Cargill, Inc. reorganizes

The cartel company restructures itself for a tighter stranglehold over food supply and looting.

Cargill, Inc., the giant company among the world cartel of food companies, is in the process of corporate restructuring of its U.S., Mexican, and Canadian operations. Though Cargill operates in secrecy, the larger implications of this reorganization are clear: The company is consolidating its command structure for tighter control over North American food production and shipments, and the Cargill heirs are also planning to take out a bundle of cash from the company.

According to various reports in trade journals, the master restructuring scheme is known as the "North American Organization Project." In broad outline, the plan involves setting up the North American operations as a separate region, in the same way as the multinational company treats other geographic areas—Southeast Asia, North Asia, Europe, South America, and so forth—as entities.

The corporate strategy center will be based in Minnetonka, Minnesota, where Cargill's headquarters is located. This new North American corporate seat squats in the middle of a network of facilities for buying, storing, and shipping grain that Cargill has newly put together in a pattern of acquisitions made over the past two and a half years, since the signing of the U.S.-Canada Free Trade Agreement.

For example, under the new open-borders terms of the treaty, Cargill is moving Canadian wheat south for shipment out of Cargill port facilities in Seattle. The restructuring of Cargill's North American grain operations last November was the first phase of its overall continental regrouping to be announced.

Cargill has also repositioned facilities in Mexico, to function according to its North American free trade food control schemes. For example, Cargill has set up slaughterhouse capacity in northern Mexico. Whereas, in the past, Mexican beef came into the United States on the hoof, now the meat will come processed. Changes benefitting the cartels in U.S. Department of Agriculture meat inspection regulations have already been announced in the past year.

Also last fall, Cargill announced new financial arrangements, including an employee stock ownership plan to bind workers to the company through a stake in its performance. Under the new setup, Cargill heirs, presently about 88 individuals, according to reports, will be able to liquidate part of their holdings.

The foremost heir and current Cargill chairman, Whitney MacMillan, has let it be known that he plans to retire in 1995, when he will be 66 years old. He and his associates describe the reorganization moves as part of preparing for the "next generation." They say that the reorganization designs go back to 1989, when Cargill President James Spicola, now deceased, started to plan for more autonomous divisions under the broad control of top officialdom.

Everything that is being hatched among the inner circles of this secretive company is not yet known. What is obvious is that the fortunes of Cargill have grown fat in recent years, while the conditions of the North American farm sector, and of other farm sectors around the world, have deteriorated.

It is estimated that the company has $49 billion in revenues, and 61,000 employees worldwide. The profits are estimated to exceed $350 million.

In parallel with Cargill, Archer Daniels Midland (ADM) has also repositioned its facilities throughout Canada and the United States. ADM is headed by Dwayne Andreas, who was a vice president for Cargill for seven years during the 1950s. ADM has functioned as the unofficial soybean division of the Cargill empire.

ADM is the largest soybean broker and processor in the world, and dominates over 70% of the U.S. soybean market. The heir-apparent to Dwayne Andreas is said to be Howard Buffett, an ADM board member and son of Warren Buffett, the multimillionaire who was made head of Salomon Brothers to clean up its image when the company was exposed for dirty dealing in government securities.

The Buffetts specialize in owning companies whose profits come from cozy "innovations." ADM has specialized over the years in raking profits from favorable government regulations. For example, ADM today receives billions of dollars of ethanol tax subsidy deals.

The fortunes of ADM were boosted by the switchover from butter to margarine in the American diet. In the 1940s, only 10% of the "table spread" consumed was margarine, and 90% butter. Today, the ratio is 70% margarine to 30% butter. Now ADM is marketing non-meat burgers, the "Midland Harvest Burger," and preparing "soymilk" for the day when cartel and U.S. government policies have eliminated U.S. dairy herds.