

Do mergers between major agrichemical, seed companies threaten food security?

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The global agrochemical and seed industry is undergoing profound upheaval, with a spate of mergers and attempted mergers consolidating the sector and raising concerns about the future of the food system.

It began last year when Monsanto started looking for a partner. . . By the end of 2015, [Dow and DuPont announced](#) they were teaming up. . . .

In February this year, ChemChina announced a \$43bn purchase of Syngenta, bolstering ChemChina's genetically engineered seed capacity and giving it the [largest slice of the agricultural chemical market](#). The remaining players – Monsanto, Bayer and BASF – are now under pressure to join the mega-merger dance. . .

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For starters, mergers are likely to lead to higher costs of inputs for farmers. Already, the seed and chemical industries are highly concentrated. . . . If the number of firms drops, it will be that much easier for them to raise prices.

Consolidation in the agribusiness industry also tends to concentrate political power as giant firms lobby governments to shape the rules of the food system in ways that support their interests. . . .

Further spread of the industrial agricultural model is also likely to have devastating ecological effects. . . .

If the proposed mega-mergers proceed, the food system will face profound changes in the name of increased short-term financial returns for relatively few investors. Ironically, there is [little evidence](#) to show that corporate consolidation is even economically productive in the long run.

A short-term financial boost for a handful of investors is hardly justification for allowing the mega-mergers when they threaten farmer livelihoods, the environment and long-term food security.

Read full, original post: [Monsanto, Dow, Syngenta: rush for mega-mergers puts food security at risk](#)