The Commodification of Food, Farming and Farmers: A Critical Review of Farm Laws, 2020
Vinay Sankar†

Abstract
The recently enacted Farm Laws in India has led to widespread and vigorous protests across the country. It has been hailed as a watershed moment by the neoliberal market analysts and is compared to the 1991 economic reforms, based on the notions of liberalisation, privatisation and globalisation. A critical review of these laws and amendments needs to be situated in the larger narrative of commodification, wherein certain essential goods and services are appropriated and standardised and traded at market-determined prices. The present review intends to place these new laws in the broader policies and ‘projects’ of neoliberalisation of nature. A critical look at these laws shows that they have profound implications for social justice and environmental sustainability. It seeks to cross-question the food question and the peasant question by revisiting the ontological questions of what constitutes food and farming. It considers the new debate and the old vision of ‘food as commons’, and find that the new laws are, in fact, a continuation of attempts by neoliberal markets and states to commodify food and farming activities. Nevertheless, such attempts, for various reasons, face active resistance in the form of countermovements by the peasantry and enter the arena of political economy. The review argues that the present peasant resistance should be considered as part of the larger environmental justice movements.

Keywords: Commodification; Commons; Farm Laws; Critical Review; India

† PhD. Scholar, Department of Humanities and Social Sciences, Birla Institute of Technology and Science (BITS), Pilani, Hyderabad Campus. Jawahar Nagar, Kapra Mandal, Medchal District - 500078, Telangana, India, Email: vinay.sankar@gmail.com
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Introduction

As the controversial farm bills—now Acts—were passed on the floor of the Indian Parliament on 20 September 2020, without a deliberative and consultative process, in a blatantly undemocratic fashion (using a voice vote rather than a recorded vote, and after eight members of the Upper House were suspended without following the due process), violating federal principles (agriculture is in the state/provincial list under the Constitution), farmers from across the country were up in arms opposing them (Scroll Staff, 2020).

Thousands of farmers vigorously protested by blocking roads and holding up trains in agrarian states like Punjab, Haryana, West Bengal, Karnataka, Tamil Nadu and Uttar Pradesh. States like Rajasthan, Punjab, Chhattisgarh and Maharashtra have either brought in measures to counter the Central legislations or have explicitly stated that they would do so (except for Maharashtra, the other two states are ruled by the Indian National Congress (INC) party, the principal opposition to the Bharatiya Janata Party (BJP)-led Central Government). Even a BJP ally, the Shiromani Akali Dal party, opposed the bills, and its minister in the Central Government resigned in protest against the farm bills. Many state governments and farmers’ unions attached to political parties have already moved or are in the process of moving the matter to the Supreme Court, citing various violations. Analysts have criticised the lack of legislative scrutiny and procedural lapses in the Parliament as a ‘subversion of democracy’ (Sahu, 2020). As mentioned above, these Central laws also violate federal principles, as agriculture is deemed to be a state/provincial subject under the Constitution (Yamunan, 2020). However, Punjab has brought out its own version of farm laws to counter the central laws (Anand, 2020), and Kerala has declared a Minimum Support Price (MSP) for a variety of vegetables and paddy to ensure procurement support for farmers (FE Online, 2020).

Most protests are associated with the lack of clarity on MSP—a mechanism to protect against price crashes in the event of a bumper crop—and that the procurement operations by the government would be removed gradually (Roy & Meenakshi, 2020). Declaration of a reasonable MSP as a floor price, and uptake by the government for distribution through the Public Distribution System (PDS), along with farming based on agroecological principles, could act as an effective mitigation measure against the twin risks associated with agriculture—price and production.

This review seeks to interrogate the larger narratives of farming in a neoliberal setting through a critical review of policies and ‘projects’ in the field of food, land and the peasantry, using the lens of commodification. Neoliberalism is a political ideology that emphasises greater freedom of the market, withdrawal of the state from the public sector and, subsequently, its welfare functions (Carter, 2008; Harvey, 2005). It originated as an intellectual movement championing free markets and was aggressively pushed during the Reagan-Thatcher era in the 1980s (Harvey, 2005; Peck & Tickell, 2002). Neoliberalism received further impetus after the ‘Washington Consensus’ and structural adjustment programs in 1990s. In India, neoliberalism was adopted after the economic reforms of 1990s (Sangameswaran, 2009).

