufficient to live on and farming activities bring in much-needed revenue.)

The norm will eventually be industrial GMO commodity crop agriculture suited to the needs of the likes of Cargill, Archer Daniel Midlands and India's giant retail and agribusiness giants as well as global agritech seed and chemical corporations. It could result in hundreds of millions of former rural dwellers without any work given that India is heading towards or is

already experiencing jobless growth.

It is unfortunate that prominent journalists and media outlets in India are celebrating the new farm legislation and have attempted to discredit farmers who are protesting as being anti national. As if handing over the sector to foreign corporations is in anyway serving the national interest. What prominent figures are actually doing, whether they are aware of it or not, is cheerleading for the destruction of local markets and small-scale enterprises - farmers, hawkers, food processors or mom and pop corner stores.

By implication, they are helping to ensure that India is surrendering control over its agrifood sector to global players. They are doing the bidding of the World Bank, the Bill and Melinda Gates Foundation and global agrifood corporations which want India to eradicate its buffer food stocks and dismantle the public food distribution system.

To understand what is planned for agriculture, we also need to understand what is planned for retail. This, too, could decimate millions of livelihoods in the retail sector. For example, Walmart entered India in 2016 with a multibillion dollar takeover of the retail start-up Jet.com. In 2018, this was followed by a takeover of India's largest online retail platform, Flipkart. Today, Walmart and Amazon control almost two thirds of India's digital retail sector.

In 2020, Facebook and a US based private equity firm committed over 7 billion U.S. dollars to Reliance Jio. It means that customers will soon be able to shop using Facebook's chat application, WhatsApp.

These are key developments because, by monopolising digital retail platforms, these companies will not only control data about consumption and consumer preferences but will also control data on production, logistics, who needs what, when they need it, who should produce it, who should move it and when it should be moved. The online world and the offline world are not separate; they are intertwined. E-commerce platforms will be able to shape the entire physical economy.

What is concerning is that Amazon and Walmart have sufficient global clout to ensure they become a duopoly, controlling much of Indian agriculture, including the nature of agricultural production itself. Markets will no longer matter; so-called platforms will take over.

At the same time, the aim is to allow financial speculators and global agribusiness to buy up rural land and amalgamate it. The end game is a system of contract farming that serves the interests of big tech, big agribusiness and big retail. Small-holder agriculture and small-scale retail are regarded as impediments to this.

Through what is called 'data-driven agriculture', with the data owned and controlled by corporate interests, the farmer will be told how much production is expected, how much rain is anticipated, what type of soil quality there is, what type of genetically engineered seeds and input are required and when the produce needs to be ready.

Traders manufacturers and cultivators who remain in the system will become slaves to the platforms and stripped of any independence. It is a clear concern that India will cede control of its entire economy its politics and its culture to these all-powerful modern-day East India companies.

By reducing public sector buffer stocks, side-lining the role of the Food Corporation of India and by introducing corporate-dictated contract farming and full-scale neoliberal marketisation for the sale and procurement of produce, India will be sacrificing its farmers and its own food security for the benefit of a handful of unscrupulous billionaires who run Walmart, Reliance, Amazon, Facebook and the like.

Bayer, Cargill and the big tech giants and the rest of the corporate entourage that will benefit from the new legislation are depicted as the saviours of Indian agriculture and Indian farmers. But we should remind ourselves of how Monsanto sucked around \$900 million from Indian farmers courtesy of its genetically modified seeds, while leaving small-scale and marginal farmers in what a pre-eminent US academic called a “corporate noose” of dependency and indebtedness.

Despite what industry-funded lobbyists and academics might say, BT cotton in India has been a failure. Monsanto helped itself, not Indian farmers.

RSS: PM Modi’s Hindutva, based on majoritarianism and authoritarianism, is working closely with and is supported by huge corporations that are taking over many sectors of the economy. To what extent do you see these new agricultural laws in that context?

CT: Both foreign and home-grown billionaires like Adani and Ambani have pushed for the farm laws and are determining policy in India. We are witnessing a crisis of democracy. The new farm legislation is but a symptom of this crisis.

Neoliberal globalisation is ultimately based on the deregulation of international capital flows, euphemistically called financial liberalisation. The dismantling of Bretton Woods and the deregulation of global capital movements have deepened the level of dependency of nation states on capital markets. In India, we can see the implications.

Global finance is in a position to dictate domestic policy. Successive administrations have made the country dependent on volatile flows of foreign capital and India’s foreign exchange reserves have been built up by borrowing and foreign investments. For policymakers, the fear of capital flight is ever present. Policies are often governed by the drive to attract and retain foreign capital inflows.

The Indian government has chosen to submit to the regime of foreign finance, awaiting signals on how much it can spend and giving up any notion of economic sovereignty. And as the state withdraws from aspects of public policy (under World Bank directives), the space left open becomes occupied by private players. We will see this with the new farm laws because this is what they are designed to facilitate.

It is clear that the ongoing farmers protest in India is not just about farming. Given that around 60% of the population still rely on agriculture for a living, we are witnessing a struggle for the heart and soul of the country.

There is an intensifying struggle over space between local markets and global markets. The former are the domain of independent small-scale producers, cultivators and enterprises. The latter are dominated by large scale international retailers, commodity traders and the rapidly growing and highly influential e-commerce companies.

It is essential to protect local markets and indigenous, independent small-scale enterprises and farmers. This will ensure that India has more control over its food supply, the ability to

determine its own policies and its own economic independence. In other words, the protection of food and national sovereignty and the capacity to pursue genuine democratic development.

