

Pat Mooney

Corporate multilateralism at the UN

IAASTD was wrapping up at an important but mostly unpredictable moment – the as-yet-unnamed Great Recession was ramping up, banks were begging, capitalism was quivering, and a food-price crisis was destabilizing countries and continents.

Corporate concentration all along the industrial food chain seemed contentedly oligopolistic – having gone as far as anyone thought regulators could tolerate and (thanks to joint ventures and cross-licensing arrangements) beyond anything the giants would need to beat back upstarts. Still licking their wounds from the GMO fiasco, Terminator Seeds had been rejected a second time and the smart money was hiding Climate-Smart in its data cloud. With Occupy hot after Wall Street there was even hope that State Street might screw up the nerve to take on the 1% or, at least, their companies.

At the first link in the Food Chain, Civil Society Organizations were rightfully railing that the six big Gene Giants with more than two thirds of the commercial seed and pesticide markets, should be broken up. But nobody thought further consolidation was possible. Though disenfranchised and demoralized, the public sector – both in research and regulation – seemed stabilized in servitude where the private sector wanted them. How the food system has changed! Here's a summary of six big changes we didn't prepare for:

1. The “Shock Doctrine” narrative: First, the UK's Stern Report and then the climate negotiations collapse in Copenhagen in 2009 set the stage for the so-called “Climate-Smart Agriculture” and a bold new agribusiness narrative. It's simple and persuasive: Faced with a growing population, increasing nutritional demands, climate change and biodiversity loss, agriculture will experience more change in the next few decades than it has in the last 10,000 years. Only Climate-Smart technologies can get us through this and only if governments clear the way for the big guns of corporate science to risk their investments and merge and converge as necessary. Naomi Klein laid out the corporate strategy in her 2006 book, “Shock Doctrine” – the same year as the Stern Report.

2. Frontal lobotomies – dumbing down governments: Governments (the Public Sector) have been moulding themselves to corporate need since Reagan and Thatcher but the last decade has witnessed a major stand-down in the capacity of many governments to monitor and regulate companies. Increasingly, public institutions and universities can't afford the equipment and can't compete for salaries to attract top-notch scientists, regulators and lawyers. With the brightest

minds and best tools in the hands of the biggest companies, the Public Sector has given itself a frontal lobotomy, surrendering its punitive power for a begging bowl. Not unique to agribusiness, this has most obviously played out in the aerospace industry with the Boeing 737max and with the ever-unfolding scandal around diesel car emissions, which has spread beyond Volkswagen to snare almost the entire automobile industry. On the food front, it plays out in government capacities to regulate chemical toxins (glyphosate et al.) and food safety (where health issues have multiplied as food inspectors have evaporated).

3. Apple or orchards? The Shock Doctrine narrative also applies to technology research strategies. Agribusiness argues that it takes vast amounts of money and squadrons of scientists to adapt agriculture to rapidly changing conditions. The argument is that the Public Sector and peasant producers have developed crops and livestock designed for local conditions – innovation/diversity “through space”. The high-tech assumption is that the world needs innovation/diversity “through time”, i.e. the highly-uniform crops and livestock we see around the world today can be adjusted year-by-year because of an ever-advancing product line that will also allow us to respond to climate change. It’s Apple or orchard – buy a new iPhone every year and stay up-to-date or have an orchard full of diverse fruits

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that will make sure there is food on the table at harvest time. Centralized just-in-time corporate control or peasant-controlled flexible diversification. It’s worth noting that just-in-time hasn’t worked so well for Apple when its value chain encounters Covid-19 and can’t access parts from around Asia.

4. Alphabet scoop – covert capture: The big “ask” (demand?) with the new narrative is that anti-competition regulators step back and allow giant companies to become even bigger so that they can manage the risk involved in innovative research. In the past years, we’ve seen unprecedented mergers and acquisitions all along the food chain – takeovers we would never have believed 10 years ago. It is not simply that the six Gene Giants have become four (maybe, soon, three depending on the fate of Bayer/Monsanto and BASF’s growing interests and possible new developments with Sinochem’s takeover of ChemChina/Syngenta) but the real concern is that the new technology platforms – Big Data and AI – mean that the number one global farm machinery company, John Deere, might make a major move in the seed/pesticide sector or that Alphabet (Google’s holding Co.) or Amazon (already owning Whole Foods and a growing array of brick-and-mortar stores) might bite into the Cloud Control of agricultural inputs or even food processing. At the end of the day, it may be the farm insurance companies that take over.

5. Stakeholders vs. steak eaters: Or, the ultimate takeovers may already be behind us since BlackRock, Vanguard and State Street, the world’s three biggest asset managers, picked up shares in all of the major companies along all of the

links in the food chain. As Jennifer Clapp and her colleagues at the University of Waterloo have taught us, when Bayer, Monsanto, Dow, DuPont, Syngenta and BASF sat down to negotiate a couple of years ago, the only party that sat behind them and could see all of the cards on the table were the three asset managers. And, at the same time, they can look over at the other tables and see games being played by commodity traders and food processors. Multi-stakeholder dialogues are a farce when smallholder producers, the real stakeholders, are forced to shadowbox with the asset managers, the steak eaters, behind the biggest governments and corporations.

6. R&D vs. PR The final major development since the IAASTD has been the acceleration of agribusiness propaganda – the trend away from R&D in favour of PR. For the Shock Doctrine narrative to work, governments and the public have to believe that the agrifood industry is truly capable of solving our problems, that they “get” their social responsibilities and understand that their business has to change. This means that the input companies must promise to reduce the environmental damage of most pesticides and fertilizers. This also means that John Deere is committed to food security not data monopoly. This also means that food processors like Unilever and Nestlé will reduce packaging and eliminate non-reusable plastics. The problem – especially with R&D – is that it really is high risk and expensive whereas money spent on PR always yields returns. The reality is that the demand for plastics has never been greater and is projected to become greater still. For all their talk, the big processors of palm oil admit that they still can't stop buying the illegal products of burned-down forests and slave labour; that despite their commitments, the handful of chocolate manufacturers confess that child labour and slavery on cocoa farms is increasing.

The new multilateralism: All of these developments are facilitated by the corporate pressure for a new relationship between States and corporations. Championed by the World Economic Forum, companies are arguing that the world needs a new form of multilateralism that allows the corporate CEO and the State CEO to negotiate as equals. Officially, of course, they call for the participation of the world's biggest – and most compromised – aid and environment NGOs, in-house unions and domesticated producer organizations but these are welcomed as the cheerleaders in the background not as negotiators at the table. This is nowhere been more evident than in Davos' insistence that the UN Secretary-General convene a World Food Systems Summit in the final quarter of 2021. For the first time in UN history, a Summit has been managed and structured by the agrifood industry. We've never needed another IAASTD more.



In 1997, Pat Mooney co-founded the Rural Advancement Fund International (re-named ETC Group in 2001). He received the Right Livelihood Award in 1985 and the Pearson Peace Prize in 1998. He (co-)authored several books on the politics of biotechnology and biodiversity. ETC's work emphasizes plant genetic resources, agricultural biodiversity, and biotechnology.