

Dichotomy between Rights-based and Market-based Development : What is real and what is false?

Presentation by P V Satheesh, Director, Deccan Development Society, Hyderabad, India at the IIED, HIVOS, SIDA, SIANI ONE WORLD and SWEDISH COOPERATIVE CENTRE Seminar on RIGHTS-BASED VERSUS MARKET BASED DEVELOPMENT: A FALSE DICHOTOMY FOR SMALL FARMERS? Stockholm, March 3, 2011

Admittedly small farmers are also entrepreneurs and would be happy with a market that respects the values and principles on which their agriculture is fashioned. They would appreciate even more if they can control this market and define its terms of trade.

Well what are the principles and values embedded in small farmer agriculture in the Global South? As an activist who is working for a quarter of a century on a day to day basis with very small women farmers from some of the most socially excluded sections of the society, I can say unequivocally that the principles of earth-respecting ecological agriculture and biodiversity that small farmers are committed to will be seriously threatened if their development is based on market. Nowhere have we heard of a market that respects either of these principles. Even when some of the large chains “go green” all they end up is to force their client farmers to create organic monocultures at the expense of their biodiverse ecological farming systems. This approach has become the hallmark of chains such as Sainsburys and Tesco.

We have seen in India a spate of farmer suicides which has reached a frightening quarter million proportion in the last one decade. Almost 99% of these were small farmers who went after the dream of being entrepreneurial farmers. They were asked by the market to grow a given crop and when they followed that advice, the market crashed unfailingly prompting the farmers to commit suicide. Take onion for instance. This year two months ago their market price was Rs 70 a kilo. Within two weeks, market forces were in operation and when farmers brought their produce to the market enthusiastically it fell to less than Rs.20. Same with tomato. From Rs.40 a kilo, it fell to one rupee a kilo within two weeks. With it crashed all the dreams that farmers had built on a fair market.

I am arguing that markets can never be fair and no development of farming community can be based on market. Indian government is still not an Open Market economy. It puts in a number of regulatory mechanisms in place in order to help farmers access a good market. But invariably this mechanism

fails with such unfailing regularity that every single day of the year at least ten farmers commit suicide, slaughtered by the market.

Therefore how can one envisage a market based development for small farmers? There is no false dichotomy between the “Rights Based” and “market-based” arguments. It is true and tactile. In fact the word development itself needs to be redefined in this context. Within a decade of “enjoying” market economy Indian agrarian circles are demanding a new vision of development that encompasses a wider notion of **Well Being** rather than pursue a market orientation. Farmer organizations and groups are asking for a movement away from *growth oriented development* and are demanding a more humane and civilization oriented development. As my friend Michel Pimbert says: **Less Market and More Civilisation.**

A strong and vibrant peasant farming system, as was said earlier is intrinsically a biodiverse farming system. This system creates for itself a built in insurance against climate risks and market risks. But this system can survive within a market environment when the markets are farmer led as in local markets. Once market becomes the king, the farming system gets crushed. The emergence of single product markets on the theory of comparative advantage [as is seen in Thailand : One Kampung, One Product], results in the destabilization of farmers and farming. Victims in particular will be the small farmers.

Last year in India we held a Farmers Jury on Agricultural Research. The jury composed of women [50%], very small farmers [65%] and those belonging to excluded sections [60%] gave a historic verdict on how they want to see the agricultural research conducted. Most of the concerns were on the way agricultural research was side stepping the profound traditional knowledge and practices that encompass their agriculture. There was not a single demand asking research to lead them to markets

As a follow up we also held seven Farmer Round Tables, each round table attended by 30-50 farmer leaders and representatives. Let me mark some of the important points from the Declarations made by these Round Tables:

- When farmers decide on their cropping systems, financial benefit should not be the sole consideration
- **We must move beyond struggle for our survival. We must prioritise the survival of our environment of our environment and through that our survival.**
- **Keep farm produce and food products from the Price Rise Index criteria.**

- **We had limited our movements until now only to farmers rights. Now we will explore the enormous knowledge still rooted in our communities of farmers and fight for its protection.**
- **Food sovereignty should be our goal. It is in food sovereignty that we can find our freedom and dignity.**

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Therefore it is natural that I am not arguing for rights based development as the solution. For several activists working at the grassroots on the issue of rural development, food and farming the rights discourse has become passé. We need to move beyond and start talking about autonomy based development. Each community must be autonomous to define what its development goals are and say that Rights Discourse does not serve its purpose. In defining and achieving its own autonomy, a community can be sure of achieving its well being as against growth.

Having the privilege of being a part of one such community where the very small farmers are led by the women of the community I can say with a great amount of certainty how much they have gained from rejecting the mainstream market through establishing their own autonomous market. This market has defined for itself what it wants to buy and sell. On its shelves are traditional local millets such as foxtail millet, little millet, kodo millet along with pulses and oilseeds. The market is a true mirror reflection of the ecological, biodiverse farming systems of the owners of market [3000+ women farmers]. The market has rejuvenated this farming system and on its strength reintroduced more than 60 crop varieties which the

region had lost because of the compulsions of the external markets. The community does not pay a predatory external certification agency for certifying its produce. It has adopted the Participatory Guarantee System where farmers groups themselves certify their produce and offer a community guarantee for the truthfulness of their certification. In fact they have now traveled beyond the crop produce and have started buying artisanal products from local village artisans and selling them to the semi urban and urban consumers. Every year they collectively make the decision on what the pricing structure for their produce should be. In spite of such rigorous insistence on the principles of localism, ecology and biodiversity, each shareholder in this market earns between 30% to 150% of her share amount as her annual dividend. The market in ten years of its existence has grown 15 times in terms of the volume of its transaction. Therefore such markets are viable and empowering for their owners even when they are largely non literate rural women small and marginal farmers from the excluded sections of society

It is very important to note here that none of these farmers have committed suicide because of their farming problems in the last 50 years or more. They stand out as an oasis in a landscape of farmer suicides in India. This is the greatest learning we have to make.

While the market dependent farmers generate constant desperation, the autonomous farmers celebrate their farming, independence and diversity

Let me sign off by saying by saying that if any market can work towards strengthening and empowering for the local small farmers, allow itself to be participatory and its agenda set by the farmers, that market can be envisaged as the basis for the development of small farmers. Markets that are blind to the farming values, are opaque, non participatory and centralized in decision making can only be disempowering and full of democratic deficit and hence can contribute little to true development

Let me end by recalling what I have seen on the Lares Mountains in the Peruvian Andes of the barter markets is still one of the most cherished dreams of mine. Here market was a spiritual exchange of goods and services given out and taken in with love and sisterhood. If this becomes the beacon for all the world markets, small farmers will give up being desperate entrepreneurs and start becoming total human beings.