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“DYING FOR SOMETHING TO EAT”

Exploitation has driven 180,000 Indian farmers to suicide in the past decade

THE DEATHS OF 18 IMMIGRANT COCKLE PICKERS AT MORECAMBE BAY IN FEBRUARY 2004 HAVE LED TO THE RECENT “PROTOCOL” DATED 8TH MAY 2009 REACHED BY THE GANGMASTER LICENCING AUTHORITY (GLA) AND LEADING BRITISH SUPERMARKET GROUPS.

THEIR AIM IS TO HELP COMBAT “LABOUR EXPLOITATION” IN THE UK BUT THIS IS NOT AS ETHICAL AS IT MIGHT SOUND.

An investigation by MPC Associates (Economic Planning, Research and Marketing Consultants) specialising in Retail and Leisure revealed that the “protocol” of the GLA does not apply to labour exploitation of foods imported into the UK. A spokeswoman for the GLA stated that “this is not part of our remit”.

MPC’s recent research shows that the UK is importing from India £357million of food per annum at exceptionally low prices which Indian farmers have been forced to charge in an attempt to overcome their debts to moneylenders. These debts have resulted from global seed corporations’ sales to Indian farmers of expensive unregulated and imported seeds which have failed to meet the harvest forecasts of these Corporations. In turn this has led to the phenomenal suicide rates of Indian farmers (182,936 between the years 1997 and 2007 and still running at the same rate) - unheard of in other parts of the world.

Figures from HM Revenue & Customs (Customs and International Trade Statistics) show that from January to December 2008 the total value of fruit imported from India amounted to £32 million. 40% of all fruit imported from India was for fresh grapes (Value £12.8 million, Quantity 13.2 million kg). The average import value of these grapes was 96p per kg. Grapes sold in UK supermarkets have often been selling at 3 to 4 times this amount.

Quotes by Dr Pradeep Parate Manager, National Bank of Agriculture and Rural Development, Maharashtra Regional Office, Pune: **“The export (of grapes) to UK goes mainly to 8 supermarkets each having 300 – 500 retail outlets”** and **“as per data available with Maharashtra State Agricultural Marketing Board around 70 - 80% of export of grapes from India are from Maharashtra”**.

Peter Wynne-James, Managing Director of MPC Associates stated that it was now time for British Supermarket Groups to declare the profits they are making on food imported from India and if they be excessive these profits should be returned for the benefit of those Indian farmers suffering from the debts incurred by the change over to GM seeds (see below). This would require a revised protocol from the GLA to prevent labour exploitation of food which is imported from India and other countries to the UK. An International supermarket group has repeatedly been reported in the Indian press as being responsible for this exploitation, but MPC believe that there are other culprits in the UK who should now recognise that they are causing labour exploitation in India at the expense of more Indian farmers' suicides.

Indian Farmer Suicide Rates

Indian Farmer Suicide rates are collated by the National Civic Records Business – NCRB in India. The suicide rates between the years 1997 – 2007 in the main fruit growing states of Maharashtra, Karnataka, Andhra Pradesh, Madhya Pradesh and Chattisgarh are recorded as two-thirds of India's total 182,936 farmers' suicides despite this areas population accounting for only one-third of India's total population. (The suicide figures exclude the widows of farmers, who have also committed suicide, as female suicides are not recorded).

According to the Tata Institution of Social Services 1998–2008 as many as 150,000 farmers have committed suicide in the past decade after falling behind in payments to local money lenders.

The National Sample Survey of India reported that, between 2007 and 2008, 70,000 Indian farmers committed Suicide mainly due to poverty and debt. (These show an even higher rate per annum than the previous 10 years)

In some cases Indian farmers sell one of their kidneys in an attempt to pay off their debts.

A study by the Government of Maharashtra also found that almost 6 in 10 of those farmers who kill themselves had debts between \$110 and \$550.

The Reason for Indian Farmers Suicides

India is the biggest exporter of food in the world second to the USA.

In the past Indian farmers have produced their own seeds from crops the year before so that they can be replanted the following year at no extra cost to the farmer. Large seed corporations began by offering Indian farmers Hybrids (which cannot be saved) and then moved to Genetically Modified (GM) seeds which are non-renewable and now have to be purchased by Indian farmers every year, along with pesticides and fertilizers.

