

# State-Business Relations in India

## Corporatisation of Food Governance

*...In the long run tinned food is a deadlier weapon than the machine gun...*

George Orwell in his 1937 novel *The Road to Wigan Pier*

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# Outline

- ◆ Key shifts – policy making, redefining policy
- ◆ Consumption led Growth
- ◆ Agriculture growth, Food habits and rise of agri-business
- ◆ Corporatisation of agriculture – Re-regulating food safety, Reforming agriculture marketing

# Key Shifts

- ◆ 1990s liberalisation echoes desires and ambitions of domestic capital
- ◆ New strategic option as a natural progress for Indian business
- ◆ Changes in the organisations representing business interests
- ◆ New governance structure with greater participation by local bodies and *panchayats* (institution for village self governance)
- ◆ Greater role for civil society institutions
- ◆ Changes in political federalism, and the rise of coalition politics based on issues around reforms.

# Implications for Policy

- ◆ Direction of policy in India - relate the interests of the dominant classes and the harsh reality of inequality and deprivation
- ◆ Interplay between policies and interest groups is complex and multidirectional
- ◆ Often-suggested inherent contradiction between welfare policies and interests of the dominant groups is too simplistic for understanding the direction of policy

# Social Outlook of Neo Liberalism

- ◆ General recognition that economic growth does not necessarily bring improvement in quality of life
- ◆ Arrangements other than economic growth can be effective to attain the desired capabilities and that high degree of development in social sectors like basic education and health care and building regulatory standards for other sectors - necessary conditions for sustainable economic growth.

# Social Outlook of Neo Liberalism

- ◆ Essence of social outlook of neo-liberalism in India
  - it legitimises the promotion of differentiated production and distribution of health, housing, education etc.
  - at the same time resisting transfer payments by the state from the rich to the poor to finance collective provision of basic goods and services.
- ◆ Stark social divide along with high growth has compelled policy makers not to say outright ‘no’ to planning, they have articulated their preference for somewhat less planning or shift towards ‘new’ regulatory regime.

# Factors for Neo liberal View

- ◆ Dynamics of electoral politics has contributed to questioning the idea that trickle down works.
- ◆ Rise of coalition politics and frequent changes in electoral outcomes reflect the dissatisfaction of the poor with the 'pure' growth strategies
- ◆ Heterogeneous nature of Indian business, the rise of new generation of educated, less traditional businessmen and women and proactive organisation representing these interests

# Policies in 70s and 80s

- During the 1970s and 80s the state addressed the needs of the poor but never extended them as citizenship rights.
- Focus was on socio-economic attributes that are relevant for the administration of developmental or welfare policies