Commodification happens by creating an economic good by appropriating and standardising certain goods or services and selling them at market-determined prices (Bakker, 2005). The agricultural production systems or food systems have failed to ensure a secure food supply to the human population (Ericksen, 2008) and is mostly used as a means for profiteering and accumulation (Zerbe, 2018). It has both socio-political and ecological implications. Accumulation results in the concentration of power for a few big players in agribusiness, leaving a vast majority vulnerable and with little bargaining power (Rundgren, 2016). The decimation of natural foundations of farming leads to environmental degradation (Rockström et al., 2009). The recent Intergovernmental Panel on Climate Change...
(IPCC) report on land use identifies the food system as a significant contributor to global emissions (IPCC, 2019). The controversial Farm Laws, 2020, need to be situated in this milieu.

In all these debates, a larger issue of ‘the food question’ remains to be critically analysed. The question of food is also intimately connected to ‘the peasant question.’ Let us try to put these questions in perspective in the next sections.

The Food Question

The ontological question of ‘what is food’ would determine whether we hold food as commons, to be ensured for all, irrespective of their purchasing power, or as a commodity, to be priced and sold in markets. The primary goal of food systems should be to nourish human beings. However, despite producing enough and more food, the current industrial agriculture, based on the logic of profit-maximisation, has failed in reaching that goal. Not only has the food system failed to ensure social justice by eliminating malnutrition globally, but also in its functioning, contributed to environmental degradation. The dominant narrative of ‘food as a tradable commodity’ was constructed by economists who favoured the commodification of food and relegated ‘food as commons’ imperative to the margins. If managed under agroecological principles, agriculture and food systems could immensely contribute to ecological sustainability and protection of natural habitats. Feeding the world adequately and sustainably is the objective in which the dominant economic valuation of food failed miserably (Vivero-Pol, 2017, p. 182).

Even when scholars like Castree (2003) contends that food should not be considered as a commodity, as it is an essential resource for our survival, very few of them (Akram-Lodhi, 2013; Rundgren, 2016) view it through the perspective of the commons (Vivero-Pol, 2017). Most importantly, Vivero-Pol (2017) finds that well-established critics of the commodification of nature left out the question of food and never considered projecting ‘food as commons’ (Marx, 1867; Polanyi, 1944; Ostrom, 1990 and others).

Here, it is important to note that, following the analysis of Vivero-Pol (2017), commons is understood as a socio-political construct, where a resource is depended on a collectively-arranged form of governance situated in a particular space and time, and not merely as an economic construct pioneered by Ostrom (1990).

He argues that ‘food evolved from a commonly held local resource to an industrialised private transnational commodity, and entered the market of mass consumption’ (Vivero-Pol, 2017, p. 185). He states that commodification is the process of converting goods and activities into commodities; and the process has intensified from the middle of the 20th century (Vivero-Pol, 2017). Polanyi (1944) understands commodification as part of a process of capitalist expansion to new socio-ecological domains (Kallis et al., 2013). Polanyi (1944) stated that land, essentially nature, labour, essentially human beings, and money, a mere token of value, are all ‘fictitious commodities’ and used the framework of the ‘double movement’—the simultaneous and contending forces of neoliberalisation movements and countermovements of resistance. He conceived the notion of countermovement as a response to commodification and marketisation (Kentikelenis, 2017).

Market-based agricultural systems rest on two assumptions: the land is an economic resource, and participants of markets are all equal, notes Akram-Lodhi (2007). Nevertheless, as Polanyi (1944) asserts, land or nature is essentially socially-embedded. Landscape, as social anthropologists consider, consists of not just the physical landform, but the living elements, flora and fauna, elements like weather and humans. This embeddedness of land in social relations is antithetical to the capitalist, industrial agriculture, which essentially attempts to commodify nature/land as part of a larger neoliberal agenda (Akram-Lodhi, 2007).