The prices now suffered by farmers are £10 for 100 grams of Genetically Modified seed. The price for traditional seeds which Indian farmers have used in the past was 1p per 100 grams (1000

times less). In the past when crops had failed, Indian farmers were able to replant their own seeds the following year without any outside costs.

In 2002 when the Global Seed Corporations initially sold their own patented seeds to Indian farmers they promised record harvests. The harvests failed and Indian farmers subsequently lost 1 billion rupees (£12.45 million) due to crop failure. Instead of producing 1,500 kg per acre as promised, the harvest was as low as 200 kg per acre. Instead of an increased **INCOME** of 10,000 Rupees (£127) per acre, Indian farmers faced **LOSSES** of 6,400 Rupees (£81) per acre.

Genetic modification of seeds promoted by global seed corporations have encouraged farmers to move from Food Crop (rice, wheat, maize and pulses) to Cash Crop (cotton, coffee, sugar cane, groundnut, peppers and vanilla). For millions of farmers this has meant higher cultivation costs, far larger loans, higher debt and being locked into the instability of global prices. It used to cost farmers \$165 to grow an acre of Paddy (cotton) in Kerala. When many farmers were encouraged to make the move to global seed corporations the cost per acre of Paddy was \$3000 per acre.

An Indian farmer today is now a consumer of costly seeds and costly chemicals sold by powerful landlords and backed by local money lenders. The farmer is forced to take out loans at higher interest rates Many small farms do not qualify for Bank Credit forcing the farmer to turn to money lenders who charge up to 20% interest on a 4 month loan.

In parts of India which are rain fed the subsidies given on fertilizers, pesticides, irrigation and electricity do not apply to the small marginal farmer and medium sized landowner. Being the cultivator, the farmer is deprived of an assured irrigation source. Thus those who are cultivating cash crops (cotton, coffee, sugar cane, groundnut, peppers and vanilla) that require irrigation water have to rely on rainfall. This puts the system under tremendous stress. The cash crop becomes a kind of compulsion as subsistence farming alone does not provide capital that cultivators need for survival. More and more the small and marginal farmers are pushed into Cash Crop Cultivation thereby generating debts.

Continued...

Exploitation of UK Farmers

In the UK farmers' suicide rates between 1993 and 1997 varied between 153 and 254 per annum and for farm workers between 81 and 156 per annum. In many ways UK farm labour is now being exploited by UK Supermarket Groups as recently shown with the collapse of the Dairy Co-operative Farmers of Britain leaving the future of 1,800 farmer members in jeopardy. **If the GLA is to show complete independence they should provide added support in protecting the UK farmer in a similar manner to that which they have recognised for the 18 immigrant cockle pickers at Morecambe Bay.**

What the future may hold

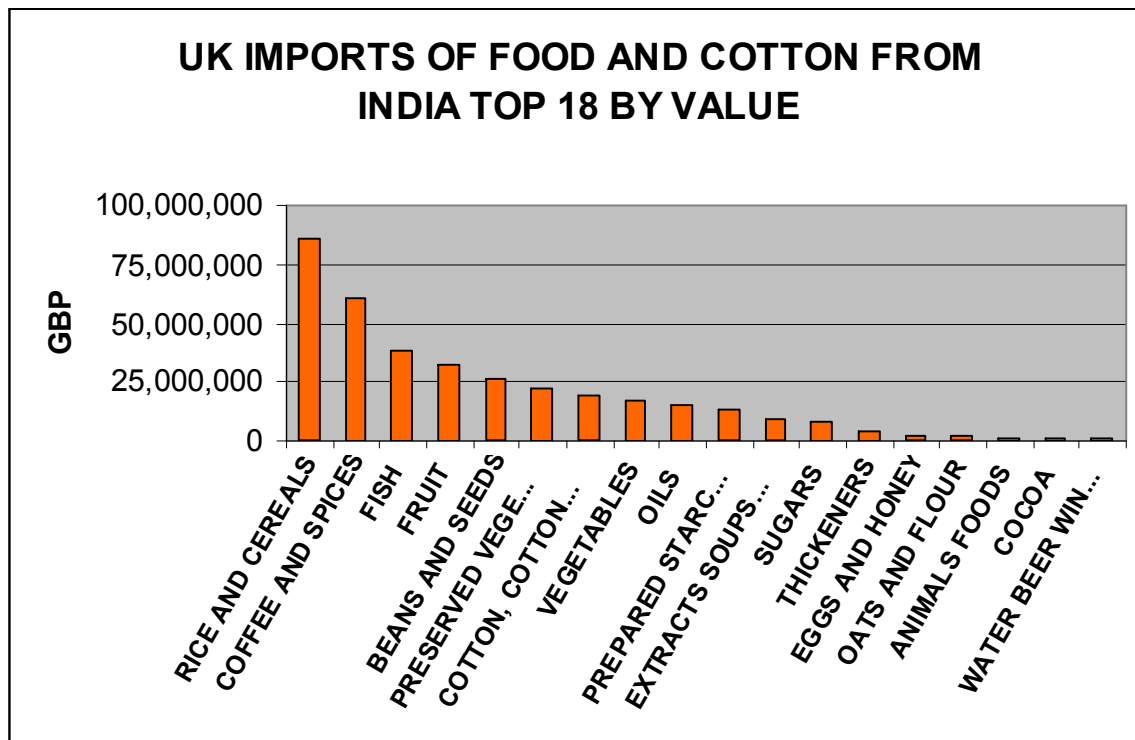
MPC Associates are currently talking to Indian Government sources concerning setting up Indian Farmers Supermarkets where Indian farmers produce is sold directly to the Indian public. These would be fully fledged Supermarkets adapted to Indian custom. In addition MPC have developed plans for UK Farmers Supermarkets selling produce direct to the British public. These would not operate as Farmers Markets which have limited appeal but on the basis of fully fledged Supermarkets.