# Policies in 70s and 80s

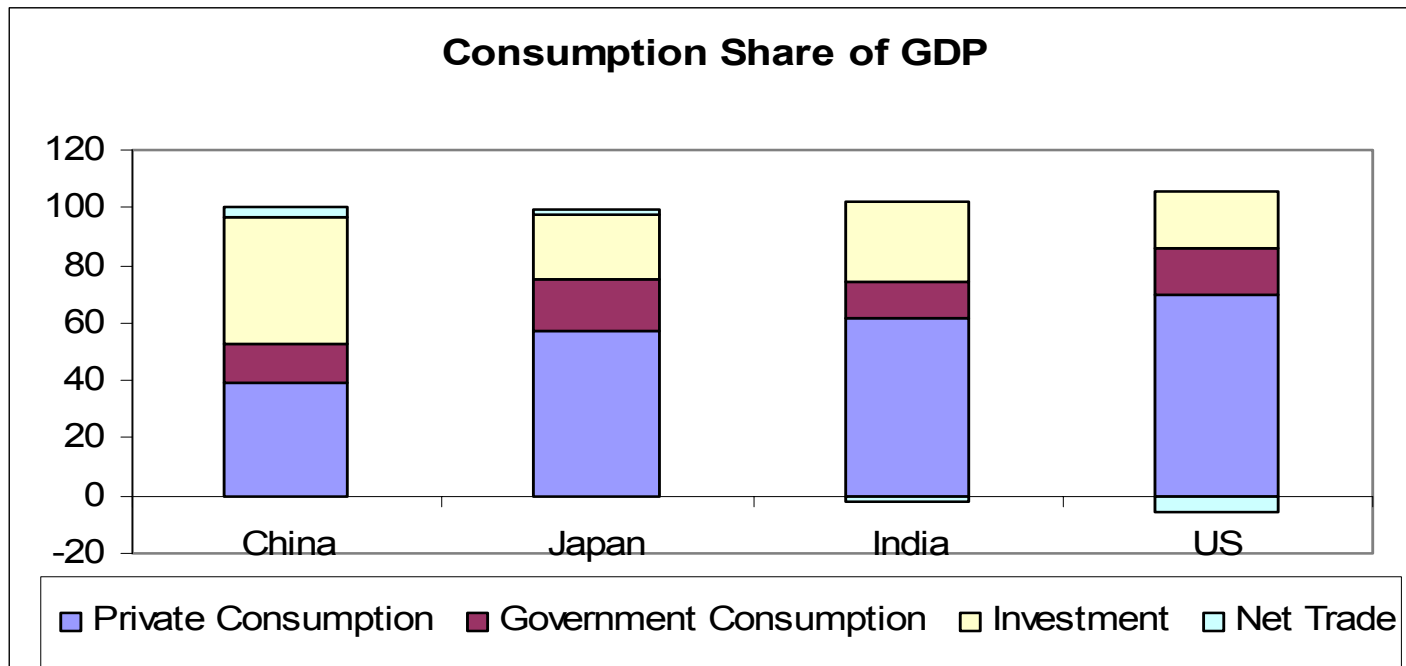
- The provisioning of basic services was a matter of negotiation between the state and the political society
- Since social needs were determined more by coalition of political forces and strategic interests of the elite, the fulfilment of social needs of the poor was always contextual and ever changing

# The 90s

- ◆ From the 1990s the negotiating space between the rightless people and the state has changed in a fundamental way.
- ◆ Whose rights? and Which Rights? are both issues of debate now
- ◆ The rights of poor are pitted against the needs of foreign capital, domestic rich and the emerging but very vocal, successful and globally integrated professional class

# Consumption led Growth

Consumption accounts for 50% growth b/w 95-05 compared to 30 percent in China



# Whose Consumption

- ◆ Mackinsey's rank India's consumer market as 12<sup>th</sup> in the world; in PPP terms by 2025 it will surpass the US market and become third
- ◆ Per capita terms – diff story - at the rate of more than 7 percent around a century needed to catch with existing per capita consumption of US
- ◆ Upper and middle class consumption holds the key, will grow 13 times and control 20+60 % consumption

# Expenditure Trends

- ◆ Rural India is home to bulk of India's population (70% in 600,000 villages), their consumption pattern and growth are quite critical
- ◆ Indians spending more, but spending less on buying food
- ◆ National Sample Survey Organisation (NSSO) has computed the MPCE in 2004 - rural Indians spend roughly 57 per cent on food-related items, urban Indians spend 46 per cent.

# Lucrative and fast-growing market for food processors and retailers

- ◆ Household food budget thinned out to buy less cereals and spend more on beverages, refreshments and processed food.
- ◆ Rural India spends Rs 37 on buying processed food and beverages, (10 per cent of its food expenditure in the month) across all categories of households. Urban India spends Rs 101 (20 per cent of food expenditure).
- ◆ Both urban and rural India spend more on buying processed food and beverages, than they do on buying fruit for the family. Urban India, certainly spends more on beverages than it does on milk and milk products.

