

MUHAMMAD RAMZAN  
makes a critical analysis of  
corporate farming  
prospects in Pakistan

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Agriculture  
Nation

# Another trap?



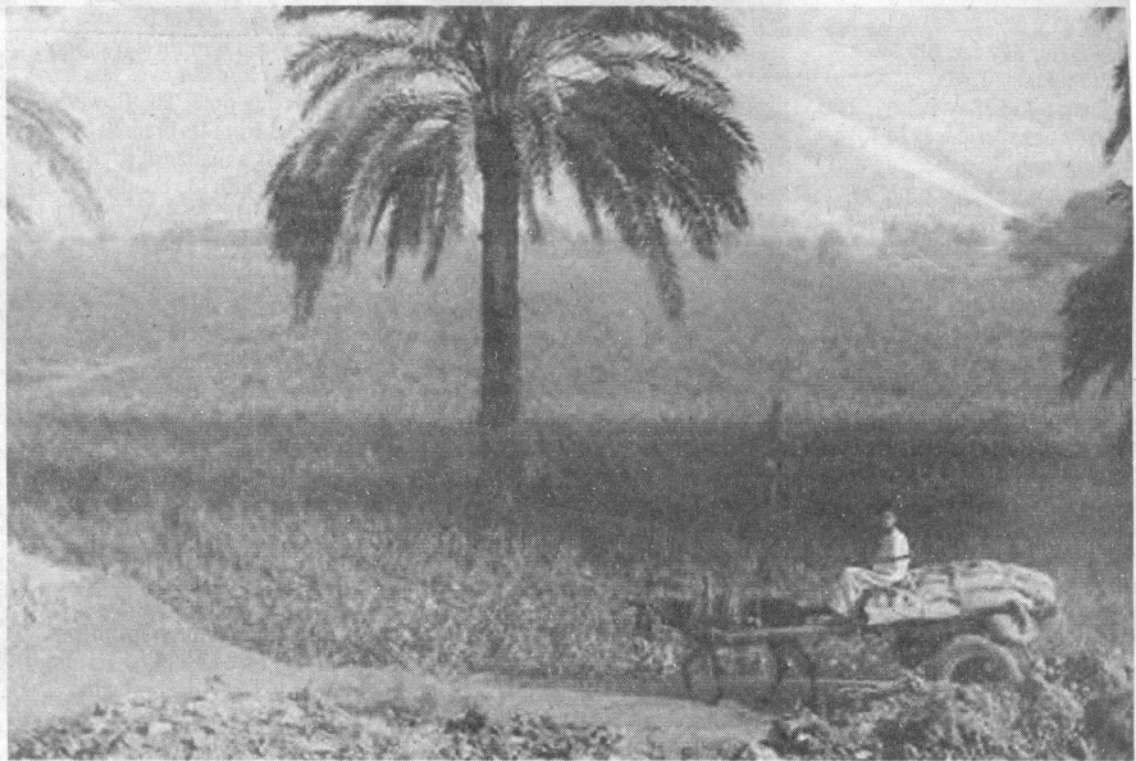
he object for which  
the present govern-  
ment is going to start  
Corporate Farming is  
apparently to invite

investment in the country. International Power Plants (IPPs) were introduced for the same purpose. However, Lt. Gen. Zulfikar Ali, the outgoing Chairman of WAPDA, intellectuals, economists and the media have been clamouring and showing grave concern ever since these foreign thermal power plants started operation, for the simple reason that they are badly sucking our economy. They could not be done away with because of the legal complications and pressure of the international agencies and financial institutions. A relevant question needs a reply. Why should the poor people suffer for the corruption, kickbacks and imprudent decisions of the rulers (past or present). Pakistan is perhaps the only country, where there is no accountability for such illegal, unlawful, immoral and unethical decisions leading to distorting the economy and miseries to the common man.

Now economists and people of vision and prudence are of the considered opinion that Corporate Farming would have the potentials of causing more harms than IPP's have so far caused or would still cause. They foresee that it would be more harmful than the East India Company during the Mughal regime that had brought about the loss of the kingdom to the rulers and deprived the people of the sub-continent of their freedom.

The terms and conditions of Corporate Farming show a clear favouritism to the prospective MNC's and (impliedly) smack a step motherly treatment to our small land-owners, haris and tenants - rather it would be easier for the Multinationals to play hell not only with our economy but also with security, stability and sovereignty of the country itself.

