

Legal battles



One of the most unpleasant outcomes of the introduction of GM has been farmers being accused of infringing company patent rights. Growers are being prosecuted for not paying 'intellectual property rights' when their normal crops get polluted by neighbouring GM pollen. **A Canadian farmer whose crop was contaminated by GM was successfully sued by Monsanto for \$400,000.**

While biotechnology companies are suing farmers, farmers themselves are turning to the courts for compensation from the companies for lost income and markets as a result of contamination. **In Canada a class action has been launched on behalf of the whole organic sector in Saskatchewan for the loss of the organic oilseed rape market.**

Consumers are also trying to fight back with legal measures. **In Oregon they won the right to a ballot proposing the labelling of GM products. It was the first US state to take such a measure. The corporations responded with a propaganda campaign with a budget (including \$1.5 million from Monsanto) forty times that of the consumers who, unsurprisingly, were defeated.**

Yet, despite the saturation of arguments such money can buy, North American farmers are beginning to question seriously the development of GM crops.

In 2002 many US farm organisations urged farmers to plant non-GM crops. The US and Canadian National Farmers' Unions, American Corn Growers' Association, Canadian Wheat Board, organic farming groups and more than 200 other groups are lobbying for a ban or moratorium on the introduction of the next major GM food crop, GM wheat.

With the support of several farming organisations, federal legislation was tabled in Congress in May 2002 to introduce GM labelling and liability rules in the US. Nearly every country in the world now labels GM products apart from the countries that are growing it.

For references for the sources quoted here look at

www.ers.usda.gov/publications/aer810/ (usda report)
www.soilassociation.org (seeds of doubt)

Which future do you want?

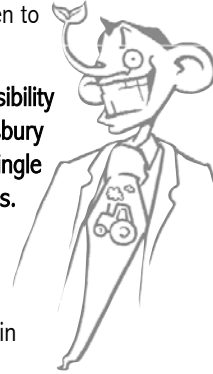
There is a battle being waged to capture world food markets with patented seeds and paired herbicides. The marketing strategy seems to be... ***Promise everything. Spend big on public relations, farmer advertising and government lobbying. Give away seeds.***

Between 1998 and 2000 Monsanto sold \$7.5 billion worth of related Roundup herbicide. Meanwhile US farm-gate soya prices fell by more than \$2 a bushel and soy farmers are losing billions.

AgBiotech alliances have the capacity to manipulate the agricultural sector and exert a powerful influence on governments. Ever wondered why the Blair government is so keen to champion GM?

The government minister with official responsibility for regulating biotech companies, Lord Sainsbury (who also happens to be Labour's biggest single donor), has made millions on GM food shares.

His shares in Innotech rose from £26.9M in 1998 when he became Minister for Science and Innovation to £42.6M in 2002. While in office he has also overseen a massive 300% increase in public funding for the Sainsbury Laboratory which researches GM. If we allow the vested interests of our government and biotech lobbyists to commercialise GM crops in the UK, our farming industry could ultimately have to face export bans and undertake costly, if not impossible, clean-ups to protect markets.



Commercialisation of GM crops in the UK would be against consumer demand, would lose Britain its valuable status as a relatively safe haven from GM, and would render organic farming virtually impossible.

Much of the world is already awake to the danger and over fifty countries have placed restrictions on the growth or import of GMOs. Resistance to GM in the UK has already delayed commercial planting by at least four years and sent shockwaves through the industry. **Let's not get on a sinking ship.**

We can stop GM.

For more information on what you can do, contact:

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GM
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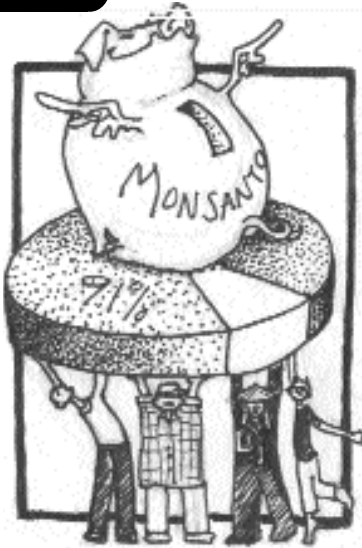
**Why it isn't
paying to
plant genetically
modified crops**

evidence from some of the countries
that have been growing it ...

Who's growing it?