Continued...

UK IMPORTS OF FOOD AND COTTON FROM INDIA, JAN – DEC 2008

UK IMPORTS OF FOOD AND COTTON FROM INDIA TOP 18 BY VALUE

VALUE ORDER (Pounds Sterling)				
Code	PRODUCT	Pounds Sterling	Quantity	£ per Kg
10	RICE AND CEREALS	85,826,298	116,171,451	0.74
09	COFFEE AND SPICES	60,868,073	46,253,922	1.32
03	FISH	38,052,298	11,522,179	3.30
08	FRUIT	32,247,212	24,179,121	1.33
12	BEANS AND SEEDS	26,125,476	33,782,861	0.77
20	PRESERVED VEGETABLES AND FRUIT	22,576,441	30,601,623	0.74
52	COTTON, COTTON YARN AND FABRICS	18,873,066	6,916,677	2.73
07	VEGETABLES	16,691,148	19,078,177	0.87
15	OILS	14,829,949	12,384,414	1.20
19	PREPARED STARCH FOODS	12,716,102	8,803,049	1.44
21	EXTRACTS SOUPS AND SAUCES	9,117,792	3,145,299	2.90
17	SUGARS	8,303,670	117,784,488	0.07
13	THICKENERS	4,305,933	4,604,104	0.94
04	EGGS AND HONEY	1,814,321	1,241,036	1.46
11	OATS AND FLOUR	1,681,379	3,303,179	0.51
23	ANIMALS FOODS	1,455,965	390,846	3.73
18	COCOA	1,095,909	475,781	2.30
22	WATER BEER WINE AND SPIRITS	762,804	787,983	0.97
	TOTAL	357,343,836	441,426,190	0.81