Neoliberalism in agriculture constitutes measures such as removal of price supports, the entry of multinational corporations and the integration of domestic production with global
markets (Connell & Dados, 2014, p. 130). The authors note that the consequences of such reforms have been varied. In Turkey, the integration of sugar, dairy and tobacco production resulted in a reduction of diversity of landholdings and a decline in overall agricultural production. Agricultural liberalisation in the Philippines did not lead to economic growth or price stabilisation. Quoting studies such as Baviskar and Sundar (2008), the authors find that in India, removing state-support for small and marginal farmers resulted in massive indebtedness and farmer suicides.

A political-ecological question to ask is who benefits and who loses in the neoliberal growth models. Surveys in Latin America and the Caribbean countries indicate that inequality has soared after radical neoliberal reforms (Huber and Solt, 2004). Let us now examine ‘the peasant question’ to understand who gets to benefit and who stands to lose in the neoliberalisation of agriculture.

The Peasant Question

Bernstein (2016) argues that at the core of the agrarian change in the South, centred on industrialisation, is the ‘peasant question’ (p. 611). It is constructed differently in terms of socio-economic and political axes. He contends that the socio-economic is based on the level of commodification in the rural areas driven by the global capital. This capital could be accumulated in the form of capitalist landed property, agrarian capital and agriculture wage labour. The peasantry is erased through dispossession and various other forms of capitalist transformations. The political part of the ‘peasant question’ is the struggles or countermovements against feudalism, imperialism and capitalism, the ‘everyday forms of resistance’ against the authority of the state and the capitalist (p. 612).

Friedman and McMichael’s (1989) analysis of the role of agriculture in the capitalist state-making is a seminal work on global food regimes. They identified two distinct regimes driven by capitalist accumulation: one from 1870 to 1914 powered by British hegemony, and another one from 1945 to 1970 under US hegemony. They find that from 1870 onwards, food staples were mass-produced for global markets, and commercialised family farms were encouraged during these times.

Building on that foundational thesis, Bernstein (2016) surveys the political ecology of the current food regime. It asks three fundamental questions, to begin with:

- Who produces what food where and how in the global capitalist setting?
- Who consumes what food where and how?
- What are the socio-ecological implications of the production and consumption of such food regimes?

Bernstein (2016) identifies some of the drivers behind capitalist food systems such as ‘ideological’ commitments towards various food regimes, an agricultural and industrial relationship mediated by technology and environmental change in farming, forms of capital and its accumulation, social forces outside of the state and the firm, and unequal terms of trade and divisions of labour (p. 614).

Meanwhile, McMichael (2013) himself reworked his earlier thesis on food regimes and brought out the notion of ‘food regime project,’ powered by capital and the state, wherein the first regime is renamed as ‘the colonial project,’ the second as ‘the development project’ and the current one as ‘the globalisation project’ (Bernstein, 2016, p. 615).

Similarly, Friedmann (2005) elaborated her thesis to conceive a ‘green environmental regime’ and ‘green capitalism,’ arising as a response to pressures from social movements (p. 230). She traced the origin of such corporate-environmental food regime when the corporate retail food supply chain ran into resistance from environmental politics (p. 251-52). A point to note here is the ‘modalities of standards’ when it comes to global agribusiness, leading to dispossession and marginalisation of peasants and rural communities (p. 257). In this regard, Scott (1998) is categorical that the variables that impact agricultural production vary greatly and impinge upon crop regimen, labour availability,
technology and climate, making standardisation harder (p. 27). He says all agriculture is local, and cultivators themselves are the pioneers.

McMichael (2005) underscores that the politics of neoliberalism operationalised through market liberalisation (by reducing farm supports and currency devaluation) and from the privatisation of previously public functions and services is the fundamental nature of corporate food regime (p. 266-67).

