

# Health and Wealth in India - Farmers' Lives Matter

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*To appreciate what is happening to agriculture and farmers in India, we must first understand how the development paradigm has been subverted. Development used to be about breaking with colonial exploitation and radically redefining power structures. Today, neoliberal dogma masquerades as economic theory and the subsequent deregulation of international capital ensures giant transnational conglomerates are able to ride roughshod over national sovereignty.*

The deregulation of international capital flows has turned the planet into a free-for-all bonanza for the world's richest capitalists. Under the post-World-War Two Bretton Woods monetary regime, governments could to a large extent run their own macroeconomic policy without having to constantly seek market confidence or worry about capital flight. However, the deregulation of global capital movement has increased levels of dependency of nation states on capital markets and the elite interests who control them.

## **Globalisation**

The dominant narrative calls this 'globalisation', a euphemism for a predatory neoliberal capitalism based on endless profit growth, crises of overproduction, overaccumulation and market saturation and a need to constantly seek out and exploit new, untapped (foreign) markets to maintain profitability.

In India, we can see the implications very clearly. Instead of pursuing a path of democratic development, India has chosen (or has been coerced) to submit to the regime of foreign finance, awaiting signals on how much it can spend, giving up any pretence of economic sovereignty and leaving the space open for private capital to move in on and capture markets.

India's agri-food sector has indeed been flung open, making it ripe for takeover. The country has borrowed more money from the World Bank than any other country in that institution's history. Back in the 1990s, the World Bank directed India to implement market reforms that would result in the displacement of 400 million people from the countryside. Moreover, the World Bank's 'Enabling the Business of Agriculture' directives entail opening up markets to Western agribusiness and their fertilisers, pesticides, weedicides and patented seeds and compel farmers to work to supply transnational corporate global supply chains.

The aim is to let powerful corporations take control under the guise of 'market reforms'. The very transnational corporations that receive massive taxpayer subsidies, manipulate markets, write trade agreements and institute a regime of intellectual property rights, thereby indicating that the 'free' market only exists in the warped delusions of those who

churn out clichés about ‘price discovery’ and the sanctity of ‘the market’.

What could this mean for India? We only have to look at the business model that keeps these companies in profit in the US: an industrialised system that relies on massive taxpayer subsidies and has destroyed many small-scale farmers’ livelihoods.

The fact that US agriculture now employs a tiny fraction of the population serves as a stark reminder for what is in store for Indian farmers. Agribusiness companies’ taxpayer-subsidised business models are based on [overproduction and dumping](#) on the world market to depress prices and rob farmers elsewhere of the ability to cover the costs of production. The result is huge returns and depressed farmer incomes.

Indian agriculture is to be wholly commercialised with large-scale, mechanised (monocrop) enterprises replacing family-run farms that help sustain hundreds of millions of rural livelihoods while feeding the masses.

India’s agrarian base is being uprooted, the very foundation of the country, its (food and non-food) cultural traditions, communities and rural economy. When agri-food corporations like Bayer (and previously Monsanto) or Reliance say they need to expand the use of GMOs under the guise of feeding a burgeoning population or to ‘modernise’ the sector, they are trying to justify their real objective: displacing independent cultivators, food processors and ‘mom and pop’ retailers and capturing the entire sector to boost their bottom line.

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.

Today, we hear much talk of ‘foreign direct investment’ and making India ‘business friendly’, but behind the benign-sounding jargon lies the hard-nosed approach of modern-day capitalism that is no less brutal for Indian farmers than early industrial capitalism was for English peasants whose access to their productive means was stolen and who were then compelled to work in factories.

The intention is for India’s displaced cultivators to be retrained to work as cheap labour in the West’s offshored plants, even though nowhere near the numbers of jobs necessary are being created and that under the World Economic Forum’s ‘great reset’ human labour is to be largely replaced by artificial intelligence-driven technology under the guise of a ‘4th Industrial Revolution’.