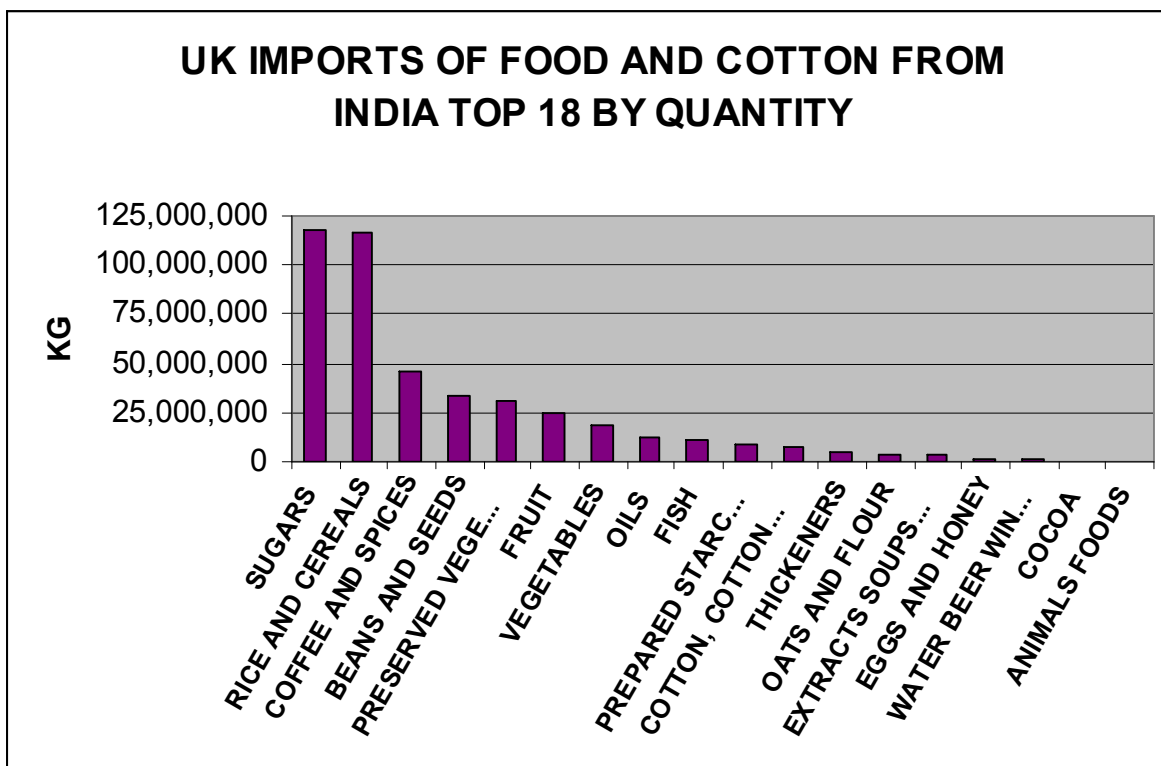
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Data: MPC Associates

Source: HM Revenue & Customs (Customs and International Trade Statistics)

UK IMPORTS OF FOOD AND COTTON FROM INDIA TOP 18 BY QUANTITY

QUANTITY ORDER (KG)				
Code	PRODUCT	Pounds Sterling	Quantity Kg	£ per Kg
17	SUGARS	8,303,670	117,784,488	0.07
10	RICE AND CEREALS	85,826,298	116,171,451	0.74
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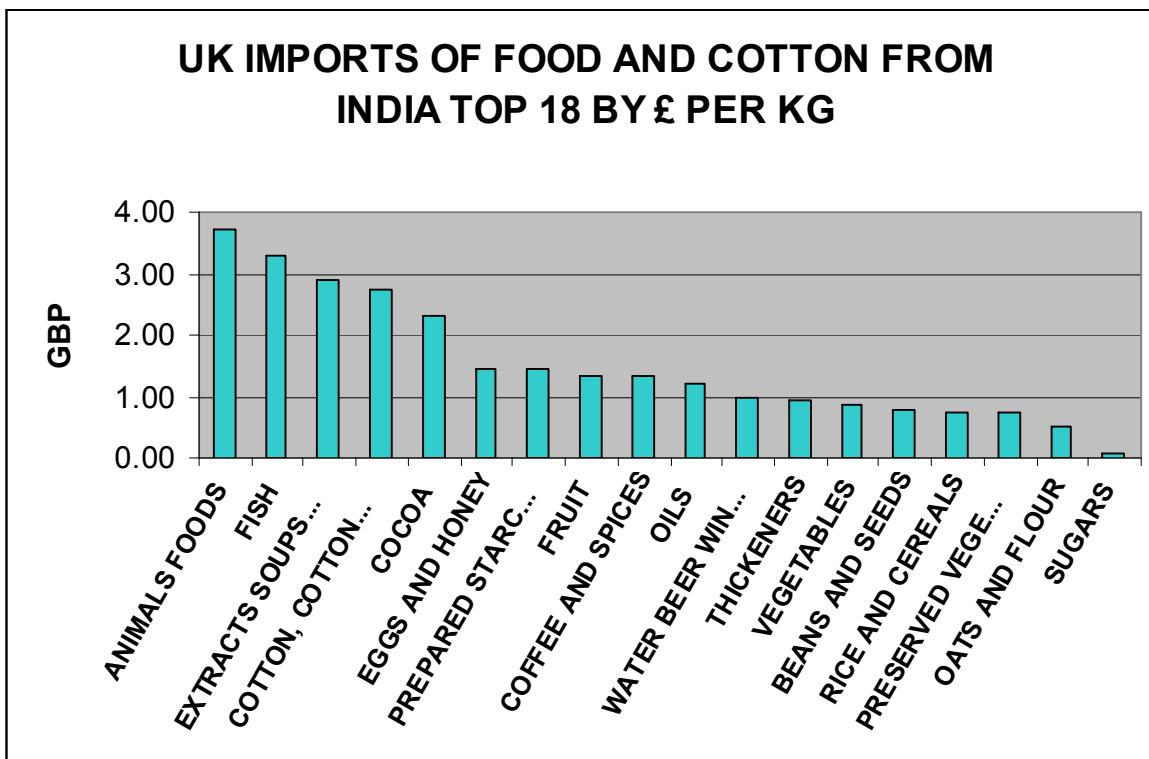
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Data: MPC Associates

