

# GMO Agribusiness and the Destructive Nature of Global Capitalism

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*Capitalism is based on managing its inherent crises. It is also based on the need to maximise profit, beat down competitors, cut overheads and depress wages. In the 1960s and 70s, in the face of increasing competition from abroad, the US began to outsource manufacturing production to bring down costs by using cheap foreign labour. Other countries followed suit. Even more jobs were lost through the impulse to automate. To provide a further edge, trade unions and welfare were attacked in order to suppress wages at home. Problem solved. Or was it?*

Not really. As wages in the west stagnated or decreased and unemployment increased, the market for goods was under threat – if people have less money to buy things, then what to do? New problem, new ‘solution’ – lend people money and create a debt-ridden consumer society. Of course, it produced great opportunities for investors in finance, and all kinds of dubious financial derivatives and products were created, sold to the public and repackaged and shifted around the banking system. That market became saturated and the debt bubble burst. This time around the ‘solution’ is to print money and give bailouts to the banks to cover their gambling losses and to get them lending once again. With a huge hole appearing in state coffers due to the bailouts and national debt spiraling during the years of neo-liberalism, the current crisis has become an opportunity for the finance sector to exert long-term debt-related control over sovereign states, including public asset stripping via ‘austerity’.

On a global level, as local democracy is usurped by the influence of international finance and powerful corporate interests under the guise of ‘globalisation’, traditional agricultural practices and local economies have been ‘structurally adjusted’ (via single-crop export-oriented policies to earn foreign currency to pay off debt, dam building to cater for what became a highly water intensive chemical-based industry, more loans and indebtedness and the unnecessary shifting food around the planet) and farmers forced from their land. The fact that such people can then at least swarm to some sprawling, overburdened city and, if lucky, get a few dollars a day job in an outsourced sweatshop or call centre is somehow passed off as capitalism’s ‘economic miracle’.

It’s apparent that, as the academic David Harvey states, the problems created by capitalism don’t get solved, they just get shifted around. Nowhere is this epitomized more clearly than the role of US agribusiness in India.

According to Jeffrey M Smith from the Institute for Responsible Technology, Russia, China and the EU were not the pushovers for GMOs that US agribusiness hoped they would be. However, with the US having sanctioned the opening up of India’s nuclear energy sector

and, in return, its agribusiness and retail giants having actively shaped the Knowledge Agreement on Agriculture, India might well be proving to be an easier option.

Before GMOs became news in India, it was already clear that US agribusiness could not provide real solutions to the agrarian problems it had created with its 'Green Revolution'. According to Gautam Dheer's recent piece in India's Deccan Herald newspaper (1), agriculture in Punjab (the 'Green Revolution's' original poster boy) is facing an inevitable crisis, in terms of pesticide use causing cancer, falling crop yields and groundwater depletion. The model it has adapted is unsustainable. Indeed, what is happening in Punjab could be the tip of the iceberg as far as chemical agriculture in India (and elsewhere) is concerned.

And now evidence is mounting that agribusiness can't provide genuine solutions to the problems it has also created through its GMOs, seed patenting and monopolies either.

A recent report in Business Standard (2) stated that such Bt cotton (GMOs represent the 'Green Revolution's' second coming) yields have dropped to a five-year low. India approved Bt cotton in 2002 and within a few years yields increased dramatically. However, Glenn Davis Stone, Professor of Anthropology and Environmental Studies at Washington University in St. Louis, has noted that most of the rise in productivity had nothing to do with Bt cotton. (3)

What's more, since Bt has taken over, yields have been steadily worsening. According to the article in Business Standard (2), it seems bollworms are developing resistance. Contrary to what farmers were originally told, the Monsanto spokesperson quoted in the Business Standard piece says that such resistance is to be expected. Stone says when Bt cotton arrived in India, farmers were told that they wouldn't have to spray any more. All that farmers had to do was plant the seeds and water them regularly. They were told that, as the genetically modified seeds are insect resistant, there was no need to use huge amounts of pesticides.

The premise adopted by the GM sector was that for years people had tried to change 'backward' tradition-bound practices of these farmers. But now all you have to do is give them the magic biotech seed.

Now that resistance has appeared, Stone notes that, according to Monsanto's spokesperson, it's all the Indian farmers' fault! The spokesperson explains in Business Standard that 'limited refuge planting' is one of the factors that may have contributed to pink bollworm resistance. Using the 'wrong' biotech seed is another.

The answer from the biotech sector to combat falling yields is continuous R&D to develop new technologies to stay ahead of insect resistance. Innovation from the GM sector is going to guarantee higher yields. Isn't that what we were hearing ten years ago? Of course it is. It's a massive con-trick.

Stone says that yields started dropping after 2007/8. After 2006/7, the number of Bt hybrid seeds being offered to farmers jumped from 62 to 131 to 274; by 2009/10 there were 522. Despite this, farmers' yields are steadily dropping. And the way forward - more of the same!

The failing technology can always be replaced with more destined-to-fail technology, but one that at least offers a short-term fix. In the meantime, the Indian government effectively

subsidises US agribusiness via compensation given to farmers whose cotton crops have failed, as is the case in Maharashtra (4).

Now that the government and Western agribusiness have conspired to set the corporate controlled merry-go-round in motion, there may be little chance of getting off. Having had control stripped from them, farmers may well be forever beholden to US agribusiness which took their power.

Privately owned agribusiness, as is the way with capitalism in general, is based on short-termism. Its predator corporations in India are merely engaged in managing and thus profiting from the crises they themselves have conspired to produce with their destruction of traditional agriculture and local economies and their chemical inputs and genetic engineering. By its very nature, as part of the logic of capitalism, US agribusiness is designed to stumble from one crisis to the next. And it will do so by hiding behind the banners of 'innovation' or 'research and development'.

And with each new 'fix', with each technology, with each new pesticide, herbicide, GM innovation, we become further removed from working in harmony with nature as we attempt to dominate it with some or other biotechnology that further damages both ourselves and the environment. But, it's all good business. And that's all that really matters. There's always money to be made from blaming the victims (in this case, farmers) for the mess created and from a continuous state of crisis management (aka 'innovation' and bombarding farmers with a never-ending stream of new technologies); and, as we are well aware in India's case, there's money to be made from the suffering of others.

Ultimately, this is what capitalism is all about: planned obsolescence – planned obsolescence of its products, in order that profits can be made from a stream of new 'wonder' products and, as far as India is concerned, planned obsolescence of its farmers as agribusiness sets out to uproot tradition and shape farming in its own chemical and genetically engineered image.

Capitalism doesn't solve its problems, it just shifts them around. And part of the great con-trick is that it attempts to pass off its endless crises and failures as brilliant successes.

## Notes

1) <http://www.deccanherald.com/content/309654/punjab-transformation-food-bowl-cancer.html>

2) [http://www.business-standard.com/article/markets/bt-cotton-losing-steam-productivity-at-5-yr-low-113020601016\\_1.html](http://www.business-standard.com/article/markets/bt-cotton-losing-steam-productivity-at-5-yr-low-113020601016_1.html)

3) <http://www.globalresearch.ca/harvest-of-hypocrisy-farmers-being-blamed-for-gmo-crop-failures/5322807>

4) <http://gmwatch.org/latest-listing/51-2012/14479-maharashtra-reports-massive-bt-cotton-failure>

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