Feudalism in our country is deeply rooted. Poor tenants, haris and small land-owners are virtually subservient to jagirdars, waderas and tribal chiefs. Forced labour, bonded labour and child labour are common in some parts of the country, especially in the Sindh and Baluchistan. Corporate farming can be categorised as the 'per jagardari nizam', which



would further aggravate the plights and problems of the poor tenants, haris and small land-owners because of the relaxation allowed in the application of the country's Labour Laws to the manpower to be employed by the multinationals in Corporate Farming. It means they would be at liberty to hire and fire the local labour and staff engaged for the purpose. There are valid reasons to speculate that this scheme has been floated as a result of collaboration of feudal lords with the bureaucracy so as to expand their scope of loot and plunder through their front men in these companies or through kickbacks and commissions. It is still regrettable and sorrowful that the Prime Minister of Pakistan has already declared that his government has no intention to make any change in the land holdings. That clearly means that his government would not go for land reforms or the implementation of the land reforms already promulgated during the regimes of President Ayub Khan and Zulfikar Ali Bhutto.

Most of the land reserved for this scheme, measuring 36 million acres to be leased on long term to the Multi-National Companies falls in sensitive and strategic areas of the country along the rail tracks, rivers and canals as well as along the Pakistan - India borders. Allotment of this land to MNC's,

with any stretch of imagination, is a grave security risk.

When the object for starting this scheme, as stated, was to invite foreign investment, there seems to be no sense in relaxing the very condition of the minimum investment of \$430,000. This in itself defeats the very idea of investment. Moreover, these MNC's would be authorized to fix the rates of agricultural produce, arrange for storage of grains and cold storages for fruit and vegetables, import agricultural machinery without paying any custom duty, enjoy tax holiday on the agricultural land for certain period, export the agricultural products produced by them or procured or stored by them and would be at liberty to remit abroad as much of the profits and earnings as they would like. They would also enjoy exemption on Labour Laws in respect of the labour and staff engaged by them at their farms and for their business. Thus they would be having their own state within the state.

People genuinely think that Corporate Farming is another trap laid by the great powers, international financial institutions, multinationals and the states hostile to Pakistan to further impoverish its people and adversely affect its economy and stability.

General assumption that with the introduction of this scheme, Pakistan will be able to produce

food, fiber, vegetables and fruit in surplus quantities, which will boost its economy, is just a myth as millions of small land owners will have to abandon their lands, feeling disgusted because of their nominal returns as compared to Corporate Farming companies, which will be able to skim much more benefit as a result of the government's patronage, different types of relaxations, exemptions, relief's, facilities, and authorizations. In this connection we must learn lessons from history. When the British government was ruling over India, it smuggled opium into China in abundance and on the China's resistance, the British government waged a war against China, in which unluckily China was the loser. Readers would bear me out that these alien powers exercise no moral approach when their vested interests are involved.

The argument that food produced by these companies would be nutritious is false as food, fruit and vegetables produced on industrial basis would surely be contaminated, as a result of the use of chemical fertilizers and pesticides, which would also pollute and poison our lands and water and will degrade and deteriorate the quality of our milk with the use of genetically engineered growth hormones. It will also badly affect the quality of our meat. In this connection we must not forget the



incident of mad cows in England. This would similarly cause deadly diseases like cancer and other serious ailments including mental diseases.

Another argument that food and other agricultural products produced through corporate farming would be cheaper is also a fanciful idea. The over-all cost of these products, if the expenses to be incurred on health, environmental and social protection are also taken into consideration, would be far beyond the reach of even the rich people.

It is equally wrong that corporate agriculture will be helpful in environmental protection, biodiversity and wild life. How can it be so when chemicals, sprays and pesticides would be used in abundance by MNC's to get the maximum output from the soil, which would pollute the soil, water and kill many animals, plants and agriculture friendly insects? It would not be amiss to mention here that bio-technology, genetic technology and use of chemicals in the West are being viewed with concern and reservation in their own lands. In fact they want to extract and extort maximum benefit from our lands and then leave these lands gravely addicted and polluted to let the developing countries like Pakistan suffer for their unfair technological game. That's the way we are being befooled - otherwise people in the West are now more interested in using food, fruit, vegetables, meat and milk produced by organic methods.

While our rulers are going on assuring and re-assuring the common man, haris, farmers and small land owners that their first priority is to watch and safeguard their interests, practically their policies are aimed at making the rich richer and the poor poorer. Corporate farming is apt to prove the worst of these schemes and would lead to increase the poverty and unemployment in the country to an un-manageable extent.

The rulers must review this scheme in view of what has so far appeared in the press and what has been elaborated herein on the subject to shelve this scheme in the broader interests of our peasantry, economy and the country lest the things should go out of their hands. Corporate farming has got all the negative aspects to bring down-fall to our economy and elevate poverty. Worthy President Pervez Musharrarf must give a serious thought to this subject before the government and the nation have to

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