Source: HM Revenue & Customs (Customs and International Trade Statistics)

UK IMPORTS OF FOOD AND COTTON FROM INDIA TOP 18 BY £ PER KG

£ per Kg ORDER				
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23	ANIMALS FOODS	1,455,965	390,846	3.73
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UK IMPORTS OF TOP 18 TYPES OF FRUIT FROM INDIA, JAN- DEC 2008

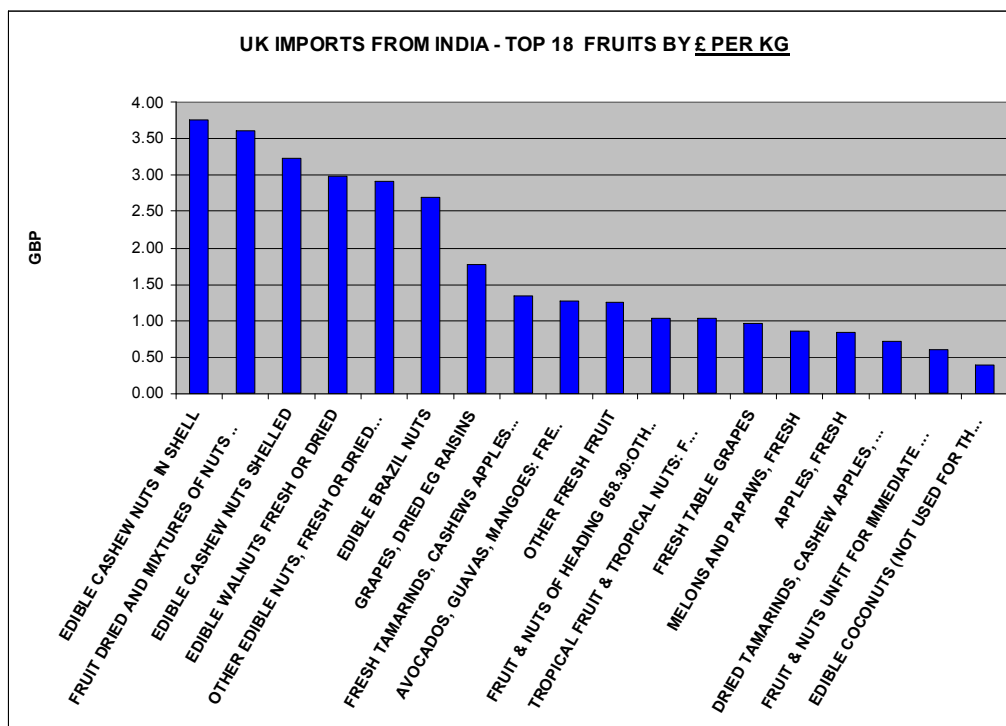
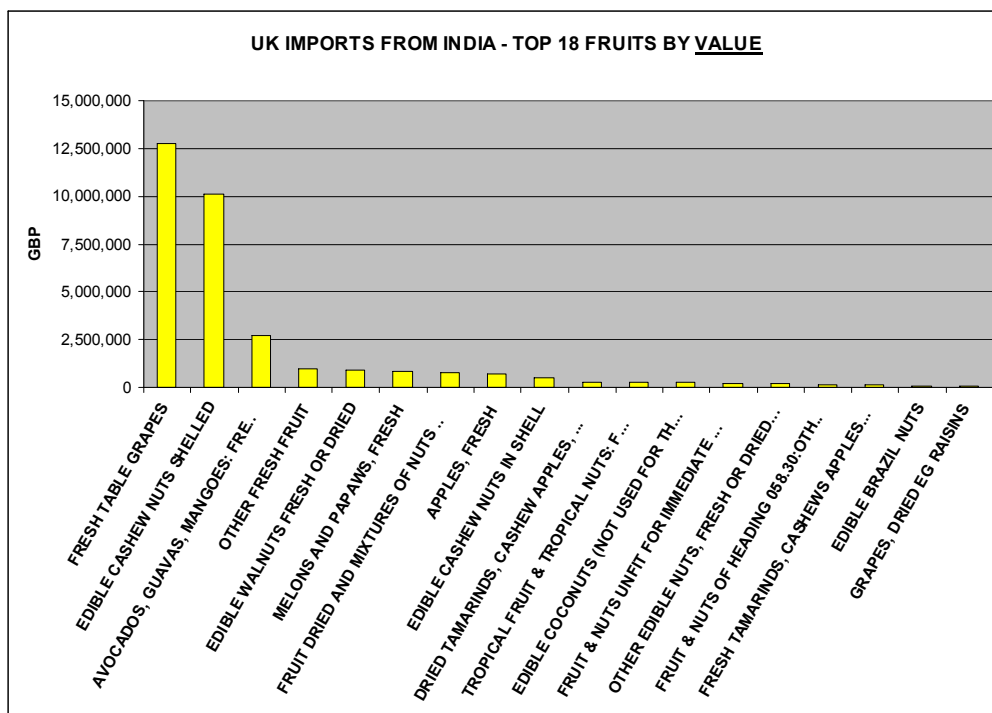
TOP 18 FRUIT	POUNDS STERLING	QUANTITY	£ per Kg	% OF TOTAL
EDIBLE CASHEW NUTS IN SHELL	486,370	129,643	3.75	1.51
FRUIT DRIED AND MIXTURES OF NUTS OR DRIED FRUITS OF GROUP 057	784,236	217,996	3.60	2.43
EDIBLE CASHEW NUTS SHELLED	10,112,172	3,133,189	3.23	31.36
EDIBLE WALNUTS FRESH OR DRIED	925,184	309,830	2.99	2.87
OTHER EDIBLE NUTS, FRESH OR DRIED, ARECA (OR BETAL), COLA PECANS FRESH OR DRIED	182,632	62,497	2.92	0.57
EDIBLE BRAZIL NUTS	85,132	31,600	2.69	0.26
GRAPES, DRIED EG RAISINS	74,478	42,006	1.77	0.23
FRESH TAMARINDS, CASHEWS APPLES, LYCHEES, JACKFRUIT, SAPODILLO PLUMS, PASSION FRUIT	104,869	78,452	1.34	0.33
