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Monsanto Takes One Step Closer Toward A Transgenic Isthmus

by LADB Staff

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As the world's poor ponder where their next meal is coming from, the agrochemical giant Monsanto is dining well. On June 19, it had Central America's largest seed company, Semillas Cristiani Burkard (SCB), for lunch. The bill came to US\$135 million, small change for Monsanto to pay for the company founded in 1966 by Antonio Cristiani Burkard, brother of El Salvador's former President Alfredo Cristiani Burkard (1989-1994).

Despite its Salvadoran branding, SCB is headquartered in Guatemala. It specializes in hybrid corn, sorghum, beans, and forage-crop seeds, with about 900 distributors throughout the isthmus. SCB is also a distributor for Seminis vegetable seeds. Seminis is a very large seed company generally unknown to any but growers. Monsanto gobbled it up in 2005, to the consternation of many growers concerned with a potential decrease in the wide availability of diverse varieties for farmers and increased biotech applications in the vegetable sector as Monsanto applies efficiencies to the industry much as farmers apply herbicides.

Seminis is as much a perpetrator as it is a victim of the larger eating the smaller. This was a Mexican company, founded by Alfonso Romo, another presidential relative (Mexico's former President Francisco Madero (1911-1913), in the 1990s. Romo, seeing that corn and the basic staples had already been gobbled by the likes of Monsanto, sought to apply the same acquisition methods to the lesser vegetables. Thus did he snag Asgrow, Petoseed, and dozens of Asian seed companies. Financial analysts looked at the Seminis acquisition with a logic that applies to SCB as well.

The analysis favors the interpretation that genetic diversity will decline. Seminis supplied 20% of the world market in seeds and 40% of the US market. It supplied 55% of the genetics for lettuce, 75% of the tomatoes, 85% of the peppers, and various percentages of beans, squash, melons, broccoli, cabbage, spinach, cucumbers, peas, and other crops in the US market, for which Central America produces. In the US, Seminis served the organic market, a segment particularly concerned with Monsanto's takeover of the company.

Some agricultural observers say the company's diversity may have led to its takeover. It was losing money and was in debt for about US\$40 million, while its inventories soared to more than 6,000 varieties of vegetables at one point. It subsequently had to cut down to about 2,500. The company's stock slid, allowing Monsanto to swallow it up. The takeover of SCB has been seen as a continuation of Monsanto's reaching out to take over much of the vegetable sector. Some see it as a way to replace anticipated losses stemming from patent expiration on its Roundup herbicide. Years ago, Monsanto had already inserted its Roundup-resistance gene into some SCB and Seminis products.

Now the largest producer and seller of seeds on the planet, Monsanto appears to have grown past the need to bury its very few remaining competitors. In May, Monsanto resolved a years-long seed-

patent dispute with the Swiss company Syngenta AG, the world's third-largest. The companies will now share the patents they were fighting about. Financial analysts say that, at this level of concentration of resources, there is more to be gained by cooperation than by competition.

Brave new monoculture world

SCB has struggled successfully to become worthy of the Monsanto takeover. Already the largest regional company, its fortunes tumbled in the 1980s when agrarian reform in El Salvador led to nationalization of the seed business. But the political agenda that underlay the reform proved unsustainable, and SCB thrived again, gaining subsidiaries in Mexico, Honduras, Nicaragua, and Venezuela. With the takeover, SCB is the latest iteration of a battle between the forces of corporate efficiency and genetic diversity.

Regional environmental organizations are on red alert. "If the Guatemalan government allows Monsanto to make inroads into the local seed market," said food-security advocate Ronnie Palacios, "local corn will most likely be displaced by the genetically modified (GM) variety. Many hectares of corn are at risk, and we could risk losing our native genetic material, which is unique in that it is the only variety in the region that has not been contaminated by exposure to genetically modified varieties." Palacios is from the Red de Soberania y Seguridad de Guatemala (REDSSAG). He is concerned as well that farmers will become dependent on seed purchases rather than being able to save seed from the current year's production, as has been the case since agriculture began.

The new seed is economically modified so that it must be bought anew for each planting. It does not reproduce its kind. Helmer Velasquez of Coordinacion de ONG y Cooperativas (CONGCOOP) took on this and other issues. "The use of genetically modified seeds poses health risks and will devastate native seeds. This means the country will lose its food sovereignty." The unnatural seed that will not reproduce allows the seller to hold food production hostage. Velasquez sees a future in which small farmers will be forced from the fields by the owners of the genetic material fixing and raising prices. Monsanto would in effect grant plants licenses to grow, people licenses to eat.