# Eating Differently

- ◆ Food habits are changing.
- ◆ In 1987-1988, rural India spent 26 per cent on cereals but by 2004 only 16 per cent on cereals.
- ◆ Urban India reduced its spending on cereals from 15 per cent to 9 per cent of its food expenditure

# Even the poorest are hooked

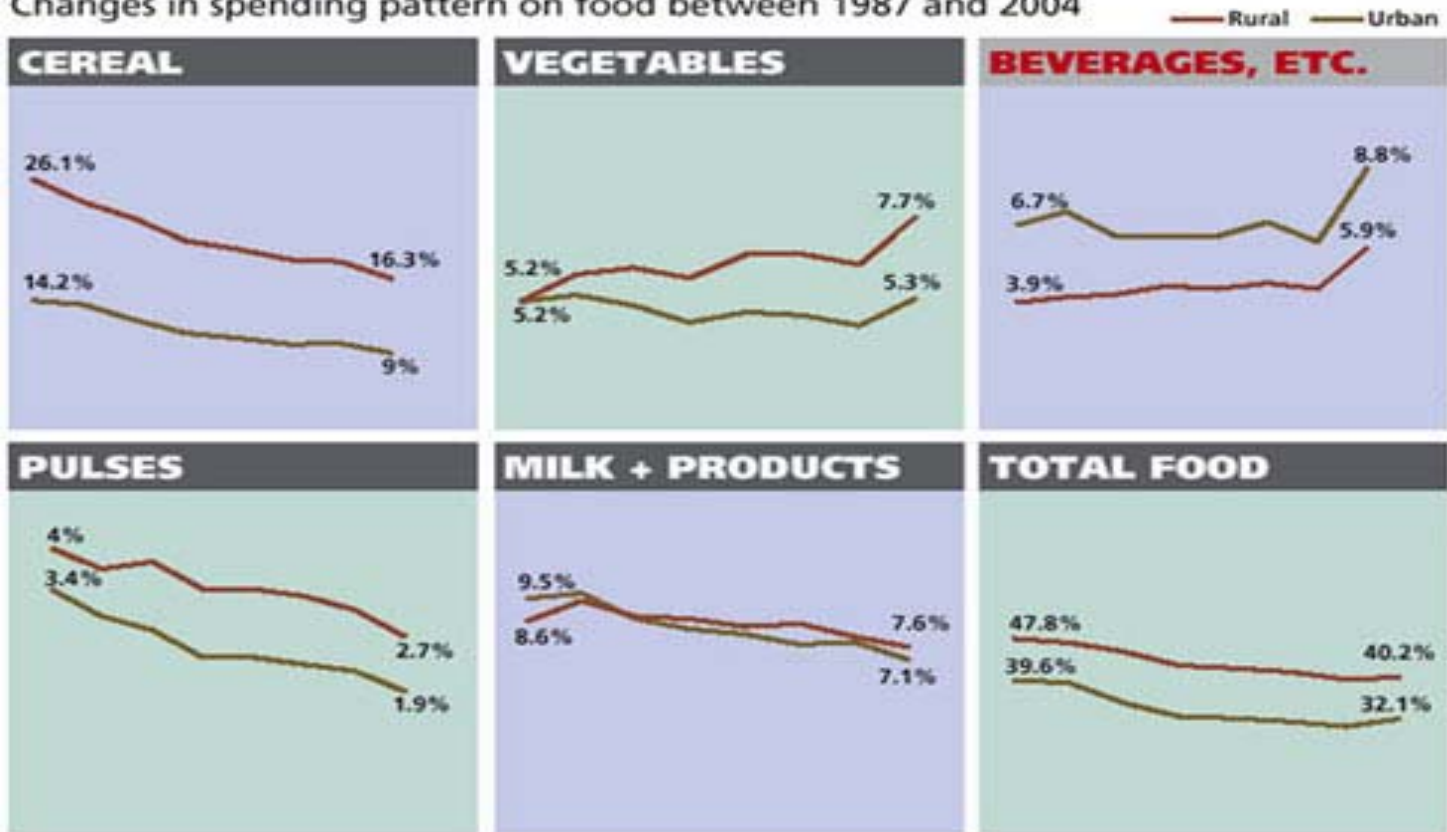
- ◆ Factory food is not restricted to the elite
- ◆ In rural India, households with a monthly per capita consumption expenditure of as little as Rs 225, spend Rs 6 on buying processed food and beverages, while their richer counterparts, with Rs 950 or more to spend, buy processed food worth Rs 100
- ◆ For the urban poor spending Rs 11 out of their food budget of Rs 158 or roughly 7 per cent on processed food and beverages



