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Briefing 2003

Argentina and GM soya: the cost of complying with US pressure

Excerpt from "Hungry Corporations - transnational biotech companies colonize the food chain", by Helena Paul and Ricarda Steinbrecher with Devlin Kuyek and Lucy

Michaels, Zed Books, London, October 2003 (ISBN 184277 3011)

Soya is not bringing wealth to Argentina. 'We are being occupied by the seed multinationals that have patented life and are forcing us to pay tribute to them,' says Jorge Eduardo Rulli, one of Argentina's leading agronomists. 'The more we produce the poorer we become.'⁴⁵

Argentina was long held up as a model of compliance with IMF and World Bank regimes – until its economy went into meltdown, resulting in a popular revolt at the end of 2001. Argentina also showed itself a model of compliance with US policy on genetically engineered crops and has been for some time the second largest GM crop producer in the world, after the US (see Table 8.1, p. 187). Argentina was encouraged to focus on largescale export agriculture to boost its economy and service its debt.

GM comes to Argentina

In the 1980s, demand for grains and oil seeds rose while the profit from raising cattle declined, which led Argentine farmers to abandon their mixed farming in favour of permanent crop cultivation systems.

This was more lucrative since the production of soybean in rotation with wheat, maize or sunflower allowed three harvests every two years. Fences were removed and facilities for cattle dismantled to allow larger areas to be cultivated.⁴⁶

A familiar pattern asserted itself, with farms growing larger and the smaller farmers abandoning or leasing out their land to contractors. 'In the heart of the soybean production area, north-west of Buenos Aires, half of the cultivated area is already managed by contractor holdings.'⁴⁷ It is estimated that some 7,000 farming families left the land each year. Millions of acres of land were put up for auction by the banks.⁴⁸

Soil fertility soon began to decline and no-till farming was introduced (see ConTill, pp. 217–20). This involved the use of glyphosate to clear weeds instead of ploughing. It was but a short step from this to glyphosatetolerant crops such as Monsanto's RoundUp Ready soya, introduced in 1996. The contractors found these methods suited their large-scale operations. In 1995, Monsanto's application for a patent on the RoundUp gene had been rejected by the Argentine national patent office. Plants cannot be patented under Argentine law. This means that Monsanto cannot protect its property with contracts, fines and court cases as in the USA. Furthermore, it had to cut the price of its seed in Argentina, which aroused some resentment among farmers in the USA, fearful of competition from Argentinian soybeans.⁴⁹ However, the factors protested by US farmers helped to get the crop massively established in Argentina, and Monsanto also benefited from the increased sales of glyphosate (up 250 per cent in two years – from 28 million litres in 1997/8 to 58 million litres in 1998/9 and 70 million in 1999/2000, much of it sprayed from the air).

By 2000, roughly 90 per cent of the soybeans (some 20 million acres) grown in Argentina were genetically engineered. Most of this soy was destined for export. GM maize (corn) and Bt cotton were also increasing, while RoundUp Ready cotton was expected soon. Official statistics reveal that some 12,000 acres of GM trials were held in 1999, including vegetables, cereals and fibres.⁵⁰ Nearly all (90 per cent) of the GM trials and all of the GM crops were introduced from outside Argentina. The country was used from early on as an off-season site for testing GM crops. Recently, the number of authorisations fell, perhaps in response to news of resistance to GM crops elsewhere.⁵¹

As GM crops took hold, smaller farmers found themselves caught in further traps. The price of soy began to fall on international markets, yet the price of loans increased. Once in financial difficulties, farmers could not recover, because the financial margins were too tight. On the way to the bottom, some farmers resorted to taking credit from agricultural input companies, to which packages of GM seed and inputs were often tied.