The morality of all this is one thing, the legality another, or as Bertolt Brecht has been quoted in this context, "Food is the first thing, morals follow on." El Salvador must now pass a law, a Ley de Semillas, to make it legal to do these nature-bending things to seeds and then sell and use them. Food-sovereignty and environmental advocates argue that these manipulations are good for business but not for people. In the midst of a global food crisis, less than half El Salvador's production goes to the local market. The activists stress that local farmers are duped to believe that the genetically manipulated seeds produce more, but Angel Ibarra of Unidad Ecologica de El Salvador (UNES) pointed out that modification does not improve yields, and the technology that accompanies the seeds, the fertilizers and poisons, exhausts the soils.

This has been seen elsewhere on the isthmus, in Nicaragua, where, after some years of planting using this technology, the land would no longer produce native-corn species indigenous to the region since before history was carved on stone. But a parallel story is being told in the local mainstream media, with protagonists like campesino Gumerindo Guzman, who has been farming for 30 years and who sees a godsend in GM crops. As he prepared to plant for a second crop, he

told reporters, "Before, 30 loads was a harvest, at best. With treated seeds, we have an average of 50 loads." But Guzman was not farming in El Salvador; he was in San Luis, Tolima, Colombia, where officials of the Camara Agropecuaria y Agroindustrial de El Salvador (CAMAGRO) were visiting to get testimony of this kind in support of the seed-law legislation, the press in tow.

CAMAGRO president Ricardo Esmahan told a Prensa Grafica reporter that conditions were different in El Salvador and that the use of these seeds might have to be postponed while cultural norms were changed and zoning laws adjusted so that the seeds could be used in places where they are now banned. But it is inevitable, he predicted. "We're always going to work with the improved seed, and the transgenic," he said. "Who will be able to use it will depend on coexistence and zoning." Currently, proper technique requires that transgenic plantings be 300 meters from natural ones, but, said Esmahan, "It would be very difficult to do that in our country. Everybody has their ways, and not everybody is going to want to work with this, because it is a technology that requires a lot of convincing. Not everyone is going to want to do it." Everybody not wanting to do it, however, could pose additional problems.

Guzman in Colombia farms within a cooperative-style organization that offsets costs by buying the more expensive seed and fertilizers at wholesale. Some 200 producer-members strong, the organization, AsoSanLuis, also markets the produce, eliminating losses to intermediaries. The transgenics have engineered-in bug resistance, reducing or eliminating the need for pesticides. Economically, this somewhat offsets the need to buy seed each year, but it is uncertain how the system works if the plot next door is using traditional methods. Because a tight cooperative association so greatly facilitates the use of the new seeds in Colombia, Esmahan guessed that the most likely early adopters in El Salvador and Central America would be co-ops or land-reform beneficiaries.

Monsanto has plans for the country and the region that go far beyond monopolizing the production and sales of seeds. The new law would enable extensive research and testing of transgenics. "They can start with the CENTA's (Centro Nacional de Tecnologia Arropecuaria) lands, campesino cooperatives, and the universities," said Esmahan. Monsanto eagerly awaits the legislative action. "Once the regulatory framework is established," said the company's regional governmental affairs person Rafael Aramendis, "we have to see about production conditions, yields, and land availability." The company has already shepherded the enabling legislation through the Honduran legislature, and its plans to transform the landscape there are under way. El Salvador is the second planned conquest, with Guatemala to follow.

Aramendis is getting popular resistance, including demands to clean up damage Monsanto is already accused of having done. Communities in the eastern part of El Salvador, together with environmental authorities, want Monsanto to pay for clean up of 90 barrels of Toxafeno that were abandoned and sat decomposing for 20 years. The cost, US\$136,000, was borne by several different organizations. Aramendis said he was unfamiliar with the case. The current food crisis is expected to help Monsanto's chances of getting the kind of legislation it needs.

Groups and associations representing an estimated 120,000 small farmers throughout the country have indicated willingness to participate in testing GM crops. "In this situation of food insecurity,

one of the alternatives is to implement the use of biotechnology," said Santos Marcial, a member of one of these associations. Eliazar Benitez of the Federacion Nacional de Trabajadores Agropecuarios y Comunidades Campesinas (FENATRACC) told the media, "We're going to make our lands available [as test plots]. Our growers are ready." Benitez said he and his associates are motivated by increased yields and reduced herbicide and pesticide costs. He said they expect to pay 20% more for the seed, but think the economics work in their favor.

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