# Processed food has entered the Kitchen

## Different diets

Changes in spending pattern on food between 1987 and 2004



# Consumption – the other side of Production

	Food Grain	Growth in Agriculture Production					Net Availability			Contribution to NA	
		Wheat	Pulses	Cereals	Non Food grain	Oil Seeds	Net Availability of Cereals in metric tonnes *	Per Capita availability of Pulses*	Per Capita in Grams of cereals and pulses*	Net Imports of cereals*	Changes in Government Stocks of cereals*
81-82 to 90-91	2.84	3.94	2.17	2.90	2.37	4.42	118.03	39.6	464.9	0.98	0.59
91-92 to 00-01	3.17	4.58	-1.63	3.50	3.82	-0.17	149.40	35.8	475.4	-0.71	1.85
01-02 to 05-06	-0.43	-0.96	0.03	-0.43	0.68	6.06	161.46	32.36	444.48	-4.30	-3.04
*: Period Averages; Source: Government of India, Economic Survey 2008											

# Growth

**Table 2.7** Annual average growth rate at constant prices (%)

Five year plan	Overall GDP growth rate	Agriculture & Allied sectors
Seventh Plan (1985-90)	6.0	3.2
Annual Plan (1990-92)	3.4	1.3
Eighth Plan (1992-97)	6.7	4.7
Ninth Plan (1997-2002)	5.5	2.1
Tenth Plan (2002-07)	7.6	2.3
2002-03	3.8	-7.2
2003-04	8.5	10.0
2004-05 (P)	7.5	0.0
2005-06 (Q)	9.0	6.0
2006-07 (A)	9.2	2.7

Note: P: Provisional, Q: Quick estimates, A: Advance estimates. Growth rates prior to 2001 based on 1993-94 prices and from 2000-01 onwards based on new series at 1999-2000 prices.

Source: CSO, Government of India.

**Table 2.9** Investment in agriculture

Year	Investment in agriculture (in Rs crore)			Total Investment in agriculture as a per cent of GDP at constant 1999-00 prices
	Total	Public	Private	
1999-00	43,473	7,716	35,757	2.2
2000-01	38,735	7,155	31,580	1.9
2001-02	47,043	8,746	38,297	2.2
2002-03	46,823	7,962	38,861	2.1
2003-04	45,132	9,376	35,756	1.9
2004-05	48,576	10,267	38,309	1.9
2005-06*	54,539	13,219	41,320	1.9

Source: Economic Survey of India, 2005, CBGA, 2007.

# Suicides

**Table 2.10** Number of farmers suicides from 2001 to 2006

<b>Andhra Pradesh</b>					
2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (Up to 31.5.2006)
267	313	393	1,126	300	11
<b>Karnataka*</b>					
2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (Up to 31.5.2006)
2,505	2,340	708	271	152	7
<b>Maharashtra</b>					
2001	2002	2003	2004	2005	2006 (up to June 30)
50	122	170	620	572	746
<b>Punjab</b>					
The Punjab government has recently intimated that between 1997 to September 2005, 179 farmers committed suicide because of various reasons, but without giving year-wise break up					
<b>Kerala</b>					
2001	2002	2003	2004	2005	2006 (Up to June)
56	69	74	135	120	52
<b>Orissa</b>					
2001-02	2002-03	2003-04	2004-05	2005-06 (1.3.05 to 30.9.2005)	
2	1	Nil	Nil	5	
<b>Gujarat</b>					
2001	2002	2003	2004	2005	
13	6	Nil	4	1	

\* In Karnataka, the figures for the years 2000-01 to 2002-03 are based on the records with the state Crime records Bureau and for the subsequent years on the basis of records maintained by the state agriculture department.

