

Resisting RCEP from the ground up: Indian movements show the way

 grain.org/en/article/6391-resisting-rcep-from-the-ground-up-indian-movements-show-the-way

In the history of people's resistance against free trade agreements, 4 November 2019 is a day to remember. On this day, bowing to immense pressure from peasants, trade unions and rural communities, India's central government decided to pull the plug on its participation in the Regional Comprehensive Economic Partnership (RCEP), intended to become the largest free trade area in the world. The announcement, made at the ASEAN summit in Bangkok, has implications for free trade negotiations in the entire region and puts a fork in the wheels of unifying the Asian market – a project clearly favouring the interests of agribusiness and transnational corporations.

While countries such as Japan, New Zealand and Australia are making every effort to convince India to come back to the negotiating table, whether they will succeed is not clear. For now, Delhi's decision has provided immense relief to millions of small-scale food producers and rural workers in India.

So how did a government that is overtly neoliberal, capitalist and with visible authoritarian traits end up bowing to the pressure of farmers and workers? To understand that, we need to understand the decade that just went past us.

The origin of the resistance

After the global financial crisis, as opposition to capitalism and globalisation was gaining steam across the world, and markets in many industrialised economies faced either saturation or a slump in demand, it became imperative for the promoters of global capital to find new terrains. Asia, home to 65 percent of the world's population, was clearly a market not to be ignored. Unifying the Asian market became an obvious choice, as this would deliver growth not found elsewhere.

As its name suggest, RCEP touches many sectors through its rules liberalising trade in goods and services, investment, economic and technical cooperation, intellectual property, competition policy and dispute settlement. This mega free trade deal would eliminate tariffs in almost all areas, much beyond India's obligations under the World Trade Organisation (WTO) and its existing FTAs with Japan, South Korea, ASEAN, Singapore, Malaysia and Thailand. India, with a population of 1.3 billion, offers a huge market to RCEP countries, and hence India was central to the RCEP.

Ever since India began liberalising its economy in 1991, the country has witnessed a massive boom in the services sector, propping up a newly rich and consumerist middle class, while the majority of its people in rural areas – tenant farmers, agricultural labourers or small-holder farmers – have struggled to make ends meet.

The effect of liberalisation on India's agricultural sector has been catastrophic. Nearly 50 percent of rural households are in debt and nearly 75 percent live on less than US\$150 a month.

For three decades now, farmers in India have been on the streets demanding that the government raise the minimum support price offered for their produce. But this hasn't happened, as different trade rules and regimes that India has signed onto since the 1990s prevent the governments from doing so. Therefore, in India, while liberalisation opened up a better life for some, it has largely ignored and neglected many, most of them rural workers and farmers.

Over the last three decades, small-holder farmers unions organised under the Indian Coordination Committee of Farmers Movement (ICCFM) have consistently demanded that Indian government keep WTO and all the FTAs out of agriculture.¹ Therefore when RCEP negotiations began, ICCFM was one of the first to realise the possible impact of this mega FTA on the farming sector. As of early 2014, it launched the call "India must quit RCEP". On 1 December 2014, during the 6th Round of RCEP negotiations at Greater Noida, near Delhi, ICCFM took the lead in holding a big demonstration along with the Delhi Hawkers Federation and members of the Forum against FTAs.²

*ICCFM's analysis was clear: "Some of the ASEAN members and other partners of RCEP are world leaders in export of different agriculture goods, such as wheat, dairy products, rice, edible oil, rubber etc. Australia and New Zealand are trying hard to increase their market in India since they have surplus wheat and dairy products, respectively, to supply to India. Any further tariff cuts under RCEP will severely impact India's wheat producers and dairy farmers."*²

The massive demonstration that took place that day led to more decentralised and persistent struggles elsewhere, led by different movements, unions and sectors, spreading all across India. The Forum against FTAs, a coalition of independent researchers and progressive non-governmental research entities, came together to evaluate, analyse, inform and educate the movements and unions on the different technical aspects of this agreement – even as much of the negotiation process around RCEP was shrouded in secrecy, and information was difficult to come by. Many a times, leaked chapters of the agreement under negotiations were the only information that these groups had to assess the impact of RCEP.

ICCFM Protests at Greater Noida against 6th Round of RCEP, Dec. 2014

Meanwhile peasant movements like ICCFM, Rashtriya Kisan Mahasangh and All India Kisan Sangharsh Coordination Committee stepped up the pressure on the government through mobilisations, press conferences and open letters. The government, they alleged, had neither consulted the parliament nor the state legislatures on this, even though agriculture is a state subject under India's constitution, and even though it was clear that under RCEP India would commit to further liberalisation of its agricultural sector.

As has happened with all other FTAs signed by India, the government refused to publish any paper on the pros and cons of the deal, nor did it conduct any impact study on who RCEP would benefit and how. Information in the public domain already made it clear that the existing free trade agreements that India had signed bilaterally or with other Asian countries have not secured big gains for the country. On the contrary, they have resulted in severe trade deficits with almost all RCEP partners, particularly China.⁴ The increasing trade deficit with FTA partners forced even the apex industry group, Federation of Indian Chamber of Commerce and Industry, to demand a moratorium against any new FTAs.

