

# Corporate power, people and the land

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## Introduction

Large aggregations of economic power usually share certain characteristics. They have huge bargaining power (often allied to political power). They tend to have pyramidal internal power structures, firmly controlled from the top and centre. They often seek out uniformity of raw materials. Unless they produce small numbers of big items, like jumbo jets, they seek ever-expanding outlets for the same or a similar range of products. If they are state owned, they can distort political decision-making and enjoy privileged access to resources. If they are companies or corporations, they are accountable to a comparatively small number of people and then in purely financial terms.

Corporations may also wield political influence. If they are transnational in scope, then no regulatory or fiscal system is really able to regulate their activity. In time they can start to behave more like empires than economic actors.

In some cases, such as the manufacture of jumbo jets, such organisations may be the best for the task, but in that case they should be set in an appropriate cultural and regulatory framework.

In many other cases, for example making shoes, there is no inherent reason why huge enterprises are more efficient or appropriate. However, they would still have exaggerated bargaining power, little accountability and probably the ability to dominate the market.

Farming has not usually been susceptible to huge state management. Why?

- Success depends on continual adaptation to and interaction with topography, climate and soil, all of which vary from place to place and some from year to year.
- Outcomes of decisions and actions are, therefore, unpredictable, and create the need for further immediate decisions at a very local level.
- Production times can be very long and irreversible. Fundamental change can take longer still.
- Communications and access to rural areas have often been bad.
- Everyone has a stake in food security and the control of food production.

Historically, very large-scale management of farmland and animals does not have a good record – most notably in the Communist era. Family-based production is the most widespread and consistent performer.

Farming is also (using a popular though controversial term) multifunctional. Farming supplies food and fibre, manages land, landscapes and water catchments, provides

employment for a very large slice of the world's population, and creates and influences biodiversity. In one form or other, farming covers a large proportion of the earth's land surface.

Farming is not just any other business. Neither can it be deconstructed to mere land management. Food and culture are closely linked and in some societies rural life is regarded as the wellspring of local culture.

In view of these inherent and fundamental differences, conflicts between corporate and farming processes are to be expected. To take a simple example, the supermarkets' urge to acquire huge numbers of identical carrots to pack and market collides with Nature's propensity to produce various sizes and shapes. What does the farmer do? Waste half his crop or try to further manipulate the growing process. In many instances the outcomes are more serious.

## **The case of Percy and Mrs Schmeiser**

(the account below draws on a report by Christopher Jones published at [http://www.agriculture-theology.org.uk/reports/schmeiser\\_2002.htm](http://www.agriculture-theology.org.uk/reports/schmeiser_2002.htm)).

Mr and Mrs. Percy Schmeiser are a 71-year old couple farming 1200 acres in Saskatchewan. From the late '40s they have been pioneer oilseed rape growers, saving seeds from better plants and developing their own strains, in an area where a few miles north or south makes a great difference.

For many years they used 'Round up' to kill volunteer plants on headlands, farm tracks, or under power lines. In 1997, some plants survived Round up; the following year more survived. Next, came a court summons from Monsanto for infringement of their patent. The informant, who noticed the surviving volunteers, is believed to have been rewarded with a free leather jerkin.

Schmeiser had his farm scientifically surveyed. 68% of the volunteer rape plants in the uncropped areas contained Monsanto's gene, fields of rape had 2-8% contamination, with two fields having none. The summons left him no way out, since the damages demanded were hefty.

Two years later, having spent \$200,000 in legal costs, the Schmeisers appeared in a Federal Canadian Court. Just before trial Monsanto offered terms.

- ❑ Hand over profits of 1998 rape crop and legal costs of \$200,000.
- ❑ Make statements saying rape did not cross pollinate by wind or bird.
- ❑ Make no further public comments on their experience or the issues it raised.
- ❑ Pay royalties on all future rape crops wherever the seed came from.

Monsanto withdrew accusations about them having stolen the seed, and the case rested on the fact of their having the patented material on their farm. After two and a half weeks came the decision. Monsanto were awarded damages and costs. The Judge said:

- ❑ 'It does not matter how Monsanto's rape gets into a field – by pollination, birds or wind – it becomes Monsanto's property.'

- ❑ ‘If anyone grows any plant which is cross pollinated by Monsanto’s gene, it becomes Monsanto’s property.’
- ❑ ‘Schmeiser’s seed stock contains Monsanto’s genes, therefore they cannot again sow their own seed.’

The Schmeisers appealed against the decision and the costs of this have been met by gifts from all over the world, including Britain.

The present legal and personal position is that they stand ordered by a court to forfeit a year’s rape profits and Monsanto’s costs. They have exhausted their savings on their own costs. This is for having these plants because they ‘knew or ought to have known they were on the farm’: not for saving, privately buying or stealing the seed.

When Percy is away his wife, who has been ill, receives harassing phone calls. The Province is patrolled by Pinkerton agents advertising for informants and policing Monsanto’s gene. Round up resistant rape has become a widespread weed.

## **Bananas in Costa Rica**

(the account below is based primarily on a report by Christopher Jones published at [http://www.agriculture-theology.org.uk/reports/costa\\_rica\\_2002.htm](http://www.agriculture-theology.org.uk/reports/costa_rica_2002.htm) and information published by Banana Link at <http://www.bananalink.org.uk/>).

On Friday 23 February 2001 the workers on the Agropecuaria de Matina banana plantation in Costa Rica received two letters from the management. In the first they were told that ‘obliged to restructure our costs...we are dispensing with your services with due severance...we proceed to completely annul all the rights the current direct agreement established’. In the second those living on the plantation were told, ‘as you live with your family in one of the company’s houses...we are granting you a period of eight full days in which to move out’.