But as a result of the farm legislation, we could see India bidding for food with borrowed funds on the open market. Instead of the Food Corporation of India continuing to procure and physically hold food stocks, thereby ensuring a degree of food security, the country will be at the mercy of international traders. This is why Modi places so much stress on the policy of foreign direct investment. Foreign reserves will be needed to procure food stocks. This constitutes a recipe for further dependency. It constitutes a reliance on foreign finance and global corporations.

Mainstream economic thinking passes this subjugation off as liberalisation. How the inability to determine your own economic policies and surrendering food security to outside forces is in anyway liberating is perplexing to say the least.

It is interesting to note that various reports from international human rights organisations recently downgraded India from being a free democracy to a partially free democracy. One report says India is now an electoral autocracy. How they ever considered India to be a free democracy in the first place is open to question. But these reports focused on the increase in anti-Muslim sentiment, clampdowns on freedom of expression and the restrictions on civil society since PM Modi took power.

The undermining of liberty in all these areas is cause for concern in its own right, but this trend towards divisiveness and authoritarianism serves another purpose. It diverts attention from the corporate takeover of the country, including agriculture. Whether it involves a divide and rule strategy along religious lines, the churning out of nationalistic sentiments, the suppression of free speech, pushing the farm bills through parliament without proper debate or the use of the police and the media to undermine the farmers protest, a major undemocratic heist is underway that will fundamentally adversely impact people's livelihoods and the cultural and social fabric of the country.

RSS: You have, in your writings, linked self-determination with economic sovereignty and the need to challenge the authority and machinery of an over-powerful central state. To what extent can we protect the sovereignty of people and their livelihoods when, since 1947, one colonial master was simply replaced by another?

CT: On one side of this equation, there are the interests of a handful of multi billionaires who own corporations and platforms that seek to control India. On the other side, there are the interests of hundreds of millions of vendors, cultivators and small-scale enterprises who are regarded by these rich individuals as collateral damage to be displaced in their quest for ever-greater profit.

Indian farmers are on the frontline against global capitalism and a colonial style de-industrialisation of the economy. This is where the struggle for democracy and the future of India is taking place.



March to Delhi (Licensed under CC BY-SA 4.0)

There is a need for a fundamental reorganisation of the prevailing globalised food system. We require a system that reduces dependency on global conglomerates, external proprietary inputs, long supply chains, distant volatile commodity markets and patented technologies. Practical solutions to the agrarian crisis – it is a global crisis and these solutions universally apply – must be based on placing the farmer at the centre of policies. Policies centred on localisation, self-sufficiency, food sovereignty and agroecological principles.

India, like other countries, must delink from neoliberal globalisation. It must manage foreign trade and expand indigenous markets by protecting and encouraging small-scale enterprises, including smallholder agriculture. It must increase welfare expenditure by the state and commit to a more egalitarian distribution of wealth and income.

Genuine food security, in principle, derives from food sovereignty, which, in a broad sense, is based on the right of people and sovereign states and regions to democratically determine their own agricultural and food policies. Instead of rolling back the public sector and surrendering the food security of the nation to foreign corporations, there is a need for India to further expand official procurement and public distribution.

This would occur by extending government procurement to additional states in India and expanding the range of produce under the public distribution system. It would not only boost rural incomes but also address hunger and malnutrition, which is still a major issue in the country. If policymakers are really serious about boosting the rural economy, they would reject the corporate agenda and a reliance on rigged and unstable markets.

And if the various coronavirus-related lockdowns have shown anything, it is that regional and locally owned food systems are now required more than ever. But a solution that would genuinely address rural distress and malnutrition does not suit the agenda of global

corporations.

This is why ordinary people need to push back and assert self-determination and democratic development, involving challenging the dominance of private capital and disputing the authority of central states which work to consolidate state-corporate power above the heads of ordinary people.

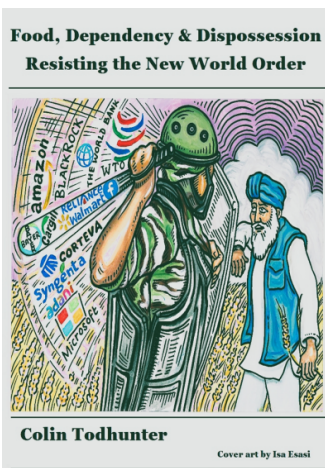
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Renowned author **Colin Todhunter** specialises in development, food and agriculture. He is a Research Associate of the Centre for Research on Globalization (CRG) in Montreal.

The author receives no payment from any media outlet or organization for his work. If you appreciated this article, consider sending a few coins his way: colintodhunter@outlook.com

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Read Colin Todhunter's e-Book entitled

Food, Dispossession and Dependency. Resisting the New World Order

We are currently seeing an acceleration of the corporate consolidation of the entire global agri-food chain. The high-tech/big data conglomerates, including Amazon, Microsoft, Facebook and Google, [have joined traditional agribusiness giants](#), such as Corteva, Bayer, Cargill and Syngenta, in a quest to impose their model of food and agriculture on the world.

The Bill and Melinda Gates Foundation is also involved (documented in '[Gates to a Global Empire](#)' by Navdanya International), whether through [buying up huge tracts of farmland](#), promoting a much-heralded [\(but failed\) 'green revolution' for Africa](#), pushing [biosynthetic food](#) and [genetic engineering technologies](#) or more generally [facilitating the aims of the mega agri-food corporations](#).

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