It was clear that RCEP was only going to make matters worse, not just for the farmers or workers, but even for Indian industry in general.

Solidarity beyond borders

In 2016, several RCEP members, namely Australia, Brunei, New Zealand, Japan, Malaysia, Singapore and Vietnam, signed another ambitious mega trade deal, the Trans Pacific Partnership (TPP), and logically pushed for harmonisation between RCEP and TPP. Civil society groups opposing both TPP and RCEP in different Asian countries reached out to each other and a broad-based coalition emerged to resist RCEP.

One positive outcome of this coalition was the exchange of information across the different groups in RCEP member countries, the building of a common campaign and creating real public pressure, taking on a joint voice for the different sectors: women, fisherfolk, farmers, hawkers, people living with HIV/AIDS, service industry workers, etc. It also helped put pressure on the different governments to hold dialogues between negotiators and civil society. For actual texts of negotiating drafts, however, activists had to rely on leaks.⁵

The leaked draft on investment revealed how close this chapter was linked to the intellectual property chapter. It also informed the groups that investor-state dispute settlement (ISDS) was part of the agreement. The coalition launched a campaign to drop ISDS, which had a real effect. In September 2009, Malaysia's International Trade and Industry minister announced that ISDS has been dropped from RCEP, signalling a big blow to corporate interests.⁶ This was a big relief for India because it is the target of 40

percent of all ISDS cases filed against RCEP countries and there are still nine ISDS claims pending against India totaling US\$5.8 billion. In fact, India tops the ranking with at least US\$12.3 billion claimed by investors since 1994.⁷

Indonesia Global Justice protests against RCEP

Another important victory in the peoples' campaign came when RCEP members decided, after years of mounting pressure from social movements, to drop any obligation to join the Union for the Protection of New Plant Varieties (UPOV) or to implement UPOV provisions in national laws. UPOV is a special set of intellectual property rules that protects seed companies by making it illegal for farmers to save seeds. In February 2019, Indian civil society groups and IICFM farmers unions took the initiative, along with Malaysian, Indonesia and Filipino groups, to write open letters to their respective governments urging that the RCEP negotiations not include an obligation to join or implement UPOV as it would undermine farmers' rights. Thailand's chief negotiator informed civil society groups in a meeting on 13 June 2019 that UPOV was dropped from RCEP. This was informally confirmed by other governments since.

Meanwhile, agitations on the streets gained strength.

One of the key moments in the fight against RCEP came as India hosted the 19th round of negotiations in Hyderabad in July 2017. People's movements representing a wide range of sectors from southern Indian states, gathered in Bengaluru on 1-2 April 2017 to brainstorm, build a strategy and form a broad coalition to oppose RCEP and the July meeting in Hyderabad. Their call: "India must quit RCEP."⁸

On 21 to 26 July 2017, Hyderabad witnessed a massive peoples mobilisation against the regional trade pact led by the "People's resistance forum against FTAs and RCEP", where a wide spectrum of mass movements participated, representing various organisations and communities. Peasants, agricultural workers, animal herders, dairy farmers, plantation workers, women farmers, fishworkers, trade unions, industrial and mining workers, street vendors, informal workers, insurance and bank employees, public services employees, students, IT engineers, science teachers, lawyers, environmental and social activists, HIV-positive persons, women's organisations, Dalits, adivasis and denotified-tribes – everyone joined in.

This inter-sectoral solidarity brought the news and dangers of RCEP to the rural countryside. Rarely had people in rural communities been so proactively engaged on what is otherwise a very technical issue, as free trade agreement happen to be. One difficulty often met while campaigning against free trade deals is that their impacts or consequences are never clear in the immediate future, but can devastate rural lives in the long run. So organising people around an issue, the impact of which would only be visible perhaps in a decade, has always been challenging.

Not this time though. Broad groups and movements from various sector joined by unions and many public and domestic private sector were speaking in one voice in their rejection towards RCEP.

In March 2019, ICCFM held a consultation and strategy meeting in Delhi to take the struggle against RCEP to local administrative levels (panchayat and block), building mass awareness by circulating campaign materials in local languages. Almost every month throughout the year, various movements continued to organise protests and mobilisation across the country. On 24 October, ICCFM organised nationwide protests in which millions of farmers took to the streets demanding that India quit RCEP. ICCFM's call to action said, *"It is not just farmers who are facing an existential crisis – the nation's food sovereignty is at stake. We need to protect ourselves by keeping agriculture out of the purview of all free trade agreements and we certainly need to stop RCEP."*

From state governments to domestic industries: India's opposition to RCEP spreads

Farmers got inadvertent support from Indian industry because a large number of sectors and federations were uncertain about RCEP due to the China factor. Some of them openly opposed RCEP and appealed to the Indian government to either exclude their sector or keep their products on an exclusion list to protect themselves from Chinese imports. This was especially the case with steel, plastics, copper, aluminium, machine tools, paper, automobiles, chemicals and petro-chemicals.⁹ Others, like the Confederation of Indian Industry highlighted that employment, innovation and capacity building for domestic industry would be better served by staying out of RCEP.¹⁰

The dairy sector, especially farmers cooperatives like AMUL, had launched a full fledged opposition to RCEP. They feared that giving duty-free market access to New Zealand and Australia's powerful dairy companies would be disastrous for Indian dairy. Within the government, ministers echoed the concerns raised by dairy cooperatives.

