

Show Transcript

Deconstructing Dinner
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Theme Music

From the studios of Kootenay Co-op Radio, this is Deconstructing Dinner.

Jon Steinman: And you're tuned in to Deconstructing Dinner, a weekly one-hour radio program and pod cast produced at Kootenay Co-op Radio in Nelson, British Columbia. This program is heard on radio stations across the country including CHMR in St. John's, Newfoundland. I'm Jon Steinman.

It was back in 2006 here on Deconstructing Dinner when we launched an ongoing series titled Packaged Foods Exposed. The series was designed to gain a better understanding of the very companies who produce many of the foods found on Canadian grocery store and convenience store shelves. But today is the launch of a new series, which, along the same line will take a look at the companies who dominate the Canadian food supply, but this series will introduce companies, that you may have never even heard about. And these are the agricultural corporations that supply not only the packaged food companies, but every restaurant, bakery, butcher, cafeteria, and well, almost all the food we eat.

And the title of this series is Agri-Business Exposed. Some of the largest and most influential companies consist of Archer Daniels Midland, Monsanto, ConAgra Foods, Dow, Dupont, Syngenta and Bayer. But perhaps the most influential agri-business in the world is Minneapolis, Minnesota's Cargill – a family-owned company that depending on the year, sits at either the largest or 2nd largest privately owned company in the world, making them accountable to no one outside of the company. Cargill provides an ideal starting point at which to launch the Agri-Business series here on Deconstructing Dinner, because chances are, if you eat, Cargill has somewhere along the line, handled your food, and a better understanding of this company, is ultimately a better understanding of our breakfast, lunch and dinner.

As Cargill retains such an incredible influence on the food that we eat, today's expose on the company will be the first of 2-parts, with the second part airing next week.

Lending their voice to today's show will be Brewster Kneen, the author of the book titled *Invisible Giant*, perhaps the most current and comprehensive resource ever

compiled on the company. And we will hear from John Sauven, a Campaign Director for Greenpeace.

As we begin exploring one of the most influential company's controlling the global supply of food, it's interesting to first point out the age of this company, a company that most Canadians have probably never heard of. And it dates back to 1865, when William Cargill, a Scottish immigrant, bought a grain elevator in Conover, Iowa. Since then, the company remains in the Cargill family, and also remains as a private company, which means they are not accountable to any shareholders whatsoever. The family owns 90% of the company, with the remaining ten percent being owned by the employees. The current owners James and Margaret Cargill are, as indicated by the Forbes Magazine list of richest people in the world, worth 1.8 billion dollars.

In 2005, the company's revenues sat at 75.2 billion dollars, employing 149,000 people in 63 countries. And it's certainly surprising that such a company can remain as low profile as they do.

But maintaining a low profile is exactly what this company attempts to do. One of my guests on today's broadcast is Brewster Kneen and in his comprehensive book on the company titled, *Invisible Giant*, he referred to their Future Strategic Profile from 1979. And the profile listed nine strategic basic beliefs, one of which consisted of, "We will maintain a low public profile."

But also included in this list of nine strategic beliefs, were, both 1, "It is important to have market dominance," and number 2, "The world is our oyster." And we will be exploring these beliefs on both today's and next week's broadcast.

So before we begin hearing from my two guests on today's broadcast, we can launch the show by first taking a look at how this company achieves market dominance and can yet, maintain such a low profile.

And to do so, we can cue a little music, music that perhaps can remind us of the music playing at our local grocery store, that, from time to time, is then interrupted by loud announcements over the PA system. So you can think of me as the loud announcements as you enjoy this pseudo supermarket experience.

The company of course operates many food divisions around the world, with many of these products arriving here in Canada at either food manufacturers or restaurant kitchens. But in taking a look at the operations of Cargill within Canadian borders, we find that they are the primary producer of beef, chicken, malted barley used in beer, animal feed, canola oils, corn syrups, sucrose, nitrogen fertilizer, salt, egg products, flour and other baking ingredients. Essentially, the company only operates in sectors of the food system that have become staple ingredients of the Western diet. And it's this that illustrates how sophisticated of a company Cargill is.

We can start our Cargill supermarket experience in the meat section of the store. Perhaps the company's most dominant business is their over 50% control of Canadian beef. More about this sector will be discussed on next week's broadcast, which will feature an

interview with Cam Ostercamp, a farmer from Blackie, Alberta. Cam is not far from High River Alberta – about 45 kilometers south of Calgary. And located there is the largest fully integrated beef processing facility in the country, processing 4,000 head of cattle every day.

Moving along to the next aisle but remaining in the meat department, we arrive in Toronto, as Cargill's Case Ready division, where they operate a meat packaging facility producing case-ready beef, pork, ground beef, poultry and sausage products. This is where many of the meats in the province's meat coolers and freezers are prepared before arriving at stores.

