

# Monsanto, Bayer, Cargill and India's Prime Minister Modi: Doing Business or Corporate Imperialism?

By Colin Todhunter

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India-Pakistan relations are in crisis. Elections are forthcoming in India. The incisive article by Colin Todhunter addresses the issue of Prime Minister Modi's "business friendly" role in opening the door to the plunder of India's agriculture. First published in June 2016

Describing itself as a major 'global communications, stakeholder engagement and business strategy' company, APCO Worldwide is a lobby/PR agency with firm links to the Wall Street/corporate America establishment (arguably, part of it) and functions to serve its global agenda. India PM Narendra Modi turned to APCO to help transform his image and turn him into electable pro-corporate PM material. It also helped Modi get the message out that what he achieved in Gujarat as Chief Minister was a miracle of economic neoliberalism, although the actual reality is quite different.

In APCO's India brochure, there is the claim that India's resilience in weathering the global downturn and financial crisis has made governments, policy-makers, economists, corporate houses and fund managers believe that the country can play a significant role in the recovery of the global economy in the years ahead.

With Modi now at the political helm, the government is doing the bidding of global biotech companies and is currently trying to push through herbicide-tolerant GM mustard based on <u>fraudulent tests</u> and <u>'regulatory delinquency</u>', which will not only open the door to further GM crops but will boost the sales of Bayer's glufinosate herbicide. In addition, plans have been announced to introduce 100% foreign direct investment in certain sectors of the economy, including food processing.

#### Neoliberal dogma

The opening up of India to GMOs and foreign capital is supported by rhetoric about increasing agricultural efficiency, creating jobs and boosting GDP growth. Such rhetoric mirrors that of the pro-business, neoliberal dogma we see in APCO's <u>brochure</u> for India. It is the type of jargon that is rolled out by powerful corporate players and their compliant politicians across the world who seek to try to convince the public that an increasing concentration of wealth in the hands of a relative few – via deregulations, privatisations and lower labour and environmental protection standards, etc – is for their own benefit because it is good for 'growth'.

From Greece to Spain and from the US to the UK, we are able to see this rhetoric for what it really is: record profits and massive increases in wealth (ie 'growth) and control for elite interests and, for the rest, disempowerment, surveillance, austerity, job losses, the erosion

of rights, weak unions, cuts to public services, bankrupt governments and opaque, corrupt trade deals.

APCO describes India as a trillion-dollar market. Note that the emphasis is not on redistributing the country's wealth among its citizens but on exploiting markets. Whiles hundreds of millions live in poverty and hundreds of millions of others hover close to poverty, the <u>combined wealth</u> of India's richest 296 individuals is \$478 billion, some 22% of India's GDP. According to the 'World Wealth Report 2015', there were 198,000 'high net worth' individuals in India in 2014, while in 2013 the figure stood at 156,000.

Global Finance Integrity <u>has shown</u> that the outflow of illicit funds into foreign bank accounts has accelerated since opening up the economy to global capital in the early nineties. High net worth individuals (the very rich) are the biggest culprits here. Not so much conforming to neoliberal 'trickle down' ideology but neoliberal 'funnel out', where tax havens across the globe exist for corporations and individual to <u>stash their untaxed and unaccounted for</u> wealth.

APCO likes to talk about positioning international funds and facilitating corporations' ability to exploit markets, sell products and secure profit. In other words, colonising key sectors, regions and nations to serve the needs of US-dominated international capital.

Paving the way for plunder

It is notable that Modi recently stated that India is now one of the most business friendly countries in the world. The code for being 'business friendly' is lowering labour, environmental, health and consumer protection standards, while reducing taxes and tariffs and facilitating the acquisition of public assets via privatisation and instituting policy frameworks that work to the advantage of foreign (US/Western) corporations.

When the World Bank rates countries on their level of 'Ease of Doing Business', it means nation states facilitating policies that force working people to take part in a <u>race to the bottom</u> based on <u>free market fundamentalism</u>. The more 'compliant' national governments make their populations and regulations, the more attractive foreign capital is tempted to invest.

The World Bank's 'Enabling the Business of Agriculture' – supported by the Bill and Melinda Gates Foundation and USAID – entails opening up markets to Western agribusiness and their fertilisers, pesticides, weedicides and patented seeds (listen to this, especially from 13 mins).

It might lead some wonder whose interests are really being served.

Anyone who is aware of the Knowledge Initiative on Agriculture and the links with the Indo-US Nuclear Treaty <u>will know the answer</u> to that as far as Indian is concerned. Those two projects form part of an overall plan to subjugate Indian agriculture to the needs of foreign corporations (see <u>this article</u> from 1999).

Politicians are clever at using poor management, bad administration and overblown or inept bureaucracies as an excuse for privatisation and dereugulation. Margaret Thatcher was an expert at this: if something does not work correctly because of bad management, privatise it; underinvest in something, make it seem like a basket case and privatise it; pump up a sector with public funds to turn it into a profitable, efficient enterprise then sell it off to the private sector. The tactics and ideology of and the justification for neoliberal economic policies take many forms.

And Indian agriculture has witnessed <u>gross underinvestment</u> 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.

Leaving climate considerations aside, Britain used to be nearly self-sufficient in energy, with coal being the lynch pin. Since the 1980s, pits have been closed and the mining industry barely exists. Pits were deemed 'uneconomical' or 'inefficient'. Now Britain imports coal, engages in costly wars to grab energy resources and pays the unemployed to do nothing rather than dig coal. There is enough coal in Britain to last for hundreds of years. It would have made better economic sense to have kept these pits open (see <a href="this">this</a> and <a href="this">this</a> and <a href="this">this</a>).