Practices like conversion of land for agro-exports, retailing, and dumping would result in ‘accumulation of dispossession’ (Harvey, 2005), fuelled by state-market connection (McMichael, 2005). Also, industrial agriculture accounts for a considerable proportion of global greenhouse gas emissions due to its dependence on fossil fuels. It leads to degrading soils and destroying biodiversity and wiping out smallholder ecological farming, proven to be more productive and sustainable than the industrial farming methods (McMichael, 2005).

McMichael (2013) discusses his thesis on the nature of capitalism and the process by which it undermines the interconnectedness between nature and society. In its pursuit to commodify all aspects and activities of human existence for the sake of profit and accumulation, the tension between the Marxian idea of use value and exchange value is palpable (Bernstein, 2016, p. 629). This commodification project is no different when it comes to food, the essential aspect of human existence.

The antithesis to this relentless pursuit of commodification is peasant mobilisation and peasant farming. Here, equity and sustainability are at the centre of farming, carried out through high levels of labour intensity in soil and moisture conservation measures, encouraging polyculture (and not monoculture), maintaining a knowledge commons, ranging from seeds to water sharing, through cooperation (McMichael, 2013). Such countermovements towards the decommodification of food and farming practices make the antithesis.

By reducing their external input purchase, the peasant farmers are in a better position to bargain and negotiate sales through alternative marketing avenues like farmers’ markets. Such decommodification efforts improve the lot of small-scale farmers, who produce 70% of the world’s food, and boost the case for ecological farming (Bernstein, 2016, p. 630). By resisting dispossession- either directly by land grabbing or indirectly by politically motivated market forms, small farmers show the way forward.

However, Bernstein (2016) critiques the analysis of food regimes by McMichael and Friedmann on quite a few fronts. The present review focuses on one such front- ‘the peasant question.’ The peasant question was missing from the first two food regime analysis, Bernstein notes. He also asks the following question- “Whether corporate food regime the most important terrain of struggle in the world today?” He states that an affirmative answer could be found in peasant mobilisation for social justice. The objective of this review is to situate the ongoing countermovements related to farming in India in the larger theoretical debates on the commodification of food, land and the peasantry.

Let us now examine, critically, some of the crucial aspects of the recently enacted Farm Laws in India, which the neoliberal analysts hailed as a watershed moment in agriculture, akin to the 1991 economic reforms.

**Farm Laws, 2020: A Critical Overview**

A set of three bills were passed and enacted in September 2020:

- **The Farmers’ Produce Trade and Commerce (Promotion and Facilitation) Act, 2020,**
- **Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020,** and
- **Essential Commodities (Amendment) Act, 2020.**

The Farmers’ Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, hereafter FPTC Act, defines a farmer as an individual engaged in the production of farm produce, directly or indirectly, and has explicitly included the farmer producer organisations (FPOs) (p. 2).
This definition formally allows big agribusiness companies an entry into the farm production where they meet and negotiate with smallholder peasant farmers. The farm produce includes predominantly ‘foodstuffs’ such as cereals, pulses, oils, fruits and vegetables, milk, meat and eggs, cash crops like sugarcane and spices, apart from cattle fodder, cotton and jute.

The FPTC Act talks of realising remunerative prices through competitive bidding. Allowing the farm products traverse state borders shall result in distributive inequity as well. The commodification of food, thus, leads us to serious questions of social justice. The FPTC Act explicitly promotes the creation of ‘food as a commodity’ to be bought and sold by individuals and firms with a more significant purchasing power, paving the way for the neoliberalisation of agriculture. As a modern welfare state duty bound to ensure that the citizens of the country have the constitutional right to a dignified life, the state abdicating that responsibility by letting market forces dictate terms of access to a vital aspect of life is a travesty of justice and is unconscionable.

Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020, hereafter FAPA Act, essentially facilitates contract farming between farmers and agribusiness firms. Once again, a ‘mutually agreed’ ‘remunerative’ price realisation is at the core of the laws. The critical questions to ask here are:

- How do farmers, over 80 per cent of them small and marginal in India (Government of India, 2006), negotiate with large agribusiness firms on an equal footing? Will the interest of farmers be held supreme in such contracts?
- How do we arrive at ‘remunerative’ pricing and also, remunerative for whom?

Eminent agricultural scientist MS Swaminathan himself was concerned about contract farming when he noted the following points in the report by the National Commission on Farmers (Government of India, 2006):

- The agribusiness firm interested in maximising profits and short term gains would suggest practices that are not sustainable for the land of the farmer. The firm always has the option to move after ‘exploiting’ a particular area.
- Contract farming could prefer export-oriented commercial crops over essential food crops.
- Following the ‘economies of scale,’ the firm might prefer large farmers to enter into agreements, ignoring the small farmers. Over time, small farmers will be forced to enter into sub-agreements with the large farmers or sell/lease out their land and work as labourers (Paliath and IndiaSpend.com, 2020)

The assumption here is that ‘well-functioning’ markets ensure different players like peasants and capitalists meet as equals and mutually and voluntarily agree upon a price to exchange commodities. Neo-classical economics assures that in a ‘free market,’ in the absence of state interference and perfect competition, the marginal revenue gained by the producer would equal the marginal cost of production and the marginal benefit received by the consumer as well. Neo-classical economics has such simplistic models of equilibrium pricing and pushes policy towards such models (Akram-Lodhi, 2007).

Real-world markets, unlike the abstract markets created by neo-classical economists, have constraints like non-equivalence of market players, divided by class and other social indicators, where larger players have an advantage, and the smaller actors are at the mercy of dominant classes. Akram-Lodhi (2007) contends that neoliberal enclosures- controlling spaces of production- and commodification deepens capitalist social property relations. He emphasises the fact that such neoliberal production systems attempt to forcibly separate people from whatever meagre access to social wealth outside of competitive markets and money as capital (p. 1444).

Akram-Lodhi (2007) outlines the emergence of export-oriented, more capital-intensive and less labour absorbing farms, aiming to exploit the
economies of scale and scope in export markets, mostly located in the Global North (p. 1448). He finds that such buyer-driven markets are propelled by transnational capital out to capture the spheres of production, processing, distribution, and financing in global agro-food systems. It could be linked directly through physical ownership of capitalist farms or using contract farming or indirectly through the control of intermediaries at play in the farm to fork supply chain. The logic of capital translates to ‘production by the peasantry, but not for the peasantry’ (p. 1450).

Finally, the Essential Commodities (Amendment) Act, 2020 stipulates that stock holding limit on certain essential commodities like cereals, pulses, potato, onion, edible oilseeds and oil will be imposed only under ‘extraordinary circumstances,’ essentially removing them from the list of ‘essential commodities.’

Instead of procurement expanding to more areas and crops and increasing public investment in farm storage, and aligning it with the universal PDS, the government has gone in the opposite direction (Paliath and IndiaSpend.com, 2020).

**Conclusion**

Farmers’ protests have always punctuated the resistance movements against the liberalising, privatising and globalising policies of various governments in India. In 2019, farmers protested the Regional Comprehensive Economic Partnership (RCEP), which would have led to the slashing of import duties against the dumping of many agricultural products. In 2018, thousands of farmers marched and gathered in the national capital of New Delhi, highlighting the agrarian crisis due to, but not limited to, indebtedness, price crashes, and drought.

Scott (1998) underlines the need for healthy civil society to thwart the ambitions of totalitarian regimes perversely changing their institutions such as land tenure (p. 49). The ongoing countermovement by the farmers of India—from the streets to the Supreme Court to the state legislatures—needs to be situated in the larger environmental justice movement.

Moreover, as Chopra (2017) makes a point that the environmental justice movement can make a policy change only when it engages with the political economy- the institutions of the legislature, executive and judiciary (p. 47), the current resistance needs to be channelised to engage with the political economy for it to succeed.

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