But down the road from Toronto is another Cargill company called Sun Valley Foods, and it's this company that supplies a substantial amount of chicken found throughout the Canadian food service industry. Located in Jarvis, Ontario is a plant producing 150,000 chicks per day. Those chicks end up at yet another Sun Valley plant in London, Ontario, which processes 80,000 chickens each day. A number that is perhaps unfathomable to think of, but chances are if you eat chicken, it's a Cargill chicken.

But what do these two staple meats of the Canadian diet require to grow and end up on our dinner plates, well, they need their own food, and Cargill is one of the leading providers of animal feed in the country through their Animal Nutrition and Agribrands division operating in Western Canada. And here we begin to see the control this company has right through the entire food chain, because what is the dominant ingredient in animal feed, but grain, and Cargill's AgHorizons grain division operates out of 45 facilities in Western Canada, 14 in Ontario and one in Quebec. But while the company controls the grain that ends up in the animal feed for their animals, the company also supplies farmers with crop production inputs such as fertilizer and this is achieved through Cargill's AgResource Division and their joint venture in the company Saskferco, which produces nitrogen fertilizers at a facility in Belle Plaine, Saskatchewan. But the connections don't stop there, as the company is even present in providing their fertilizer products with the necessary ingredients to produce that fertilizer. One of the company's divisions is Cargill Power and Gas Marketing, a natural gas trading company based in Calgary, Alberta. Mentioned on previous broadcasts of Deconstructing Dinner is the incredible amount of natural gas that is shipped out of Canada and into the US, and Cargill is the largest exporter of natural gas in this respect. This division of the company also markets and trades electricity, coal and other commodities.

But coming back to food and our Cargill supermarket tour, the company is one of the largest producers of canola oil, one of the most prevalent ingredients in processed and packaged foods. And here we now stand in almost every aisle of the supermarket. Cargill's Specialty Canola Oils division operates the largest oilseed processing plant of its kind in North America, and is located in Saskatchewan as well. As has become the most controversial topic surrounding the production of canola, is that much of the Canadian canola crop is now genetically modified or contaminated with genetically modified seed. Cargill has been one of the leading companies behind the introduction of genetically modified foods here in Canada. This controversial issue will be discussed in more depth during next week's continuation of this broadcast.

But moving along into the aisle containing baking ingredients, which happens to also be alongside the supermarket's bakery counter, we arrive at one of the most recent additions to the portfolio of Cargill companies, and that is the creation of Horizon Milling back in July 2006, which resulted from a partnership between Cargill and another American company. Horizon Milling was created through the acquisition of a division of the J.M Smucker Company, a division that produces such products as Robin Hood flour. The company also produces oats and baking mixes.

If you are just tuning in, this is Deconstructing Dinner and the first of an ongoing series called Agri-Business Exposed. This first broadcast is taking a closer look at perhaps the most influential agricultural corporation in the world, Cargill, a name rarely associated with the food of Canadians. If you're wondering about the music playing here in the background, it's there to evoke an image of browsing the aisles at your local supermarket, and in doing so help better connect the food we eat to this massive company filling our supermarket shelves.

But moving away from beef, chicken, grain, animal feed, natural gas, flour and baking ingredients, the company is one of the largest suppliers of sweetener in the world. And here we arrive at the aisle filled with soft drinks and candy. Cargill's Sweeteners division supplies corn syrups, sucrose and customized blends used in beverages, baked goods, candies, cereals and prepared foods. The company operates facilities in Toronto, Abbotsford, Calgary and Montreal. This division of the company also produces starches such as corn and tapioca starch. On next week's part II of this Cargill expose, we will explore the topic of corn syrup which is very rapidly replacing sugar in the North American diet, and more importantly, is doing so during a time when diabetes and obesity are both now seen as epidemics. We will take a critical look at the role Cargill has in fostering not only these health related concerns, but how they respond to them.

As the Cargill diet continues, we look across the aisle from the soft drinks and arrive at the shelves filled with chocolate products. Here we also find Cargill, as they are one of the world's leading suppliers of chocolate and cocoa products. Located in Burlington, Ontario is the Canadian division of Wilbur Chocolate, owned by Cargill. Cargill's role in purchasing cocoa from plantations that employ child slave labor will also be a topic for next week's part II of this broadcast.

But when taking a look at the list of ingredients on your food, you may notice a mention of eggs. In the processed food industry, there is certainly not a mass of employees cracking eggs into a bowl as we would do at home, and instead, food manufacturers rely on the egg processing industry, one in which sees eggs of typically lower-grades ending up in refrigerated and fully-cooked egg products. And yes, such processing would explain the often questionable consistency of McDonald's scrambled eggs. Cargill is one of the major companies in this industry through their partnership in the Toronto-based Egg Solutions, who is affiliated with the US-based Sunny Fresh Foods.

