US Intervention in Indian Agriculture: The Case of the Knowledge Initiative on Agriculture

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Introduction

Among the several economy-wide compromises that India made while arriving at the Indo–US nuclear deal of 2006 was one in the field of agriculture. Although the US–India Knowledge Initiative on Agriculture Education, Research, Services, and Commercial Linkages (KIA) was positioned as a programme that would benefit Indian farmers and lead to agricultural growth, the lack of transparency about its functioning has generated suspicion that it is meant primarily to further the interests of US corporate entities, especially agribusiness corporations, in Indian agriculture.

Business interests based in the US have been seeking a stronger role for their government and a more aggressive use of the bilateral approach with the Indian government, instead of leaving issues related to the Agreement on Agriculture to be resolved multilaterally in the tortuous Doha Round of negotiations of the World Trade Organisation (WTO). Such an approach, located within the wider rubric of a "strategic engagement," would help evade public scrutiny, as was the case with the Indo–US nuclear deal.

The policies pursued by the Indian government since the 1990s have resulted in a closer integration of Indian markets for agricultural produce with global markets. The dismantling of quantitative restrictions on imports, the lowering of tariffs, and, more recently, the several bilateral Free Trade Agreements that India has signed, have intensified the interlinking of Indian markets with the global economy. US-based corporations have also been pressurising India to adopt more restrictive intellectual property rights regulations, and to allow greater room for them in India's retail trade. The Indian government's policies of fiscal contraction, pursued since the 1990s, have not only slowed down capital formation in agriculture, but have also weakened the

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network of agricultural research and extension services that played a crucial role in the success of the green revolution in the 1970s (Ramachandran and Rawal 2010).

This note focuses on two aspects of the KIA that have a bearing on the nature of the Indo–US engagement in agriculture, and their impact on Indian farmers as well as on food security. The first is the design of the KIA, which, critics say, is inherently undemocratic in so far as it bypasses existing Indian institutional structures. The second is the manner in which the agreement threatens to change the nature and structure of the regulatory regimes governing agriculture, changes that can have a far-reaching impact on livelihoods.

The Design of the KIA

A board was constituted in December 2005 with representatives from both countries that agreed on a three-year "work plan" that would work towards an "Evergreen Revolution that is based upon environmentally sustainable, market-oriented agriculture" (Ramachandran 2006). This led to the establishment of public–private partnerships with respect to four key components of the KIA:

- Education, Learning Resources, Curriculum Development and Training
- Food Processing and Marketing
- Biotechnology
- Water Management

The agreement between the US Department of Agriculture and the Indian Ministry of Agriculture explicitly stated that

> A key feature of this Initiative will be a public–private partnership where the private sector can help identify research areas that have the potential for rapid commercialisation, with a view to develop new and commercially viable technologies for agricultural advancement in both countries.

It is a matter of some significance that details of the working of the KIA, whose board members include representatives of powerful American corporations such as Wal-Mart, Monsanto, and Archer Daniels Midland, are not available in the public domain. Subsequent efforts to obtain this information by using the provisions of the Right to Information (RTI) Act revealed that the programme requires publicly funded Indian research institutions to offer free access to their US counterparts, which are mostly private entities.

The design of the Indo–US engagement in agriculture during both the Bush and Obama Administrations is problematic for at least three reasons. First, its conceptual basis is questionable because it has not only bypassed parliamentary scrutiny in India, but also bound State governments to consequences over which they have no control.

Secondly, there is apprehension that the scientific agenda of Indian agricultural research institutions, with more than 7,000 researchers and spread over a network of agricultural universities and other specialised research establishments, may be deflected from the purposes for which they were established or be forced to play roles that are secondary to their private foreign counterparts.

Thirdly, the current engagement contrasts with earlier Indian engagements relating to agricultural research on the international stage, especially in terms of the overarching importance now given to the primacy of intellectual property rights (IPR).

The draft agreement was designed on the basis of the recommendations of a "consideration mechanism" involving senior officers of the Indian Council of Agricultural Research (ICAR), Vice-Chancellors of select State agricultural universities, Directors of select national institutes, representatives of the Agricultural and Processed Food Products Export Development Authority, and other private sector participants (Raina 2006). Neither farmers nor their representative organisations were given an opportunity to give their views, let alone register their opposition to the agreement. The larger scientific community of India, which has substantial experience in agricultural research, was not allowed to either set the agenda or the terms of the engagement into which the Indian government was entering. Similarly, State and local government representatives were denied a role in crafting the arrangement.

While most of the Indian representatives in the engagement are publicly funded research institutions, quasi-public sector institutions and business entities dominate the US side. While India was to contribute Rs 350 crores during the three-year "work plan" period, the US was required to contribute only 24 million dollars (about Rs 100 crores at the then prevailing exchange rate).

Specifically, the bilateral agreement on intellectual property rights, which was arrived at just before the nuclear deal was finalised, allows joint ownership of intellectual property rights (and other associated commercial benefits) arising out of collaborative research in conformity with the laws of the respective lands. The terms of the agreement imply that since the US enforces an intellectual property rights regime more strongly than others, American entities would be free to commercially exploit the fruits of joint work anywhere in the world. By contrast, Indian entities, even if they have jointly contributed to the development of intellectual property rights, would be free to enjoy the fruits of commercial exploitation only within the country. Indian entities would also need a "mutual agreement" with American entities to be able to do this (Ramachandran 2006).