As independent cultivators are bankrupted, the aim 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.

### **Cocktail of deception**

A 2016 UN report said that by 2030, Delhi’s population will be 37 million.

One of the report’s principal authors, [Felix Creutzig](#), said:

“The emerging mega-cities will rely increasingly on industrial-scale agricultural and supermarket chains, crowding out local food chains.”

The drive is to entrench industrial agriculture, commercialise the countryside and to replace small-scale farming, the backbone of food production in India. It could mean hundreds of millions of former rural dwellers without any work. And given the trajectory the country seems to be on, it does not take much to imagine a countryside with vast swathes of chemically-drenched monocrop fields containing genetically modified plants and soils rapidly degrading to become a mere repository for a chemical cocktail of proprietary biocides.

Transnational corporate-backed front groups are also hard at work behind the scenes. According to a September 2019 report in the New York Times, 'A Shadowy Industry Group Shapes Food Policy Around the World', the International Life Sciences Institute (ILSI) has been quietly infiltrating government health and nutrition bodies. The article lays bare ILSI's influence on the shaping of high-level food policy globally, not least in India.

ILSI helps to shape narratives and policies that sanction the roll out of processed foods containing high levels of fat, sugar and salt. In India, ILSI's expanding influence coincides with mounting rates of obesity, cardiovascular disease and diabetes.

Accused of being little more than a front group for its 400 corporate members that provide its \$17 million budget, ILSI's members include Coca-Cola, DuPont, PepsiCo, General Mills and Danone. The report says ILSI has received more than \$2 million from chemical companies, among them Monsanto. In 2016, a UN committee issued a ruling that glyphosate, the key ingredient in Monsanto's weed killer Roundup, was "probably not carcinogenic," contradicting an earlier report by the WHO's cancer agency. The committee was led by two ILSI officials.

From India to China, whether it has involved warning labels on unhealthy packaged food or shaping anti-obesity education campaigns that stress physical activity and divert attention from the role of food corporations, prominent figures with close ties to the corridors of power have been co-opted to influence policy in order to boost the interests of agri-food corporations.

Whether through IMF-World Bank structural adjustment programmes, as occurred [in Africa](#), trade agreements like NAFTA and [its impact](#) on Mexico, the co-option of policy bodies at national and international levels or [deregulated global trade](#) rules, the outcome has been similar across the world: poor and less diverse diets and illnesses, resulting from the displacement of traditional, indigenous agriculture by a corporatised model centred on [unregulated global markets and transnational monopolies](#).

For all the discussion in India about loan waivers for farmers and raising their income levels – as valid as this is – the core problems affecting agriculture remain.

## **Financialisation**

Recent developments will merely serve to accelerate what is happening. For example, the Karnataka Land Reform Act will make it easier for business to purchase agricultural land, resulting in increased landlessness and urban migration.

Eventually, as a fully incorporated 'asset' of global capitalism, India could see private equity funds – pools of money that use pension funds, sovereign wealth funds, endowment funds and investments from governments, banks, insurance companies and high net worth

individuals – being injected into the agriculture sector. A recent article on the grain.org website notes how across the world this money is being used to lease or buy up farms on the cheap and aggregate them into large-scale, US-style grain and soybean concerns.

This process of ‘financialisation’ is shifting power to remote board rooms occupied by people with no connection to farming and who are merely in it to make money. These funds tend to invest for a 10-15 year period, resulting in handsome returns for investors but can leave a trail of long-term environmental and social devastation and serve to undermine local and regional food insecurity.

This financialisation of agriculture perpetuates a model of commercialised, globalised farming that serves the interests of the agrochemical and seed giants, including one of the world’s biggest companies, Cargill, which is involved in almost every aspect of global agribusiness.

Cargill trades in purchasing and distributing various agricultural commodities, raises livestock and produces animal feed as well as food ingredients for application in processed foods and industrial use. Cargill also has a large financial services arm, which manages financial risks in the commodity markets for the company. This includes Black River Asset Management, a hedge fund with about \$10 billion of assets and liabilities.

