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Good for business, bad for us

Why Bayer buying Monsanto is more than just another merger

EDIT 14/09: Bayer has officially announced the acquisition of Monsanto on 14 September 2016. The deal still has to be validated by DG Competition.

German drugs and chemicals group Bayer [has announced](#) a \$62 billion cash offer for the US company Monsanto, owner of the glyphosate-based herbicide Roundup and of the only GM plant currently authorised for cultivation in the EU (Mon 810 Maize). While Monsanto has so far rejected the offer as "incomplete and financially inadequate", history suggests that this is unlikely to be the end of the issue but merely the start of further negotiations. If this indeed the case and Bayer finally succeeds in its takeover, the resulting monstrous agrochemical giant which will hold 24% of the world pesticide market and 29% of the world seed market, or, in Bayer's words "a leading integrated agriculture platform". This follows the recent merger of Dow Chemical and DuPont in the US, and the bid by China's ChemChina for the Swiss firm Syngenta, both of which are still waiting for approval.

While such deals appear to make good business sense to the companies concerned, for consumers they are potential disasters. Quite apart from the risk to competition that they pose - and the subsequent impact on prices in the agricultural sector - there is also a substantial ecological risk that Greens have been warning of for years.

Monsanto might be the favourite target of activists around the world (as evidenced by the many [March against Monsanto](#) events organised all over the world on 21 May), but Bayer, [whose EU market share is larger than Monsanto's](#), has in fact the exact same marketing approach: selling seeds of plants that are "highly productive", but only when used in combination with pesticides and herbicides that they also produce. As Bayer CEO W. Baumann, told the Politico newspaper: "We have long respected Monsanto's business and share their vision".

These plants may be GMOs (such as the numerous glyphosate-resistant GM maize and soybeans sold by Monsanto), or come from more or less classical breeding (like the Clearfield oilseed rape from Bayer), but the idea behind them is the same: farmers have to buy new seeds every year, along with the chemical product that goes with them. This system means that the use of pesticides (and especially herbicide) has skyrocketed, [as was clearly proven for glyphosate](#), and leads to well-documented [negative impacts on our ecosystems](#) - for example the development of herbicide-resistant "super weeds", water, soil and air

pollution, declining populations of bees, other insects and birds, etc. - and on our health.

But, won't one less company pushing its products on farmers be a good thing? Of course the answer is no, as the history of agro-industrial mergers and acquisitions over the years clearly shows. The steady concentration of power into the hands of a small number of companies over the last century has already dramatically reduced [the diversity of seeds](#) proposed to and used by the farmers, which means [less diversity](#) in our fields (leading to environmental problems) and in our food (leading to health problems).

More recently, the development of seeds and herbicides in tandem has significantly increased the risk of a food security disaster if one of the "star" seed varieties - or the chemicals linked to it - fails. *"For years the EU seed market has been undergoing a concentration process, and 95% of the EU vegetable seed market is in the hands of just five companies. If Bayer buys Monsanto there will be only four of them,"* says **Greens/EFA MEP Martin Häusling**. *"We have commissioned a study that clearly contradicts the perceived wisdom that most seeds sold in the EU come from small and medium-sized companies. If Bayer buys Monsanto the concentration process will be further accelerated and farmers will have little option but to buy their seeds and pesticides together in one package. This increases the risk of a further decline in the genetic diversity in agriculture and in nature and is in direct contravention of EU commitments to biodiversity loss."*

Merging companies also means the increasing concentration of patents in the hands of just a few major players. The world's major agro-chemical companies have a clear strategy - widely [denounced by NGOs](#) - of trying to [patent as many of their seeds as possible, even when they are issued from classical breeding techniques](#). In fact, some even try to patent seeds that were previously bred (but not patented) by their competitors, selected by farmers themselves or, worst of all, that are naturally present in the environment. By doing so, not only are they effectively trying to putting a patent on Nature itself, they are also closing down legitimate possibilities for research and reducing the choice of farmers and small seed producers - unless they are willing to pay a "reasonable fee" to the owners of the patents.

Handing over the rights to our food to a handful of giant multinational companies is clearly not a smart move - and even less so when those companies buy each other to increase their stranglehold on the market. The EU agriculture sector is in dire need of a new direction - but not at any cost. Bayer might see a deal with Monsanto as creating the "next generation of farming", but this is certainly not the change we need.

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