Source: Response to Rajya Sabha Unstarred Question No.1809 on 11.08.2006

# Indebtedness

**Table 2.11** Estimated number of indebted farmer households

State	Estimated no. of rural households	Estimated no. of farmers' households	Estimated no. of indebted farmers' households	Percentage of farmers' households indebted
Andhra Pradesh	1,42,512	60,339	49,493	82.0
Arunachal Pradesh	15,412	1,227	72	5.9
Assam	41,525	25,040	4,536	18.1
Bihar	1,16,853	70,804	23,383	33.0
Chhattisgarh	36,316	27,598	11,092	40.2
Gujarat	63,015	37,845	19,644	51.9
Haryana	31,474	19,445	10,330	53.1
Himachal Pradesh	11,928	9,061	3,030	33.4
Jammu & Kashmir	10,418	9,432	3,003	31.8
Jharkhand	36,930	28,238	5,893	20.9
Karnataka	69,908	40,413	24,897	61.6
Kerala	49,942	21,946	14,126	64.4
Madhya Pradesh	93,898	63,206	32,110	50.8
Maharashtra	1,18,177	65,817	36,098	54.8
Manipur	2,685	2,146	533	24.8
Meghalaya	3,401	2,543	103	4.1
Mizoram	942	780	184	23.6

# Indebtedness..

State	Estimated no. of rural households	Estimated no. of farmers' households	Estimated no. of indebted farmers' households	Percentage of farmers' households indebted
Nagaland	973	805	294	36.5
Orissa	66,199	42,341	20,250	47.8
Punjab	29,847	18,442	12,069	65.4
Rajasthan	70,172	53,080	27,828	52.4
Sikkim	812	531	174	38.8
Tamil Nadu	1,10,182	38,880	28,954	74.5
Tripura	5,977	2,333	1,148	49.2
Uttar Pradesh	2,21,499	1,71,575	69,199	40.3
Uttaranchal	11,959	8,962	644	7.2
West Bengal	1,21,667	69,226	34,696	50.1
Group of UT's	2,325	732	372	50.8
All India	14,78,988	8,93,504	4,34,242	48.6

Source: Response for Rajya Sabha Unstarred Question No.2068 on 12.8.2005 (derived from NSSO survey Report on 'Indebtedness of Farmer Households', May 2005).

# Food Industry and Decline in Health

- ◆ New choices have replaced traditional diet. While some of the choices enhance diet, others are high in fats, sugar and salt content. They come in a highly processed form and contain higher levels of protein, sourced from animal products. And it is not only adults who may be affected; even the unborn child is at risk
  - There is a consistent relationship between unhealthy diet and the emergence of a range of chronic non-infectious diseases. WHO's strategy on diet, physical activity and health identifies food as a major factor for the rise of NCDs
  - NSSO data in its 55th round (1999-2000) estimated that the average per capita fat consumption was increasing exponentially in rural and urban India.
  - Consumption of more of packaged food and fast food leads to an increase in our calorie intake which disturbs metabolic activities
  - With disturbed metabolic activity and a sedentary lifestyle obesity, Type 2 diabetes and risk of heart attack has increased

# Processing Industry

- ◆ Food processing bandwagon — from Reliance to the Bharti group. Reliance has entered the agri-horticulture and processed food sector and has exported fruits and mango pulp in 2005-2006. Reliance has also started more than 100 fast food joints at petrol pumps it owns along various stretches of the golden quadrilateral and north-south/east-west corridor. The Bharti group has made a big foray into food processing and horticulture.
- ◆ MNCs are also taking over. Nestle, Brooke Bond, the Danone group, Cadbury's, Perfetti, Heinz and Hindustan Lever control various segments of food processing.
- ◆ Although a small percentage of food produced is processed — 2 per cent of fruits and vegetables and 37 per cent of milk— the food-processing industry is the fifth largest industry in the country in terms of production



# Processing Industry

- ◆ Estimates of industry size vary between Rs 300,000 crore and Rs 350,000 crore, around six per cent of GDP in 2003 and accounting for six per cent of total industrial investment.
- ◆ 7,000 food-processing units in the organised sector and thousands of small units in the unorganised sector.
- ◆ Sector employs 1.6 million workers and has been witnessing a growth rate of about 15 per cent per annum. It accounts for 13 per cent of the country's export.
- ◆ Main sub-sectors include fruits and vegetable processing, dairy, meat and poultry processing, fisheries, consumer and value-added foods including packaged foods, soft drinks and other beverages and packaged drinking water.

