

# Predatory Capitalism: Stealing Wealth, Stealing Food: The Battle for the Corporate Control of India

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Global Research, October 19, 2012

Region: [Asia](#)

Theme: [Global Economy](#), [Poverty & Social Inequality](#)

In recent years, India has increasingly conformed to a US-led economic agenda driven by the policies of the World Bank, the World Trade Organisation and associated institutions. Due to the decades-long suppression of wages, saturated markets and the debt-induced demand bubble bursting in the West, predatory capitalism has been compelled to seek out and control markets elsewhere. India represents ripe pickings.

Under what is termed 'Mode 4', India's pharmaceutical and financial sectors are now being prized open by European Union interests. The likes of Cargill and Monsanto could also smell big profits and have already moved into the agriculture sector with their costly, non-renewable chemical-dependent seeds. Apart from undermining biodiversity and an indigenous agricultural sector, many farmers have become trapped in debt and been left in an impossible situation.

The coup d'état for transnational corporations, however, occurred in 2005 with the US-India nuclear deal. It was a master stroke in securing India's strategic geo-political and economic compliance. The deal not only created a very financially lucrative market in India for US nuclear sector technology and fuel companies, but also secured India's role in containing China and supporting US aims in Iran.

Environmentalism Vandana Shiva has argued that what many are unaware of, though, is that the deal was also linked to the Knowledge Initiative on Agriculture agreement, which was aimed at widening access to India's agricultural and retail sectors for US companies. This agreement was drawn up with the full and direct participation of representatives from various companies, such as Monsanto, Cargill and Walmart.

Little surprise then that following in the steps of US agribusiness, the likes of Walmart are now possibly on the verge of gaining access to India. And it's not difficult to be left with the impression that, as with the cash for votes scandal in securing the nuclear deal, Walmart's entry into India is going to be pushed through (or at least attempted to be) at any cost, as demonstrated by the uproar in parliament last year concerning the undemocratic nature of the decision taken by the government to allow 51 per cent direct foreign investment in multi brand retail.

Anyone who says that giant foreign retail chains will squeeze out most of the competition and exert undue pressure on suppliers is attacked for being stuck in the past. The ones mired in outdated thinking, though, are the proponents of this policy who exhibit a blind faith in the 'globalisation' project that underpins the opening up of various sectors of the economy to foreign interests.

It's ironic that at a time when India is opening its economy even more to the forces of international capitalism, tens of thousands across the globe are protesting the policies that have granted so much power to transnational corporations and financial institutions. The message from the protesters is that free market globalisation is a moribund ideology, which is underpinned by corrupt networks of interest and has created unemployment and enormous inequalities.

## The food sector

Take the food retail sector in the West, for instance. Big supermarkets have squeezed farmer's margins and much of the retail competition has been eliminated. The type of 'long life', 'always available' food on display has been pumped full of chemicals from field to shelf, or is shipped half way around the world from poorer countries that produce cash mono-crops for export to rich nations, which in turn impacts their own agriculture and contributes to poverty and hunger and the destruction of local, bio-diverse, self-sustaining communities.

Think of the local urban neighbourhoods with boarded up high streets that have given way to soulless, out of town retail outlets that are inconvenient for the old or the less well off without access to carbon emitting transport.

Think of the massive profits that are reliant on low paid labour and a heavily taxpayer subsidised, heavily squeezed chemical-laden, water-intensive agricultural sector. Low paid work or taxpayer subsidies are not just confined to the fields or the farmers. It's across the board, from field to shelf. Mark Vorpahl has described Walmart's treatment of its employees in the US:

"... pay and hours are so bad, employees rely on \$2.66 billion in government help every year, or about \$240,000 per store. Eighty percent of Walmart store workers are using food stamps. They are subject to unpredictable schedules and having their hours cut in order to avoid being paid benefits. In addition, employees have numerous safety concerns and are frequently treated disrespectfully by management higher ups." (<http://www.globalresearch.ca/american-workers-stand-up-to-walmart/5308467>).

The super profits of Walmart and indeed giant supermarkets like Tesco, Asda, Sainsbury's and Morrisons in the UK are made on the back of the taxpayer who subsidises their low paid workers. Justin King, the CEO of Sainsbury's, receives £3.2m a year; Tesco's Philip Clarke gets £6.9m; Dalton Philips of Morrisons receives £4m. Talk about stolen wealth!

Finally, think of the long-distance, energy inefficient food supply chain and the large volumes of purchase from single producers at take-it-or-leave-it cut throat prices.

And now India wants to import this system for the 'benefit' of its own food sector?

Of course, there are certain problems with India's agricultural sector, not least rotting food that goes to waste because of poor logistics. But the myth of western chains and their agribusiness associates being the great saviour of India's food sector is partly justified on the basis that food price increases are caused by an inefficient, wasteful food supply system, while ignoring other influence such as the price effects of the ongoing restructuring of India's agriculture in favour of a handful of corporate interests.

If we are really concerned about waste, look no further than authors Jonathon Bloom and Andrea Segre who argue the western model based on corporate retail is much worse and accounts for the waste of half of the food in the world.

In addition to the big supermarket chains, modern agriculture, from field to shop to consumer, ultimately serves the interests of the powerful petrochemical and oil extraction industries via the unnecessary transportation of food over long distances and the manufacture of massive volumes of chemicals to be sprayed on seeds specifically designed to respond to them.

The fear in India is that the increased corporate control of agriculture in India will not only lead to the destruction of jobs and existing retail infrastructure, but will place decisions of what people eat and how it is produced into the hands of large foreign corporations.

The fear is that the petrochemical industry, agribusiness and giant retailers will work hand in glove to boost their profits and secure their domination of the market.

But the ultimate fear is that surrendering control of India's food sovereignty and self determination by way of binding, lop-sided international agreements is in effect colonialism by any other name.

What else would you call the surrendering of the true wealth of the nation?

"What is needed now is a transformation of the major systems of production. Restoring environmental quality means substituting solar sources of energy for fossil and nuclear fuels; substituting electric motors for the internal-combustion engine; substituting organic farming for chemical agriculture, expanding the use of durable, renewable and recyclable materials - metals, glass, wood, paper - in place of petrochemical products that have massively displaced them." - environmentalist Barry Commoner (1917-2012)

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