AVOCADOS, GUAVAS, MANGOES: FRESH OR DRIED	2,702,269	2,128,625	1.27	8.38
OTHER FRESH FRUIT	990,100	791,783	1.25	3.07
FRUIT & NUTS OF HEADING 058.30:OTHER FRUIT & NUTS NOT CTG ADDED SUGAR	123,194	120,508	1.02	0.38
TROPICAL FRUIT & TROPICAL NUTS: FROZEN	267,816	262,023	1.02	0.83
FRESH TABLE GRAPES	12,756,639	13,234,806	0.96	39.56
MELONS AND PAPAWS, FRESH	818,268	955,579	0.86	2.54
APPLES, FRESH	700,450	833,499	0.84	2.17
DRIED TAMARINDS, CASHEW APPLES, LYCHEES, JACKFRUIT, SAPODILLO PLUMS, PASSIONFRUIT	287,213	401,737	0.71	0.89
FRUIT & NUTS UNFIT FOR IMMEDIATE CONSUMPTION:GUAVAS ETC	205,898	340,364	0.60	0.64
EDIBLE COCONUTS (NOT USED FOR THE EXTRACTION OF OIL), COCONUTS OTHER THAN DESICCATED	264,608	656,377	0.40	0.82
TOTAL OF <u>ALL</u> FRUIT IMPORTED TO THE UK FROM INDIA	32,247,212	24,179,121		

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Data: MPC Associates

Source: HM Revenue & Customs (Customs and International Trade Statistics)

MPC Press Release JULY 2009



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