% of Total Fruits and Vegetables Processed	
India	2
Thailand	30
Brazil	70
Philippines	78
Malaysia	80

# Processing Industry

- ◆ Processed/packaged food and drinks sector, between Rs 100,000 crore to Rs 120,000 crore (100 crore is one billion) is about a third of the total food processing industry.
- ◆ Value addition of food products is expected to increase from the current 8 per cent to 35 per cent by the end of 2025.
- ◆ Packed tea is the largest variety of packaged food consumed, followed by biscuits and Soft drinks. Manufacturing of soft drinks has doubled from 1999 to 2004
- ◆ Coke claims that 80 per cent of its new consumers are from rural India. By 2003, the rural market accounted for nearly 30 per cent of Coke's volumes. In recent years Coke's urban market grew 24 per cent while the rural market grew 37 per cent

# Investments in Food Retail

- ◆ Reliance Retail is to invest US\$5.5 billion by 2010-2011, to create 100 million sq ft of retail space
- ◆ Bharti-Wal-Mart is to invest US\$2.5 billion by 2015, to create 10 million sq ft of retail space
- ◆ Future Group (Pantaloon Retail) will invest US\$260 million by 2008, to increase its retail space to 10 million sq ft
- ◆ Subhiksha, the US\$73 million discount store will set up 1,000 stores in India by the year end, while Metro AG is investing US\$400 million over the next three years to set up some 18 stores in the country
- ◆ France's US\$50 billion Auchan, is eyeing the Indian retail market, while Carrefour is in talks for tie-ups with some of the top Indian industrialists
- ◆ UK's Tesco and Home Retail - the latter signing an MoU with Shoppers' Stop and HyperCity, the retail ventures of the K Raheja group to develop Argos Retail Format Stores
- ◆ Local groups like Aditya Birla Group and Tata Group among those finalising new retail plans

# Food Retail

- ◆ Wal-Mart is set for its first set of stores by the first quarter of 2008, in cities that have a population of one million
- ◆ Food and grocery is expected to account for up to 40% of the venture's turnover, Wal-Mart claims it will take 35% of the Indian retail market by 2015
- ◆ Reliance Retail has announced plans to set up one store for every 3,000 families within a radius of 2 km across all locations by 2011. The company is competing directly with the large number of traditional local provision stores. Reliance Retail is either going to set up new stores in the identified areas or take over existing stores. Of the four million sq ft of retail space to be created under the "Reliance Fresh" brand (for groceries), one million will be through acquisitions
- ◆ To strengthen its links with farmers, the company is setting up integrated agri-retail business centres, which include three processing and distribution centres, 51 retail outlets for farmers and 75 rural business hubs, all with an investment of US\$445 million

# Backward Forward Links

- ◆ Field Fresh, a joint venture between Bharti Group and NM Rothschild has over 5,000 acres of land under cultivation all over the country producing many varieties of fruits and vegetables and is planning to double land under cultivation by the end of 2007
- ◆ To supply fresh produce to the Bharti-Wal-Mart venture. Field Fresh has engaged ACM China, an industry leader in building greenhouses, to set up state-of-the-art glass-based greenhouses at the FieldFresh Agri Centre of Excellence in the Punjab.
- ◆ Field Fresh is also planning investments to the tune of US\$220 million in the backend, including investments in cold chains and warehouses.

# Realignment of Food Chain

- ◆ The Indian fresh produce marketing, till now controlled by state-owned Agriculture Produce Marketing Cooperatives (APMCs), is also changing with reforms in the APMC Act in many states. This has opened up the space for private players, and all major retailers are planning to set up private 'mandis' (marketplaces/bazaars), from where they can directly source their requirements of fresh foods.
- ◆ DCM Shriram Consolidated Ltd (DSCL) wants to source fresh foods for major retailers and big business and is in the process of tying up with them to source fruits and vegetables from farmers and supply to the retail chains.
- ◆ DSCL is already doing this for Future Group's Food Bazaar, south based Subhiksha and RPG's Spencer.
- ◆ Almost all retailers in the food and other groceries segment have a section for imported fresh fruits and vegetables from Hong Kong, the Chinese mainland and some European countries. These are normally costlier than the Indian goods, and quality is almost always never good. Indian companies, through their contract manufacturing, have also begun growing the same in Indian farms.

