

Student Voices

Regulating GM in India through Compromises and Concessions

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The regulation of genetically modified (GM) seeds is one of the most contentious issues facing governments today. Each government needs to balance the often-competing concerns surrounding **farmer welfare, agricultural research, virtual monopolies of seed companies**. Perhaps nowhere is this more apparent than in India, where the regulation of Bt cotton has reached a crescendo that has brought into focus the **complexities of a multi-sector cross-border negotiation**.

In May 2016, the Indian government, under pressure from domestic seed sellers that purchase seeds developed by a multinational company (MNC), decreased the technology fees that the MNC charged domestic companies. The largest domestic seller of seeds had insisted that a government intervention in private contracts was necessary for farmer welfare.

Meanwhile, the MNC threatened to exit India, and argued that the benefits of the intervention would accrue only to domestic companies who had been defaulting on their debts. The Indian government had suddenly become involved in a multi-stakeholder negotiation.

Yet despite the significant stakes in the negotiation, all sides could afford to ask themselves a few crucial questions before proceeding: What do they want most? What can they concede? Who are their allies and recruitables? What leverage do they have? Doing so reveals key areas of opportunity in the current situation.

For example, the MNC should not play “hardball” moving forward, given that India is such a crucial market for their business. Instead, the MNC should **reframe** the issue, highlighting data to demonstrate that a government intervention in technology fees will not benefit farmers, contrary to what was previously thought. The MNC can **leverage** its near-monopoly on cottonseed R&D to show that the Indian government’s intervention to reduce fees would halt future research, which could potentially help millions of farmers. It should build a **coalition** with beneficiaries of Bt cotton – farmers, certain domestic seed companies, and specific state governments. To help the

government save face, it should concede on one potential **tradable** interest –governmental control over sale price.

The Indian government has to simultaneously protect Indian farmers, and promote investment and innovation. Given the MNC's virtual monopoly over the seeds, the government should recognize its weak **BATNA** (Best Alternative to a Negotiated Agreement) and not intervene in private contracts. However, it should publicly insist on price control of seeds for farmer welfare.

The domestic companies also need to recognize the consequences of lobbying the government to eliminate fees, after all, they are reliant on the R&D of MNCs to sustain themselves, as well. In the short-term, the domestic companies should reach a deal with the MNC for reduced fees on the next generation of cottonseeds. In the long term, these companies should partner with Indian research agencies to develop domestic capacity and strengthen their own BATNA, becoming less reliant on the MNCs.

Whatever the outcomes of this negotiation, it is clear that it could set the precedent for regulation of GM seeds across the world.