A recent article on the [Unearthed website](#) accused Cargill and its 14 billionaire owners of profiting from the use of child labour, rain forest destruction, the devastation of ancestral lands, the spread of pesticide use and pollution, contaminated food, antibiotic resistance and general health and environmental degradation.

While this model of corporate agriculture is highly financially lucrative for rich investors and billionaire owners, is this the type of ‘development’ – are these the types of companies – that will benefit hundreds of millions involved in India’s agrifood sector or the country’s 1.3-billion-plus consumers and their health?

## **Farm bills and post-COVID**

As we witness the undermining of the Agricultural Produce Market Committees or mandis, part of an ongoing process to dismantle India’s public distribution system and price support mechanisms for farmers, it is little wonder that massive protests by farmers have been taking place in the country.

Recent legislation based on three important farm bills are aimed at imposing the shock therapy of neoliberalism on the sector, finally clearing the way to restructure the agri-food sector for the benefit of large commodity traders and other (international) corporations: smallholder farmers will go to the wall in a landscape of ‘get big or get out’, mirroring the US model of food cultivation and retail.

This represents a final death knell for indigenous agriculture in India. The legislation will mean that mandis – state-run market locations for farmers to sell their agricultural produce via auction to traders – can be bypassed, allowing farmers to sell to private players elsewhere (physically and online), thereby undermining the regulatory role of the public sector. In trade areas open to the private sector, no fees will be levied (fees levied in mandis go to the states and, in principle, are used to enhance market infrastructure to help farmers).

This could incentivise the corporate sector operating outside of the mandis to (initially at least) offer better prices to farmers; however, as the mandi system is run down completely, these corporations will monopolise trade, capture the sector and dictate prices to farmers.

Another outcome could see the largely unregulated storage of produce and speculation, opening the farming sector to a free-for-all profiteering payday for the big players and jeopardising food security. The government will no longer regulate and make key produce available to consumers at fair prices. This policy ground has been ceded to market players – again under the pretence of ‘letting the market decide’ through ‘price discovery’.

The legislation will enable [transnational agri-food corporations](#) like Cargill and Walmart and India’s billionaire capitalists Gautam Adani (agribusiness conglomerate) and Mukesh Ambani (Reliance retail chain) to decide on what is to be cultivated at what price, how much of it is to be cultivated within India and how it is to be produced and processed. Industrial agriculture will be the norm with all the [devastating health, social and environmental costs](#) that the model brings with it.

Of course, many millions have already been displaced from the Indian countryside and have had to seek work in the cities. And if the coronavirus-related lockdown has indicated anything, it is that many of these ‘migrant workers’ have failed to gain a secure foothold and were compelled to return ‘home’ to their villages. Their lives are defined by low pay and insecurity after 30 years of neoliberal ‘reforms’.

Today, there is talk of farmerless farms being manned by driverless machines and monitored by drones with lab-based food becoming the norm. One may speculate what this could mean: commodity crops from patented GM seeds doused with chemicals and cultivated for industrial ‘biomatter’ to be processed by biotech companies and constituted into something resembling food.

Post-COVID, the World Bank talks about helping countries get back on track in return for structural reforms. Are even more smallholder Indian farmers to be displaced from their land in return for individual debt relief and universal basic income? The displacement of these farmers and the subsequent destruction of rural communities and their cultures was something the Bill and Melinda Gates Foundation once called for and cynically termed “land mobility”.

It raises the question: what does the future hold for the hundreds of millions of others who will be victims of the dispossessive policies of an elite group of powerful interests?

The various lockdowns around the globe have already exposed the fragility of the global food system, dominated by long-line supply chains and global conglomerates. What we have seen underscores the need for a radical transformation of the prevailing globalised food regime which must be founded on localisation and food sovereignty and challenges dependency on global conglomerates and distant volatile commodity markets.

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