And that concludes the abbreviated Cargill supermarket tour. And the supermarket music was courtesy of the Toronto duo of French and Louis Samau.

But the list of foods that Cargill produces could continue on for the rest of this broadcast, but really, there are two key tools that can be used to learn more about this company. One is simply going to either the Cargill website at cargill.com or to the Deconstructing Dinner web site at cjly.net/deconstructingdinner. But the other tool, is a book called *Invisible Giant: Cargill and its Transnational Strategies*. The author of this book is Brewster Kneen, who's voice has previously been heard here on Deconstructing Dinner. Brewster publishes the popular newsletter called the Ram's Horn, and he was a Nova Scotia sheep farmer up until 1986. Following his time spent as a farmer, Brewster began researching this company, Cargill, hoping to compile a comprehensive resource on a company that everyone in the world really should know about. When I asked Brewster if there was anyone else other than him who I could speak with on the topic of Cargill, his response through an email he sent to me was this, "As to other folks Jon, that's a stumper. Cargill folks don't talk. And I don't know of anyone else who knows as much about the company and its strategies and evolution as I do – unfortunately". So it does seem as though I found the right guy to talk to. I spoke with Brewster over the phone from his home in Ottawa, Ontario, and I asked him how long had he been studying this company.

Brewster Kneen: Far too long John. When we quit farming in '86 and moved back to Toronto, I started working around the province on agricultural issues. I did a lot of speaking and that's when I started writing and getting published. It turned out that Cargill had been in Canada for many years, but around the late '80's, Cargill emerged in the retail sector of agriculture. That is, it bought up a bunch of feed mills and fertilizer plants, and really beginning the process of consolidation. All of a sudden Cargill was big on the scene in Ontario. I had done enough reading to know that this was no little family company from Ontario, but I was appalled by the ignorance of people in agriculture, whether it was co-op managers or farmers or commodity groups. They had no idea who Cargill was. People would say, "Oh it's a family company, isn't it?" And I would say, "Well yeah, of sorts." Or "Isn't Canadian?" And I would say, "Well yeah, it's a Canadian branch."

So I decided I should take a look and I originally just intended to do a 30-page monograph, but along the way I got interested in the question of... I was also looking at agricultural policy of Canada which over my 15 years of farming had puzzled me as I traveled around and looked at larger issues. In the process of looking at this issue, I said, "Agricultural policy doesn't make any sense. What would it look like if I put myself in Cargill's shoes?"

JS: We'll explore more about Cargill's role in Canadian agricultural policy a little later on the broadcast. But as this broadcast was researched, I did come across a quote by former US Vice-President Hubert Humphrey, who had very close ties with Cargill, and he said this, "If you are looking for a way to get people to lean on you and be dependent on you, in terms of their cooperation with you, it seems to me that food dependence would be terrific." I asked Brewster to comment on whether this applies to the model on which Cargill operates, and he compares the company with another major agricultural corporation, Monsanto, perhaps the most detested name in global agriculture.

BK: It's interesting to compare, for example, Cargill and Monsanto, because I think that Monsanto would fit that much more crudely in terms of very deliberate and in your face attack on any kind of autonomy among farmers, and saying that 'we are going to make you all dependent on our seeds one way or another.' Cargill is a crucial player right across the food system though and in recent years it has diversified and gone further down stream. It isn't just a grain trader, which was what it was known as in the days that Humphrey was talking about. It was the major grain trader. But Cargill has moved steadily away from that because commodity trade has got its limits in terms of profitability. Even if you trade all of the oats for all of the wheat, there is still a limit to it. But if you start trading going upstream in one sense to trading in futures and derivatives, and downstream into many products being created from deconstructed corn, you've got many more profit points. In one sense, one could say that Cargill is moving away from creating dependency, but also integrating itself into every aspect of the food system.

JS: While Brewster Kneen suggests that Cargill is not creating a system of dependence, their role in all levels of the food system has, in effect created a system where their products simply cannot be avoided. In his book *Invisible Giant*, Brewster indicates that Cargill serves customers and not the public, and this comment perhaps sums up how this company has strategically placed themselves into the diets of Canadians and the world.

BK: If you go to the website, you find that there's areas that you can't enter which are open to its customers. That is, food processors, food distributors, people in other sectors that Cargill is dealing with on a commercial basis. The result of that sort of approach is that Cargill doesn't appear as being omni-present as it actually is. For example, you buy most potato chips these days and an awful lot of them will say that one of the ingredients is sea salt. People tend to think, 'Oh sea salt, that's a natural sort of thing.' Where's it come from, it could be organic, is kind of the implication. But in fact, Cargill is one of the major salt producers globally and much of that sea salt is produced from seawater by Cargill. But you won't see that name anywhere because they sell through other companies. One can go down a list of orange juice, or you name it, the Cargill name won't appear on and it appears under other people's names.