We are told that British farmers will miss out if we do not join the countries already growing genetically modified crops. Just three countries (USA, Canada and Argentina) grow 98% of all GM crops and North America alone produces three quarters of all GM output.

In 2001 one company, Monsanto, planted 91% of the total area devoted to commercial GM crops.



Wide-scale adoption of GM in North America might suggest that farmers are embracing the technology because it is more profitable. But the marketing of GM seed in North America and elsewhere is achieved through an aggressive promotion policy designed to rapidly capture market share and create an irreversible shift to GM seeds.

A 1998 study by Iowa State University revealed the uptake of GM crops was driven by farmers believing marketing claims. More than half the farmers planted herbicide-tolerant GM soya because they believed it would produce higher yields than conventional varieties. Analysis showed the opposite was true, with GM yields down by 5 - 10%.

A US Department of Agriculture report, released June 2002, concluded that "perhaps the biggest issue raised by these results is how to explain the rapid adoption of GE crops when farm financial impacts appear to be mixed or even negative."

Fortunately, beyond cotton and the massive animal feed sectors served by soya, oilseed rape and maize production, few producers seem to be buying into the technology. US farmers are largely not growing transgenic sugar beet, potatoes or sweet corn, despite all of them having been approved for cultivation for some time. **Packers and processors have not been accepting these crops. Their concern is that doing so might jeopardise their markets for products intended for direct human consumption.**

What are their profits like?

GM seeds cost more than conventional seeds but GM products fetch a lower price. In addition to lower farm profitability, GM crops have been a market failure internationally. Since introducing GM crops North American access to the markets of Europe, Japan, Korea and New Zealand have been seriously restricted, resulting in billions of dollars worth of lost exports and a collapse in farm-gate prices.

The USDA farm survey of 350 Iowa farms in 2000 reported data on yields, and fertiliser, herbicide and seed costs. Analysis of these figures showed there had been no economic on-farm benefit of GM crops to counter massive falls in prices.

US maize prices are at their lowest for 30 years because there is no demand for GM maize, but production costs have not fallen. Since GM Bt corn was introduced, exports to the EU have fallen from millions of tonnes to almost zero. **In 1996, before GM crops were introduced, US maize farmers made a profit of \$1.4 billion. Last year they lost \$12 billion.**



The US share of the world soya market has also taken a tumble since they started growing GM. Canadian oilseed rape exports to the EU were worth \$180 million in 1996 - they are now down to zero!

Lost export markets and falling farm-gate prices caused dramatic increases in US farm subsidies which were meant to have fallen over the last few years but instead rose by an estimated \$3 to \$5 billion annually, in parallel with the growth in GM acreage.

In total GM crops may have cost the US economy at least \$12 billion from 1999 to 2001. The US farm sector has become highly unstable, with record levels of farm bankruptcies.

The cash-hit Argentinian Government spent US\$200 million to help farmers switch from GM crops and recover their export markets.

Monsanto captured 90% of the soy seed market in Argentina with a sow-now-pay-later scheme. However they have since had to write off \$1.8 billion (one third of the company's tangible net assets) when the economy of Argentina collapsed.

Contamination problems

Many non-GM farmers in the USA and Canada are finding it nearly impossible to grow GM-free crops. Seed stocks have become contaminated and there is a high risk of their crop being contaminated by their neighbours', even if they plant normal varieties.

GM contamination and the lack of segregation has caused major disruption at all levels of the industry - seed resources, crop production, food processing and bulk commodity trading. It has undermined the viability of the North American farming industry and made the whole food processing and distribution system vulnerable to costly and disruptive contamination incidents.

In 2001 traces of GM potato were found in snacks exported to Japan. Japanese importers instituted strict testing protocols and the US lost 37% of its huge Japanese potato market. In response the US Potato Board has had to institute a costly programme to remove GM potatoes entirely. Monsanto closed its potato division in 2001.

In September 2000, just 1% of an unapproved GM maize called 'Starlink' contaminated almost half the national US maize supply. Designed for animal feed, the product was not given a licence for human consumption because it contained elements that trigger food allergies. Processors all over the world panicked. Japan immediately halved its imports of American maize and South Korea banned US maize altogether. Compensation cost the company, Aventis, one billion dollars.

Contamination has caused the loss of nearly the whole organic oilseed rape sector in the province of Saskatchewan, at a potential cost of millions of dollars. GM contamination has led to a proliferation of lawsuits and the emergence of complex legal issues.