Neoliberalism is merely ideology masquerading as 'economics'. The mines were closed in order to destroy the miners' union, the strongest and most militant of Britain's unions at the time who would have stood in the way of the economic plunder by and <u>financialisation of Britain's economy</u> that followed. Energy security and livelihoods and towns and villages were decimated. And now we have the media celebrating 'job creation' when a new supermarket opens a branch to create a handful of jobs in what was once an area of full employment (while ignoring local store owners whose livelihoods are put in jeopardy).

And Indian farmers are now confronted by the similar forces of neoliberal capitalism.

India has many examples of poor management or inept bureaucracies and there are certainly deficiencies in food logistics. But rather than reform or improve them, the mantra is to let the market take over: a euphemism for letting powerful corporations take control; the very transnational corporations that 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 letting the market decide or giving control to the 'free' market.

The destruction of livelihoods under the guise of 'job creation'

But doesn't FDI and foreign firms entering India 'create jobs'. Yes, at least according to the neoliberal ideologues appearing in the media who claim that foreign investment is good for jobs and good for business. Just how many actually get created is another matter.

What is overlooked, however, are the jobs that were lost in the first place to 'open up' sectors to foreign capital. For example, Cargill may set up a food or seed processing plant that employs a few hundred people, but what about the <u>agricultural jobs</u> that were deliberately eradicated in the first place or the <u>village-level processors</u> who were cynically put out of business so Cargill could gain a financially lucrative foothold?

But won't farmers better off as foreign firms enter the supply chain to create 'efficiency'? Again, we need only <u>look at the plight</u> of farmers in India who were tied into contracts with Pepsico. Farmers were pushed into debt, reliance on one company and were paid a pittance

India is looking to US corporations to 'develop' its food and agriculture sector with foreign investment in retail, cold storage and various other infrastructure. Envisioning what this could mean for India, Devinder Sharma <u>describes</u> how the industrialised US system of food

and agriculture relies on massive taxpayer subsidies and has destroyed many 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. Sharma notes that agribusiness companies rake in huge profits, while depressed farmer incomes, poverty and higher retail prices become the norm.

For farmers in India, the vast majority are not to be empowered but displaced from the land. Farming is being made financially non-viable for small farmers, seeds are to be privatised as intellectual property rights are redefined (facilitated by prominent <u>Trojan horse figures</u>), land is to be acquired and an industrialised, foreign corporate-controlled food production, processing and retail system is to be implemented.

The long-term plan is for an urbanised India with a fraction of the population left in farming working on contracts for large suppliers and Wal-Mart-type supermarkets that offer highly processed, denutrified, genetically altered food contaminated with chemicals and grown in increasingly degraded soils according to an unsustainable model of agriculture that is less climate/drought resistant, less diverse and unable to achieve food security. This would be disastrous for farmers, public health and local livelihoods.

It begs the question: is the 'Walmartisation' of food and agriculture where India really wants to be heading?

While APCO wraps up the potential for economic plunder in corporate jargon, others cut through such technocratic rhetoric to expose the politics, motivations, players and corruption that are driving the restructuring of India and its agriculture:

"The WTO, with the TRIPS Agreement written by Monsanto and the Agreement on Agriculture written by Cargill, was the beginning of a new Corporate Imperialism. This imperialism is articulated by President Obama in suggesting that the resources, economies and markets of Asia – where half of humanity lives – are "up for grabs". Trade Agreements like the TPP/TTIP/WTO, written in secret by Industry looking for raw materials, captive markets, lower labour costs and lower taxes, are what make it appear as though the land of South East Asia is "up for grabs" for palm oil plantations to the highest bribe... or that the farmers and food security of India are disposable as long as there is a giant market for chemicals and patented seed." – Vandana Shiva, 'Corporate imperialism – the only reason for GMO'

From <u>Africa</u> to India, corporate America and global agribusiness are intent on colonising food and agriculture by recasting them in their own financially lucrative images, <u>picking out</u> only the most profitable sections of supply chains, while relying on public money to facilitate their profits.

The <u>alternative</u> would be to protect indigenous agriculture from rigged global trade and trade deals and <u>corrupt markets</u> and to implement a shift to sustainable, localised agriculture based on actual science (and appropriate price and/or income <u>support</u> and <u>infrastructure</u>). Instead, we see the push for bogus 'solutions' like GMOs and the side-lining of rational analysis and science <u>in favour of neoliberal ideology</u>.

Low input, sustainable models of food production and notions of independence and local or regional self-reliance do not provide opportunities to global agribusiness or international funds to exploit markets, sell their products and cash in on APCO's vision of a trillion-dollar corporate hijack; moreover, they have little in common with Bill Gates/USAID's vision for an Africa dominated by global agribusiness.

Modi was elected on 31 percent of the vote in 2014. It was heralded as a landslide victory due to the number of seats secured in parliament. Are those voters now getting what they wanted – or will they eventually get more than they bargained for?

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Articles by: Colin Todhunter

### About the author:

Colin Todhunter is an extensively published independent writer and former social policy researcher. Originally from the UK, he has spent many years in India. His website is www.colintodhunter.com https://twitter.com/colin\_todhunter

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