JS: Cargill is in fact the world's largest marketer of salt products and as Canada ranks as the 5th largest salt producer in the world, Cargill's Salt division has offices in Ontario and Quebec.

To best understand the way in which Cargill operates within the Canadian food system, their role in the beef industry perhaps best illustrates their dominance over what Canadians eat. The company has only been in the beef industry in Canada since 1989, and as of today, controls 50% of all the beef in this country. Just prior to first airing this broadcast, Canada's food inspection agency announced the ninth confirmed case of BSE or Mad Cow Disease in an animal in Alberta, and while Canadians are quick to point the finger at government when such incidents occur, there are of course companies helping pull the strings, and Cargill is of course one of these companies. Their role in Canadian beef will be discussed in more depth on next week's broadcast when Cam Ostercamp, a farmer from Blackie, Alberta will lend his voice to the program. But to introduce this topic, Brewster Kneen speaks of the company's presence in this industry.

BK: Yeah, well they've been big in beef for a long time. It was one of the major packers in the US. They moved into Alberta, and at that point there was a number of other players on the scene, including Lakeside Packers. Meanwhile, Cargill moved, as it does, downstream and upstream in terms of feedlots and supplies to feedlots, maybe not necessarily owning them as much as being the feed supplier. So if you go in the area around Left Bridge, Alberta, which is the center of the beef industry, Cargill is a major feed supplier to the feedlot industry and to farmers raising cattle. On the other side, first they supplied out of the plant quarters of beef but that didn't last long and they started breaking it down. Gradually they expanded their ability to handle box beef, and then moving into retail cuts. In a lot of the stores you would go into today, you won't see Cargill's name but the meat in the package will in fact come out of a Cargill facility, maybe in Toronto. Now, interestingly maybe in Guelph through a plant called Better Beef which Cargill bought.

JS: Cargill's recent acquisition of Better Beef located in Guelph, Ontario, will also be discussed in more depth next week, but Brewster Kneen was just recently in Guelph attending the annual Guelph Organic Conference, and he had the opportunity to listen to some Guelph area residents and their comments on the Better Beef facility. And Brewster explains.

BK: It just so happens that last week we were down in that area and hearing some stories about the treatment of workers at Better Beef, which was horrible, absolutely horrible. Now maybe Cargill will clean up its act in that regard, or maybe on the inside of the plant the way it operates it is very different than the way it appears to the public. I would suggest to anybody if you are buying beef from any commercial outlet, ask if they know where it comes from? What conditions are in the plant that approved it? What the workers in the plant are getting paid and whether they are in fact legitimate workers, that is documented workers? Or are they as in some cases illegals from the standpoint of the Canadian government.

The turn over of the workers at a meat packing plant is incredible. I don't know how they can finance it or how they can train people. The answer is that they don't really; you are expendable when you go in to a packing line. You are working with very sharp knives at a very high rate of speed and the injuries are obviously cuts and so on, but also what that kind of work does to the human body. It just puzzles me how it can be commercially viable to have that kind of turnover. But it is also why almost all the meat-packing plants are using undocumented workers from Mexico or El Salvador or wherever they are coming from. And those are all questions one has to ask about an industry which is cutthroat and the same time profitable for certain players, particularly Cargill.

JS: And you're tuned in to Deconstructing Dinner, produced at Kootenay Co-op Radio in Nelson, British Columbia. If you miss any of today's broadcast or want to learn more about my guests and today's topic, you can check out the program's web site atcjly.net/deconstructingdinner, where there will also be a page set up to keep you updated on future broadcasts of this Agri-Business exposed series that explores the most powerful agricultural corporations in the world, with today's focus being the first of a 2-

part expose on the Minnesota-based Cargill. We're currently listening to clips from my conversation with Brewster Kneen, author of the book, *Invisible Giant*.

The meat packing industry throughout North America is often scrutinized as one of the most dangerous and exploitative food industries. Migrant or immigrant workers have become a norm within the industry, as these workers are more likely to remain silent following either health-related or exploitative concerns.

In October 2005, Lakeside Packers of Brooks Alberta, a facility owned by the American company Tyson, saw their workers go on strike, and at that time, about 60 per cent of the employees were recent immigrants, many of them from Sudan.

At Cargill's High River, Alberta plant, workers there went on strike in 1997. A striking worker on the picket line was quoted as saying this, "The company doesn't care about us since we are cheap labor. They don't care. This is slavery kind of work. We are not robots or machines." About 80 percent of the workers at Cargill's plant are recent immigrants to Canada. They are mainly from the Middle East, China and Ethiopia.