Furthermore, yields were not as good as had been promised. At the International Forum on Globalisation and Family Farmers and the Third Assembly of the RIAD (Red Interamericana de Democracia/Interamerican Network on Democracy) in Rio Grande do Sul, Brazil (4-10 July 2000), a representative from Argentina said there were growing rumours that GE soya yields were 10-15 per cent lower than the conventional yields and that the use of glyphosate was already having to be intensified, with stronger formulations also being required. This has since been confirmed by reports, one of which cites the rise of herbicide-resistant weeds as the cause.⁵² It has also been confirmed by comparative experiments in the US that there is a yield drag of 5-10 per cent between RoundUp Ready soybeans and conventional cultivars.53

No public participation in decision making

The situation for obtaining consents for field testing or marketing of GM crops in Argentina resembles that in some East European countries. There are no civil society organisations represented on the GM commission. The commission consists largely of scientists, most of whom also work for the companies. Approvals have been granted on the basis of substantial equivalence (see p. 164). There has been no attempt to inform consumers or to have a national debate on the issue of GM and its impacts on human health, the environment and society.

Desperate times in Argentina

In December 2001 (around the same time as the popular revolt in Argentina) it was reported that the country was joining the US in bullying other countries to drop plans for moratoria, strict labelling and other measures to delay or prevent the introduction of GE crops. Bolivia had been planning a moratorium but dropped the idea in October, allegedly under pressure from Argentina.⁵⁴ Perhaps desperate Argentina had been bullied in its turn. One result of the collapse of the economy was that Argentina's farmers planted more and more soy, because the tremendous squeeze on credit meant that they needed to find a crop with lower production costs. Conservation tillage methods mean that one farmer could farm a larger area alone, hence saving labour costs, but also depriving people of jobs. Production of sunflower and corn have fallen while soy, of which 90 per cent is said to be GM, covered 43 per cent of Argentina's farmland in 2002.55 Lower yields and falling market returns have caused the area of cultivation to be extended, at the expense of indigenous forest – the mountain rainforest region of the Yungas in the north of Argentina - echoing developments in Brazil, where the fragile Cerrado forest is also being destroyed, often for soya, although not of the GM variety.⁵⁶

Argentina's over-reliance on a single crop leaves it with little flexibility in its time of crisis and undermines food security in the country. Food prices have risen steeply, and deaths from hunger were reported in November 2002 among children in the north of the country. Lack of other food supplies, fear of food riots and difficulties with exporting GM soya led the government to devise programmes (such as 'Soya Solidarity') to feed its people soya, most of which is GM, originally destined for export as animal feed. Since it is not a food Argentinians normally eat, they had to be given directions as to how to use it and had no choice over whether to eat GM food. This is the first time soybeans have been consumed directly by human beings in such large quantities. Normally soya is fed to animals, or else, as in China, fermented or precipitated before consumption. Argentinians, it seems, are being subjected to a massive food experiment.

Rebuilding self-reliance

The wide adoption of GM soya has therefore accelerated the loss of food sovereignty, and of food and livelihood security, so increasing dependency. However, there is some cause for optimism in Argentina. People have started to create their own food gardens, most recently in the centre of Buenos Aires itself. By mid-2002, there were said to be some 450,000 of these huertas or gardens in the country, providing some food for about 2.5 million people, and the number is growing. These projects are mostly urban, however, and it is essential to get small farmers back on to the land, producing a diversity of food crops, and setting up seed banks, for the sake of future food security. As the gardens have spread, so the movement has become more political and is now strongly allied with Kick Them Out, which played a major part in the events of December 2001. With high unemployment, rocketing food prices and economic turbulence, some are looking to their own skills, energy and capacity to negotiate a way forward.

Both the neighbourhood assemblies and the unemployed groups put a strong emphasis on the autonomy that the huertas allow them to achieve from the government. They also emphasise the huertas' cooperative, self-managed nature. The most radicalised participants go one step further. They see the vegetable gardens as an embryonic form of organisation for a new society based on the principles of self-sufficiency and community-based direct democracy.⁵⁷

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