The state government of Kerala went so far as to pass a resolution in the state assembly against the RCEP deal. Kerala has already seen severe damage to its economy, especially the plantation sector, due to India's FTAs with ASEAN and Sri Lanka.

Sensing the anger and resentment among farmers and workers, almost all opposition parties, including India's National Congress – which, ironically, was responsible for launching the RCEP talks when it was in power in 2012 – came out strongly opposing RCEP.

Indian mainstream and progressive media outlets played an effective and constructive role in raising people's concerns and highlighting the impacts of current FTAs which, so far, have proved to be disastrous for the Indian economy, especially agriculture and small enterprises. On social media, especially on Twitter, Facebook or Whatsapp, young farmers were quite active. Information materials about RCEP, including short videos made in local languages, were widely circulated, generating awareness and mobilising

rural communities.

A lesson in building people's resistance

HIV Positive people protests against RCEP at Hyderabad July 2017
The grassroots victory against RCEP was made possible because each affected constituency was conscious of how the trade agreement would impact them. And despite many divisions, the Indian people fought united, with one voice, against this trade deal, and each sector played its role effectively. The nature of the mobilisations, which were focused more in state capitals and district headquarters, made it clear that public anger against RCEP was too massive to be ignored and that it could even strike a political blow to the ruling party.

In the end the Prime Minister of the country had to give in.

"Neither the talisman of Gandhiji nor my own conscience permits me to join the RCEP,"
Narendra Modi said on announcing India's withdrawal.¹¹

It is quite possible that in the near future, RCEP members may accommodate some of India's core concerns and try to bring her back to the negotiating table. But the six year long mobilisation led by farmers movements and trade unions have made it amply clear that rural India cannot be taken for a ride any more, and this, now, India's negotiators can't forget.

¹ ICCFM is comprised of La Via Campesina members in India, including Bhartiya Kissan Union and its state unit Karnataka Rajya Ryots Sangha, plus a host of other South Indian farmers unions like Thamizhaga Vivasayigal Sangam (Tamilnadu), Uzhavar Ulaippalar Katchi (Tamilnadu), Uzhavar Periyakkam (Tamilnadu), Katchi Sarpaptra Thamizhaga Vivasayigal Sangam (Tamilnadu), Kongunadu Vivasayigal Sangam (Tamilnadu), Kerala Coconut Farmers Association and Adivasi Gothra Maha Sabha (Kerdala).

² Forum Against FTAs (, which has been re named as Forum for Trade Justice in July 2019), is a network of India's civil society organisations, trade unions, farmers' groups, and concerned citizens.

³ Extract from a memorandum submitted by ICCF to the Indian government in 2014

⁴ Dr. V.K. Saraswat et al, "A note on free trade agreement and their costs", National Institute for Transforming India, 29 June 2018,

https://niti.gov.in/writereaddata/files/document_publication/FTA-NITI-FINAL.pdf

⁵ See bilaterals.org, <https://bilaterals.org/rcep-leaks>

⁶ Rahimi Yunus, "RCEP talks to proceed without ISDS", The Malaysian Reserve, 13 September 2019, <https://themalaysianreserve.com/2019/09/13/rcep-talks-to-proceed->

without-isds/

7 Cecilia Olivet et al, "The hidden costs of RCEP and corporate trade deal in Asia", Friends of the Earth International, Transnational Institute, Indonesia for Global Justice, Focus on the Global South, and Paung Ku, December 2016, <https://www.tni.org/files/publication-downloads/rcep-booklet.pdf>

8 Organised by Karnataka Rajya Raitha Sangha, La Via Campesina members in India, IT for Change, Forum Against FTAs, and other local groups at ISI, Bengaluru.

9 "Exporters, industry laud India's decision to pull out of RCEP", The Hindu, 5 November 2019, <https://www.thehindu.com/business/exporters-industry-laud-indias-decision-to-pull-out-of-rcep/article29891376.ece>

10 Samrat Sharma, "These states are happiest with India pulling out of RCEP; industry leaders have this to say", Financial Express, 7 November 2019, <https://www.financialexpress.com/economy/these-states-are-happiest-with-india-pulling-out-of-rcep-industry-leaders-have-this-to-say/1757142/>

11 "Neither Talisman of Gandhiji nor my own conscience permit to join RCEP: PM Modi", The Statesman, 5 November 2019, <https://www.thestatesman.com/india/neither-talisman-of-gandhiji-nor-my-own-conscience-permit-to-join-rcep-pm-modi-1502817753.html>