And this is the beef that Canadians are eating. This is the industry that Canadians are most often, unknowingly supporting. But when attempting to comprehend how an American company can exist in this country with such influence, power, and ability to operate in the way that they do, I asked Brewster Kneen if Cargill's size allows them to act as almost a branch of the Canadian government. And in responding, Brewster compares Cargill to another large multinational Archer Daniels Midland, or ADM.

BK: It's interesting to look at Cargill against ADM. ADM has been a high profile lobbyist on its own behalf for many many years, to the point of being quite corrupt about it and getting away with it and sometimes getting caught. I think this is where I come back to the question of sophistication and long term. Cargill has worked much more quietly behind the scenes. In terms of your question I would tend to turn it around and say is the US Department of Agriculture really a division of Cargill? Because if you look at the turn over in the government versus the turnover at Cargill, and the dedication and skill of the senior executives, I think that Cargill would come out way ahead. You have to ask that question.

If you go back and look in Canada, I discovered that there was a nifty little... and this was at the point when food policy in Canada was being substantially re-oriented in favor of large corporate industrial farming and so on... that it was the Cargill Vice President who occupied the office next to the Deputy Minister of Agriculture in Canada. If one looked at what came out of the government office it was clearly Cargill's design. I think that's the way it's operated, much less in your face and much more behind the scenes. It's gone on, one can find the documentation for Cargill advising China how it should orient its food system nationally, what it should be, what it should import, and what it should export. The US has fully supported that line and China has gone along with it.

JS: While Cargill exerts incredible power within the countries they operate, Cargill made little effort to hide this in the company's 2003 Citizenship Report. In it, they commented

on their presence in Indonesia, and the comment reads as follows, “In rural Indonesia, Cargill plays a role that government usually performs elsewhere.”

As I spoke with Brewster Kneen, author of the book *Invisible Giant*, I recognized that the role that Cargill plays within Canada is essentially a look into how the privatization of agriculture and food affects Canadians. As many Canadians fear that the privatization of health care will take away our individual right as Canadians to have access to services created for the common good, herein presents an ideal opportunity to look at how passive Canadians have been in allowing our food, a determinant of health, to already as privatized as it is. Perhaps as Canadians, we need to begin asking ourselves whether the privatization of food is of deeper concern than the privatization of health care. And Brewster comments on these thoughts.

BK: One could do well to look at what’s happened to agriculture and to see that as a plan for health care. Look at community health clinics and the local independent grocer or meat processor or killing plant, how those get eliminated in favor of centralized, bureaucratic, and much more controllable, and if privatized, profitable businesses. The public could do well to look at that. It’s interesting that in the area of food, my sense over the last three years or so, there has been a rapid increase in the public concern about corporate control. Cargill may provide organic food but where does it come from, what are the labor conditions, and everything else. And is it really a good idea to put control of your food supply in the hands of half a dozen of very large corporations. A lot of people are saying wait a minute, that’s not a good idea. We need to apply that same logic to health care. We need the people who are not working for the drug companies, and owners of hospitals, to look after our health, but people that are dedicated to the public good and public service.

JS: As is the primary subject matter of this program Deconstructing Dinner, food security is often defined as the ability for communities to have easy access to safe and nutritious food grown and produced in an ecological and socially just way. But how large multinational corporations define the term is far different from say a food activist trying to encourage more local food production in their community. And Brewster Kneen uses the subject of climate change to describe which definition of food security is a more secure one.

BK: Cargill says, yes I’m a secure supplier because I can go anywhere in the world and get what I promised you. If I can’t get it here then I will get it there. That’s why it’s sort of interesting to look at the list of ingredients of something and wonder where they are coming from because it won’t just be availability but it will be price. Cargill will buy its ingredients wherever it can get the best deal, including through its own primary producers. The best thing that China can do is to import grains and cereals, the things that are grown in large quantities and because of its labor, concentrate on the specialty stuff. Cargill will guarantee their food security that they will reliably import into China everything that China needs in that line. Climate change raises an interesting question about how secure that sort of approach is going to be and all the other things that could intervene to disrupt the supply lines. It’s also important to bring in the energy equation. Cargill, in its global operations, must consume a phenomenal amount of fossil fuel,

transporting things around the world and back again to supply all kinds of people. When you look at food sovereignty, it means producing it close to home and eliminating that huge energy draw. When you look at scale again, look at the energy required for large scale industrial agriculture compared to what can be done with small scale diversified agriculture, whether it's in Africa or Alberta. That system in light of what we know about energy is going to run down.