On Saturday morning they were verbally offered their jobs back for wages of about 60% of those previously paid – apart, that is, from the union members, who were told that no other plantation would employ them when they left.

Like most independent producers, the plantation owner was coming into line with a process initiated by the big three banana transnationals, Dole, Chiquita and del Monte. Others had their contracts to supply bananas to the big three cancelled or curtailed.

Some 86% of the world’s banana crop is grown and eaten locally. However, large amounts are traded into areas where they do not grow. In parts of the Caribbean the former sugar plantation areas were broken up and made available as smallholdings. An economy developed, mixing bananas for export with local food production. There were agronomic and environmental problems, especially with some of the remedies for pests that molest bananas, but there were independent citizens and a diverse flora and fauna.

However, with the onset of global 'free' trade, bananas from the plantation economies of Central America entered the markets supplied from the Windward Isles. They were more uniform, had no skin blemishes and cost the retailers less.

Bananas are now the 5<sup>th</sup> largest agricultural commodity in world trade (after cereals, sugar, coffee and cocoa). The trade is dominated by three companies (Chiquita, Dole, Del Monte) - together controlling 65-70% exports. Ecuador, Costa Rica, Colombia export 64% and Europe, USA and Japan buy 80%. They operate mostly in Latin/Central America – they own or contract plantations, own sea transport and distribution networks on consuming countries.

Even a well run banana plantation is an ecological problem, with acres and acres of exactly the same plant (they are propagated vegetatively), necessitating as much fungicide per acre as a Dutch bulb field, and some very toxic insecticides too. As well as pollution of water courses, the effects of all these has reached as far as coastal coral reefs.

Workers may be sprayed from the air and often use chemicals with little protection. or work for 11-12 hours a day their hands constantly in tanks full of chemicals used to clean and preserve bananas, resulting in widespread and serious health problems ([www.bananalink.org.uk/impact/human\\_impact.htm](http://www.bananalink.org.uk/impact/human_impact.htm)).

Attempted EU intervention, designed both to assist Windward and similar producers and to favour EU-based banana multi-nationals, produced large political funding contributions in the US and two protracted disputes in the World Trade Organisation.

Banana production in Costa Rica, surged. Windward Isle banana production has shrunk to half or less. (Christopher remembers a delegation of Central American banana workers visiting the Windward Isles and saying that they must try to support the Windward Isle producers because land ownership and independence was what they wanted for themselves.)

As time passed, the power of the retailers grew and banana prices were forced down further. The banana companies sought to pass this down to the workers and the land. In Costa Rica workers were dismissed and the tamer ones re-employed for much less. With a burgeoning tourist trade Costa Rica was becoming more fastidious about the environment. Ecuador was the answer, with low environmental standards and no unions. In July attempts were made to form a union. Thugs were hired to shoot at and intimidate the workers.

## **Biblical critique**

(the central theme of this section was developed in more detail by Peter Carruthers and published at <http://www.esep.de/articles/esep/2002/E17.pdf>).

Across the world, farmers are facing dwindling incomes and many are leaving farming (in the UK, 40,000 from 1999 to 2001). Many causes for this could be invoked. However, there are two constantly recurring related themes - the diminishing share of the consumer's expenditure which is reaching farms, and the oligopolies of powerful buyers that are ranged against thousands of 'must sell' sellers.

- ❑ In the case of bananas, a 40lb box leaves a plantation in Costa Rica at \$4.50 (in Ecuador at \$2+). It retails in UK supermarkets for \$27. Just three companies largely control Costa Rican bananas.
- ❑ In the UK, the Competition Commission recently 'identified a complex monopoly situation for the purposes of the 1973 Fair Trading Act on two matters - the pricing practices of the supermarkets and their relations with suppliers'. Twenty-seven practices employed 'gave the five major buying supermarkets substantial advantage over other small retailers'.
- ❑ At the global level the grain trade is controlled by a handful of companies, one of which is believed to handle half of the world's trade.

In these circumstances markets do not work!

Christopher remembers a Czech clergyman saying, "Liberalisation is very like Communism: it recognises only the material; believes it must possess the whole world to work properly; thinks, if things go wrong, it can only be because the system is not being applied fast enough or rigorously enough; and is led by a small group of men who believe that they alone can decide'.

Like the voice of the prophet in the wilderness, the Bible challenges the values behind these phenomena profoundly and comprehensively. The Bible does not proscribe economic growth, but it does prescribe measures to limit its growth at the costs of injustice, oppression and over-exploitation of the land. Economic growth, is intended to be subordinate to the principles of love of neighbour and care for the earth. This principle of restraint is most forcefully conveyed through the sabbath and the Jubilee. The latter emphasised the inalienability of family land (see Kings 21:3) and, in effect, places strict limits on the growth of private wealth.

The Sabbath day, the Sabbath year and the year of Jubilee (a sabbath of sabbaths) place a "radical constraint on relentless production (and, by implication, consumption) and unbridled covetousness. The sabbath protects those without a voice and without power - the poor, livestock and the land. The sabbath reminds us that the land is a gift and the earth and everything in it are not ours to do with what we will, but the Lord's. The sabbath affirms that 'I am, indeed, my brother's keeper'" (Carruthers, S P. 2002. Farming in crisis and the voice of silence. <http://www.esep.de/articles/esep/2002/E17.pdf>).

Sabbath day, sabbath year and Jubilee, also point beyond themselves to the Messianic age, to the releasing of the oppressed, to God's justice and righteousness in everything, to freedom for the land, to the liberation of creation. It was with the announcement of this 'messianic sabbath' that Jesus began his public ministry (Luke 4:18), and it is assured in the age to come. The challenge now is to pray and work that His will be done and His kingdom come in those spheres and situations where we have influence. For most of us, though our consumer choices of nothing else, these include 'corporate power, people and the land.