# Soyabean and Marketing Reform

- ◆ ITC entered the Soyabean market in the mid 90s because of high export potential of Soyabean products and by products.
- ◆ ITC have opened the first Rural Departmental Store of India in Sehore on August 15, 2004. This store will sell all possible goods to the farmers, will also be the Centre that will buy Soyabean, will also be the institution to provide extension services to farmers, will also provide - medical and educational facilities to farmers and their families.
- ◆ One stop centre for the rural market and for the diverse needs of the rural population. Re-skilling and training the local women for various skills is also part of the ITC plan for Sehore
- ◆ Initially ITC was procuring Soyabean in the district and in the state of MP thro the various hubs (collection centers) created for a group of 15 to 20 villages. The government is entitled to get a 2 percent tax from the total transaction in the market for agriculture produce. As a result ITC has to go thro the local market, buying the auctioned produce in the market thro its appointed middlemen.

# *e choupals*

- ◆ After the change in the APMC Act ITC has now entered the market as a direct buyer and it need not go thro the local market. With this change the *mandi* tax no longer will reach the local *mandi* (an important source of local tax) rather the money will get transferred directly to the State government in the form of a license fees
- ◆ The price for Soyabean is closely integrated with the Chicago Board of Trade prices. ITC has established '*Choupals*' all over the state that has access through the Internet to the international prices. The local co-ordinator of these *choupals* is supposed to keep farmers informed about the international trend in Soyabean prices



# What does agricultural marketing reform mean?

- ◆ Marketing reform has created conditions for emergence of monopoly in agricultural markets and exposing the large mass of peasants involved in Soyabean production in MP to the 'profit' needs of large private players
- ◆ In a situation of indebtedness where the small and marginal farmers output is tied to the local moneylender even before the crop reaches maturity, the question is who will really benefit from the global linkage?
- ◆ Can the big private player fill the gap of the decline in the 'co-operative sector'? Does it not mean increasing control of private players on small farmers. Will there be increasing control of 'rural life' by private corporations like ITC and marginalisation of State services (extension services, seeds, state regulated markets for agriculture produce).
- ◆ There is an inherent politics of seed in the creation of monopoly markets in agriculture.
- ◆ Women are totally marginalized in the marketing of the produce or in taking decisions related with cultivation. The co-operative movement had made some difference. With deeper integration of private corporations with agriculture production or of increasing volatility in production as a result of closer links with the global markets there are implications for the livelihood of women

# Industrial Agriculture

- ◆ Growing demand for food has also led to the creation of industrial agriculture. Seasonal crops are grown all round the year, under controlled conditions. Crops, fruits and vegetables are grown in alien agro-climatic conditions through intensive use of irrigation, chemical pesticides and fertilisers. Processing leads to addition of various chemical and synthetic inputs for a variety of reasons like colouring, preservation or just for enhancing taste. All these additives come with their own set of problems. Regulations have been re-engineered to counter these threats.

# Changing Regulation and Growth of Food Industry

- ◆ Food Safety and Standards Bill (FSSB) 2006 introduced by the government which it says will assure food safety for all. The bill replaces the present Prevention of Food Adulteration (PFA) Act, the Essential Commodities Act and other food-related legislations at the state level
- ◆ Bill worked out by the Ministry of food processing industries and not Ministry of health and family welfare, the custodian of food safety in the country
- ◆ Bill establishes industry's control over the business of food regulation by further diluting the already weak provisions that protect the health of consumer

# Foundations of the Bill

- ◆ Battle lost early, the idea of an “integrated food law” emanated from a committee headed by industrialist Nusli Wadia, with two other industry members, Ratan Tata and A C Mathiah set up in 1998 to avoid the existing multiplicity of legislations and agencies in the business of food
- ◆ The preamble to the act says the purpose of the bill is “for laying down science-based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import”.
- ◆ The industrial agenda is flagged by the emphasis on science-based standards, when most international food safety related legislation emphasizes the need for health-based standards

# Compromising Health and Safety

- ◆ The bill works hard to convolute, compromise and obfuscate the protection to consumer safety and health.
- ◆ It weakens the existing weak provisions of the PFA Act, with expertise and legalistic sophistication.
- ◆ The standing committee on agriculture, which submitted its report to parliament on the bill, has made many suggestions on administration of the bill, defining unsafe food, include drinking water provided by MC, include scientific expertise in CAB, graded punishment and deter misleading advertisement that remain insufficiently addressed.
- ◆ A careful reading of the proposed bill reveals that it does little to protect the safety and health of consumers or the interests of small producers. Besides, it does nothing to improve the shortcomings of the current food regulations and enforcement.