JS: And that was Brewster Kneen, author of the book *Invisible Giant* – Cargill and its Transnational Strategies. Brewster is the author/publisher of the Ram's Horn newsletter. His book is published by Pluto Press out of the UK, and you can also get in touch with Brewster himself to get a copy of his book. His contact info can be found at www.ramshorn.ca. We will hear more from Brewster Kneen next week when we continue with part II of this Cargill exposé.

We are going to take a short musical break, and when we return hear from John Sauven, a Campaign Director for Greenpeace, an organization who has taken a very visible and active stance against Cargill's operations in Brazil. And here's Nelson, British Columbia, Aspen Switzer.

Aspen Switzer song.

And that was Nelson, British Columbia's Aspen Switzer. More info on Aspen can be found on her web site at aspenswitzer.com

If you are just tuning in, this is Deconstructing Dinner, a weekly one-hour program produced at Kootenay Co-op Radio in Nelson, British Columbia. My name is Jon Steinman, and on today's first part of the Agri-Business Exposed Series, we are taking a look at Cargill – one of the largest agricultural corporations in the world. An increased understanding of this company is ultimately, an increased understanding of the food that is available to Canadians.

Continuing on the topic of climate change, it is of course important to point out how we as the consumer, through the food we purchase, encourage or discourage climate change. It is becoming more and more common for eaters to recognize how the distance food travels has an impact on climate, but how often do we look at our food choices as contributing to deforestation, yet another major contributor to climate change. Well Greenpeace has been raising awareness about the deforestation of the Amazon Rainforest, the most biodiverse area on the planet. And one of the companies they have targeted is Cargill, the very same company that we as Canadians almost inescapably support every day. Greenpeace released a lengthy and very informative report back in 2006 titled 'Eating up the Amazon', and the report looked closely at how Cargill and one of their major customers McDonald's are contributing to the deforestation of the Amazon.

I was in touch with Thomas Henningsen, one of Greenpeace's campaigners who is currently in the Amazon, and Thomas was unable to speak with me but he was quoted as saying this, "Most people have never even heard of this company, but it's playing a part in one of the great environmental tragedies of our time."

Also at the forefront of the Greenpeace campaign is John Sauven. John is a Campaign Director and he works out of the organization's UK offices. John spoke to me over the phone from London, England.

John Sauven: One of the things which is becoming more and more apparent now is the impacts on climate change from deforestation. One of these issues was brought to floor recently in the report of Sir Nicholas Stern, The Stern Report that was released in the UK in the autumn of last year. He said that one of the key issues was not just in terms of going to a low carbon economy but it was also the issue of dealing with deforestation because that was responsible for somewhere between twenty and thirty percent of CO2 emissions. It was having a massive impact and this was mainly coming from the burning of the rainforest or the conversion of the rainforest from pristine rainforest into soya or palm oil or for cattle ranching or for other agricultural purposes.

Now one of the key things that Greenpeace has been involved with is looking at the drivers for deforestation in the Amazon Rainforest. There are three main drivers there: one has been soya, the other has been cattle ranching, and the third has been logging, mainly illegal logging. Very often you will start with illegal logging, and then you end up with cattle, and then you end up with soya. The companies that are involved with soya in terms of the big soya trading companies, mainly the three big US multi-national corporations, Bunge, ADM, and Cargill. Cargill was particularly significant because it built an export terminal for soya on the Amazon river. That led to a whole new wave of deforestation and an influx of farmers from the south of Brazil into the area around where the terminal was. Basically it jumped the kind of barrier that existed from the soya coming up from the south of the Amazon and eating away the Amazon rainforest on the southern belt. It immediately jumped right over into the heart of the Amazon where the river is. It started a whole new area of deforestation and destruction for soya. Cargill's port at Santarem acted as a sort of magnet and a very destructive magnet at that.

JS: As Cargill rarely if ever owns any agricultural land, they often place themselves into a position where they can claim no responsibility for, in this case, deforestation. But as John Sauven indicates, the facility the company built in Santarem has acted as a magnet for such destructive practices, and even the facility itself was built illegally.

John Sauven: One of the key issues of course for Cargill was that they wanted to find a quick route out for soya from the heart of Brazil, particularly in the province of Matagrosa which is half in the Amazon rainforest and half out of it on the south side. It was very expensive for them to take it by road and rail to the Atlantic ports so they wanted to find a quicker way out. They thought of using the Amazon river as an artery for getting out to the Atlantic Ocean and then they could get their ships to Europe and to China in particular.

I think that the problem was that they built the terminal at a town called Santarem, halfway up the Amazon river. They had done no environmental impact assessments. The federal prosecutor in the state has launched a legal campaign against Cargill to have the port shut down. Every time he wins the case, Cargill appeals and so it goes on and it's been going on for a long time now. I think that we are near the end of that legal process.