The technological advances that resulted in the green revolution came mainly from an international network of agricultural research centres working under the aegis of the Consultative Group on International Agricultural Research (CGIAR). The

participation of national governments, donor organisations, and United Nations organisations in that environment of weak global IPR regimes contrasts sharply with the current situation. As Purkayastha (2006) observes:

> These centres operated in a world without Intellectual Property Rights and distributed seeds and new varieties all over the world. The striking improvements of yields in a number of crops, particularly wheat, rice and maize, came out of this open institutional structure of science and research.

The Patent and Trademark Law Amendments Act (known popularly as the Bayh–Dole Act), enacted by the US Congress in 1980, allows inventions arising from publicly funded programmes to be patented. As a result, public institutions do not only imitate the private entities in the US; they have also actually been licensing patents arising from public funding to other private businesses. Purkayastha (*ibid.*) notes:

> The problem here is that such patents held by public institutions are not used for public good but in turn are licensed to private companies. The university or the public institution may get a large revenue as a result, but the public does not get any benefit to this public funding of such research.

This is the model that US conglomerates now want the rest of the world to follow. The close alignment of these institutions, even the publicly funded ones, to multinational giants in the agribusiness sector is a key difference between then and now.

Another major change has been caused by the TRIPS (Trade-Related Aspects of Intellectual Property Rights) regime, which enables the patenting of micro-organisms, seeds, life forms, genes, and gene sequences. The strong control over patents makes it difficult for farmers in countries such as India to gain access to genetically modified varieties of crops.

Impact on Regulatory Regimes Governing Agriculture

While the design of the KIA has allowed American corporations to bypass the political process, their presence on the KIA board gives them the leverage to change regulatory regimes to suit their interests. Details of discussions in the board, revealed as a result of the RTI application mentioned above, show that they involve specifically three areas of Indian regulation:

- Regulation of GMOs (genetically modified organisms)
- Regulations governing contract farming
- IPR regulations.

The US, which is the largest producer of transgenic crops, has been arguing that Indian regulations governing transgenic crops are archaic, "vague," and "broader in scope" than in most countries.

In September 2007, the Indian government announced that imports of transgenic food products no longer required approvals from the Genetic Engineering Approval Committee (GEAC), a body working under the Union Ministry of Environment and Forests. Although this decision was kept in abeyance in February 2008, the US had argued before the Committee on Technical Barriers to Trade (TBT) of the World Trade Organisation (WTO) as early as 2006 that the very existence of the KIA reflected the central importance of biotechnology and, therefore, the need to have a non-discriminatory regime on transgenic varieties in India (Kuruganti 2008).

The KIA had also endorsed the use of the services of a Canadian company, AGBIOS, specialising in the areas of "public policy, regulatory, and risk assessment expertise for products of biotechnology," to draft guidelines regarding the food safety of transgenic crops for the Indian government. Clearly, the US engagement in the KIA was aimed at modifying the regulatory environment of GM foods in India in order to expand the access of American companies to the Indian market.

The KIA focused its attention early on creating a favourable climate for contract farming in India. In particular, the American side proposed to use its expertise to draft and regulate contracts in India. Moreover, it proposed to train Indians in the drafting of contracts, and even suggested that Indian cultivators on contract would need to shift to crops that were suitable for processing. In effect, the US side clearly saw in the KIA an opportunity to not only introduce production technologies that opened up markets for American companies, but also to change the nature of the food supply chain, policy directions that explain the presence of entities such as Wal-Mart on the KIA board.

Critics of the KIA have pointed out that while the move to "harmonise" the Indian IPR regime threatens food security in terms of access to seeds and other inputs, the agreement also violates several provisions of the Biological Diversity Act (Kuruganti 2008). Kuruganti observes:

> There are special guidelines drawn up for collaborative research projects like the KIA and notified under the Act. *Prima facie*, the KIA violates many of these notified guidelines, which implies that protection under this law may not be happening.

The issue remains ambiguous because the proceedings of the KIA board reveal an interest in initiating training to promote licensing and IPR protection, especially training that pertains to licensing of biotechnology discoveries that are undertaken jointly under the programme.

Beyond the KIA

The interests of US agribusiness companies in India were well represented in the Obama Administration's engagement with India. After the three-year "work plan" of the KIA ended in 2009, the US–India engagement now goes by the name of

"Agriculture Dialogue." This "Dialogue" is aimed at giving effect to the India–US Memorandum of Understanding for Cooperation in Agriculture and Food Security, which was signed by President Obama and Prime Minister Manmohan Singh in November 2009.

The same month, the US–India Business Council, in which American agribusiness corporations are well represented, released a document titled "Partners in Prosperity, Business Leading the Way, Advancing the US–India Commercial Agenda as the Foundation for Strategic Partnership." While calling for an "Ever-Green Revolution" in India, based on "cooperation" that would increase productivity and efficiency in Indian agriculture, it stated that the "effort to vitalise India's agriculture sector should be driven by business, and [that] the first step is improving India's farm-to-market global supply chain."

Both in terms of their motives as well as their design, the KIA and the "Agriculture Dialogue" threaten to undermine Indian food security and national sovereignty. The agenda of the engagement reveals lopsided priorities, especially in its attempt to alter the nature of the Indian intellectual property rights regime to suit the interests of US agribusiness.

Keywords: US-India agricultural cooperation, Knowledge Initiative in Agriculture, KIA.

Acknowledgements: An earlier version of this note was presented at the Tenth Anniversary Conference of the Foundation for Agrarian Studies, "On Agrarian Issues," Kochi, January 9–12, 2014. The author is grateful to participants at the conference and to a referee of this journal for comments and suggestions.

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