# Compromising Safety

- ◆ The bill has weakened the definition of ‘unsafe’ food
- ◆ It defines “contaminant as anything which is not added to food but is already present because of production-related causes (including operations carried out in crop husbandry, animal husbandry, veterinary medicine or as a result of environmental contamination). Thus, pesticide residues in soft drinks, or hormones or antibiotics in milk are all defined as contaminants
- ◆ It adds another term “extraneous matter”, which has the same definition as contaminant, except that this matter does not render the food unsafe
- ◆ The bill does not say that food is unsafe if it does not meet stipulated standards. The PFA Act says that food is adulterated if the quality or the purity of the product falls below prescribed standards. But the new bill only says that such food will be sub-standard, but not unsafe

# Small manufacturers

- ◆ Interests of small food manufacturers and vendors or even farmers, are clearly not protected. The food business is multi-layered. Small household level operations, manufacturers, hawkers and vendors will have to compete with the growing clout of the organised business and multinational companies
- ◆ It dilutes the provisions that would regulate quality and safety of large producers by weakening the provisions to recall food found unsafe; providing for penalties that are uniform across categories of manufacturers; and by giving the big companies an ‘improvement’ clause — time to fix things.
- ◆ Simultaneously, it brings into its ambit primary food so that all problems of quality are blamed on the raw material used in the manufacture and not on processed food.
- ◆ It also includes food retailers, hawkers, itinerant vendors and temporary stallholders.
- ◆ It strengthens penalties for small producers. It also keeps intact the regulatory framework of PFA Act, which will tighten the controls on petty manufacturers and even hawkers

# Bias of the Bill

- ◆ The bill specifies penalties between Rs 1 to 10 lakh, depending on the nature of the offence. It defines food-related offences — like generally not of quality food, sub-standard food, misbranded food and penalty for misleading advertisement. There is no specific penalty for unsafe food or food with contaminants.
- ◆ Considering the range of fines provided, it would be a deterrent for the small, not the big players.
- ◆ There is a provision under section 69 (power to compound offences), which empowers food inspectors to impose fine of up to Rs 1 lakh on petty manufacturers, hawkers, retailers etc. if they have “reasonable belief” that an offence has been committed. This means unbridled power for inspectors and terror for vendors, hawkers and small manufacturers.
- ◆ In contrast, provisions for powerful companies are riddled with a space-size loophole. Under section 66, the bill states that action cannot be taken against people if they prove that an offence was committed without their knowledge or that they had exercised due diligence to prevent it



# Governance of the Bill

- ◆ One of the most fatal provisions of the bill is regarding governance and administrative design. It puts in place a highly centralised and closed structure, accountable to none. The bill proposes a Food Safety and Standards Authority as the statutory body to perform various functions assigned under the act. The authority includes seven new positions for bureaucrats, representing different departments, thus replacing the Central Committee for Food Standards (CCFS), which is mandated under the PFA Act to oversee decisions on food safety, with a bureaucracy armed with officials.
- ◆ In the current set up independent and credible expertise for standard-making on health and food-science is missing, expertise is externally sourced. This continues in the new bill

# Bill Outcome of....

- ◆ Political priorities and incentives
- ◆ Business Influence, Redefining development
- ◆ Needs of the vulnerable earlier met by accepting their moral case through political negotiations (not as rights); the moral case is now contested  
been defined.

# Outcome of the 90s

- ◆ Now the assertion of new civil society groups (often on behalf of the middle classes) is questioning the needs of the vulnerable population, as their needs are not seen as basic rights
- ◆ In such a situation failure to achieve outcome is often found in the delivery system, rather than identifying the root causes