Cargill will now have to carry out an environmental impact assessment and will maybe even have to close the port while it does that.

One of the problems is that to a certain extent the onward march, not just that of soya for animal feed is pretty relentlessly upwards as the population of the world increases and people eat more meat, but we've not got the addition of the rush for bio-fuels of which soya could also be an important part of it. The pressures are always there for these big, globally traded commodities to eat up eco-systems and have enormous environmental impacts.

People aren't realizing the consequences because they look at their everyday products and they think how can we be destroying the Amazon? But when you actually trace it back, which is what Greenpeace did, trace it all the way back down the line to the big landowners in the Amazon and to Cargill who's trading with soya, and look to the whole export of it and trace it through, for example, to products that were sold in McDonalds. We began to expose what was happening and who the key companies were that were involved. That was a critical part of our campaign, the success of our campaign to a certain extent, because we also managed to get those companies around the table and we have now forced a moratorium on further deforestation for soya in the Amazon. That's currently still holding at the moment. There is a working group that has been established of the companies and the NGO's to actually hammer out a final agreement on this.

JS: As part of their campaign, Greenpeace has staged a number of coordinated actions to help raise awareness about Cargill's role in the deforestation of the Amazon, and John Sauven describes an action they organized back in May, 2006.

John Sauven: One of the things that we did was we carried out a major investigation tracing the humble soya bean from the Amazon rainforest all the way through to the end product, in terms of where it was ending up and who was actually using it. We managed to trace the soya bean from the farm down the Cargill supply chain through the ships, the ports into animal feed, chicken factories, all owned by Cargill. Then, looking at whom they were selling onto and of course we found that they were selling onto companies like McDonalds.

In order to put pressure on Cargill to get them to come to the negotiating table and get them to end their part in the destruction of the Amazon rainforest, we shut down the export facility at Santorem in the Amazon. We also closed down their European headquarters in London. And we closed down one of their biggest facilities in France, at Lyon that was supplying major fast food companies such as McDonalds with products.

Doing this simultaneously in Europe and Brazil did put enormous pressure on Cargill and really put the spotlight on them. It was really those series of actions that led to Cargill opening the first negotiations with Greenpeace, which up until that time had not progressed anywhere. It was an effective series of international actions across two continents.

JS: As Cargill is obviously facing some significant pressure over their operations' impacts on the environment; I was interested to see what the company had to say about

this role. Located on the company's web site is their "Citizenship Report", in which can be found a section titled "Leading by Example on the Environment". The company refers to the palm oil industry in Indonesia which Cargill is heavily invested in, and they point the finger at the early plantation companies who burned tropical forest to clear land. This, as Cargill indicates, violated local environmental regulations. I asked John Sauven to comment on this manner in which the company addresses environmental issues.

John Sauven: Well I think that the problem is that you always in this situation, if you are moving into vulnerable eco-systems and you are a major international player, the impact that you are going to have is enormous. So for example, Cargill could open a plant at the Santarem in the Amazon and in all innocence say we just opened up a port there to bring our soya up from the south to export it. Now of course what happens is that they then become a magnet for farmers to move into the area, to force people off their land, to clear the rainforest, to plant soya, and to get into the business. The problem is that when a big multinational corporation just dumps themselves down in one of these communities, there are all kinds of knock on effects. They claim, oh we didn't know these were going to be the knock on effects, we were not aware that this was going to happen, or well it's happened now we have to think of a way to make it right and so on and so forth.

But you see the difficulty is that if you're trading in these global commodities and you're not really thinking about the environmental and social consequences of what you're doing, as like the top of your agenda, then the inevitability is that you are going to be in this situation.

I think that the same situation is happening in Indonesia and other places with palm oil where you've got people who are clearing the rainforest, burning the rainforest for palm oil. You've got more and more companies moving in. You've got rising demand, and for palm oil you've got rising demand for bio-fuels as well as for food ingredients. The cycle of destruction and deforestation just continues, and the company is saying well we've got the land that has already been destroyed and somebody else is doing this. But they are part and parcel of this whole drive for cheap products whether it's soya for animal feed or palm oil for food ingredients or for bio-fuels, they are part of the drive to destruction. Unless they agree that they are going to do it in a sustainable way and in a transparent way, then this destruction is inevitable and the impacts are going to be enormous.

JS: And you're tuned in to Deconstructing Dinner, as we listen to clips from my conversation with John Sauven of Greepeace. John has been at the forefront of their campaign against Cargill and the company's that Cargill works with. But the role that Cargill's soya operation plays in Santarem, Brazil, is not just one that has had significant environmental impacts, but has equally had a significant social impact as well. As the company uses the same model of doing business in all of the agricultural sectors it operates in, this one scenario provides a glimpse into the impact that the company has all over the world, wherever they operate.

John Sauven: One of the key things when you get big multinational companies coming into an area which is full of local communities and bringing in big mono-cultural globally traded commodities like soya is that the impact on people whose livelihoods are dependent on the land and who live off the land and have small holdings, it's huge. Either

people are forced off the land violently, or they are bribed off the land. But even the bribery is very short lived because then people just end up living in shantytowns and very often regretting the decision that they made. It leads to a lot of land conflict.

And I think that it doesn't actually employ anybody either. When you look at the size and scale of these soya monocultures in the Amazon, they are enormous like the prairies in the US. You have massive machinery for farming vast acres or hectares of land and very few people employed. So it's not as if it is bringing any kind of development or benefit to the local people, it's really just lining the pockets of very big landowners and the big multinational corporations. And very often the local people are the ones that suffer. There are some famous cases; thousands of people are being killed in the Amazon in land conflicts and some of them like Sister Dorothy Stang, the American, are more internationally famous. But she was a nun in her seventies standing up for the land rights of the people and she was murdered. She is one of the many thousands that are being killed in that way, fighting for their land right.

JS: Prior to getting in touch with John Sauven of Greenpeace, I did contact his colleague Thomas Henningsen who at the time of my phone call was in the Amazon with a number of Cargill's customers. His role is to show first hand the destruction that their purchases from Cargill are contributing to, a responsibility, that moving past the influence of Cargill's customers ends up in the laps of you and I as the final consumer. As I neared the end of my conversation with John Sauven of Greenpeace, I asked him about the current situation in the Amazon with respect to Cargill's operations, and he also describes the moratorium that has been placed on any further destruction.

John Sauven: At the moment some of Cargill's major customers are with us in the Amazon having a look at the impact of deforestation. They are looking at the big soya monoculture in the Amazon and the social and environmental impacts on the Amazon. They are seeing first hand for themselves exactly what the impacts of their buying policies are in terms of where they source, how they source, who they trade with, and so on and so forth. So I think that's an important aspect of what we are doing at the moment in terms of showing people first hand, on the ground what's happening.

We're also involved with other NGO's, non-governmental organizations, in negotiations with Cargill and major US players, as well as the Brazilian player Margi, to deal with how we can deal with the issue of soya and deforestation in the Amazon. And to that end there is an agreement that there will be a moratorium on any further deforestation of the Amazon for soya. How that is actually implemented and policed and monitored is a subject now of discussions between those companies and ourselves. But those negotiations are ongoing and of course our aim is to try to bring those companies to the table and to try to find ways of stopping the deforestation of the Amazon rainforest, at least massively reducing the deforestation happening in the Amazon rainforest. And I think that we are having some success in that. And we are getting some agreement from the companies about how to do that. And obviously that's a positive sign, a credit to organizations like Greenpeace and others who have been working on this issue.

JS: And that was John Sauven, a Campaign Director for Greenpeace. John is with the UK branch of the organization, and he spoke to me over the phone from London,

England. You can check out more about Greenpeace and their current campaigns by visiting their web site at greenpeace.org. And located on the Deconstructing Dinner web site will be a wealth of information along with links to photographs and video of Greenpeace's actions against Cargill. There will also be a link the Greenpeace report titled 'Eating up the Amazon'. And that web site is cjly.net/deconstructingdinner.

In wrapping up today's broadcast of Deconstructing Dinner, I will remind you that today's broadcast has only been part 1 of this 2-part exposé on Cargill. On part II of the Cargill exposé we will, among a number of topics, hear from Cam Ostercamp, an Alberta farmer who will share his opinions and insights into how Cargill dominates the Canadian beef industry. We will explore the company's relationship to corn and more importantly corn syrup, an ingredient making its way into countless foods. And this topic will also lead into whether the company maintains a role in the diabetes and obesity epidemic sweeping the planet.

Deconstructing Dinner is made possible by the generous support of Ryerson University's Center for Studies in Food Security and New Society Publishers. More information on our supporters can be found on the Deconstructing Dinner website: cjly.net/deconstructingdinner.

That was this week's edition of Deconstructing Dinner, produced and recorded at Nelson, British Columbia's Kootenay Co-op Radio. I've been your host Jon Steinman. I thank my technical assistant Dianne Matenko. The theme music for Deconstructing Dinner is courtesy of Nelson-area resident Adham Shaikh.

Today's feature on Cargill is being used to launch a new ongoing series here on the program titled Agri-Business exposed. And a page on our website will be devoted to this series so you can stay updated on future broadcast dates.

This radio program is provided free of charge to campus/community radio stations across the country.

Should you wish to financially contribute to this program, we invite you to offer your support through our web site at cjly.net/deconstructingdinner or by dialing 250-352-9600.