

# Foreword: Congressman Henry A. Waxman

Cargill is the United States' largest privately held company, bigger even than the notorious Koch Industries. Its footprint extends around the world. But The Worst Company in the World? We recognize this is an audacious claim. There are, alas, many companies that could vie for this dubious honor. But this report provides extensive and compelling evidence to back it up.

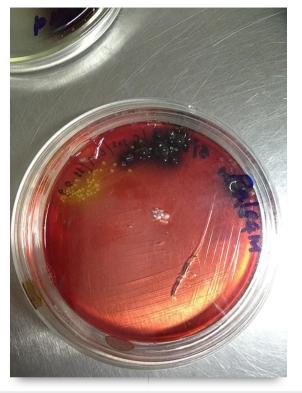
The people who have been sickened or died from eating contaminated Cargill meat, the child laborers who grow the cocoa Cargill sells for the world's chocolate, the Midwesterners who drink water polluted by Cargill, the Indigenous People displaced by vast deforestation to make way for Cargill's animal feed, and the ordinary consumers who've paid more to put food on the dinner table because of Cargill's financial malfeasance — all have felt the impact of this agribusiness giant. Their lives are worse for having come into contact with Cargill.



The worst company in the world. We recognize that this is an audacious claim. But when it comes to addressing the most important problems facing our world, including the destruction of the natural environment, the pollution of our air and water, the warming of the globe, the displacement of Indigenous peoples, child labor, and global poverty, Cargill is not only consistently in last place, but is driving these problems at a scale that dwarfs their closest competitors.

That Cargill would make a grand commitment and then ignore it shouldn't be a big surprise.

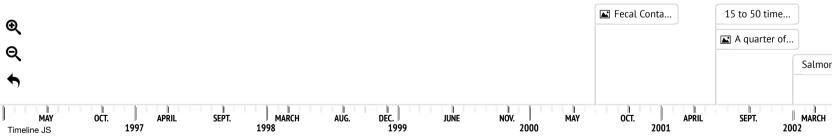
From having their membership in the Chicago Board of Trade suspended shortly after incorporating for trying to corner the market on corn and artificially drive up its price, to being responsible for the distribution of more than 150,000 pounds of contaminated beef to



DECEMBER 2000

# DEADLY LIST OUTBREAK\_

Sliced turkey from a Cargill proce sin of a 10-state outbreak of Listeria mor company recalled 16 million pounds eventually included seven deaths and stillbirths were associated with the constitution.



## A Pattern of Deception and Destruction

Today, one privately-held company just may have more power to single-handedly destroy or protect the world's climate, water, food security, public health, and human rights than any single company in history. And it's not an oil company or a coal company, or any of the usual suspects. It's the Minnesota-based agribusiness giant Cargill.

Cargill is America's largest privately-owned company, surpassing the second place Koch Brothers by billions of dollars in annual revenues. Cargill is the corporate behemoth at the nexus of the global industrial agriculture system, a system that it has designed to convert large swaths of the planet into chemically dependent industrial scale monocultures to produce cheap meat, palm oil, and chocolate.

The political constraints that might have once limited its nower have essentially disappeared, thanks to the rise of



Cargill silo in Bolivia. Cargill drives global problems at a scale that dwarfs the closest competitors. Photo: Jim Wickens, Ecostorm



Illegally cleared trees laid out in Argentina. Photo: Jim Wickens

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#### **Brazil: A Proud Legacy at Risk**

Until now, Brazil has been a leader in the battle against climate change. Since the mid-2000s, the nation has been committed to ambitious programs to curb deforestation in the Amazon. Brazil impressively cut deforestation by two-thirds from its peak, all while doubling its agricultural production by focusing expansion on degraded lands.

But the election of Jair Bolsonaro as President in 2018 could end that worthy legacy. Bolsonaro has called for violence against Brazil's gay and lesbian community, and jailing or banishing all political critics. He has praised the military dictatorship that preceded Brazil's current democracy. And, part and parcel of his extreme agenda, he has promised to promote logging, agriculture, and mining throughout Brazil's rainforests, savannahs, and Indigenous lands.

According to Brazilian researcher Paulo Artaxo, a member of the Intergovernmental Panel on Climate





David MacLennan at the 2014 United Nations Climate Summit

# The Business of Destroying the Environment

In 2014 at the United Nations Climate Summit, Cargill CEO David MacLennan stood beside UN Secretary General Ban Ki-moon to pledge action on climate change by eliminating deforestation from its supply chain.

"I am proud to announce today that Cargill will take practical measures to protect forests across our agricultural supply chains around the world," said MacLennan, as he joined 150 countries, businesses, and civil society organizations to announce their support for the New York Declaration that sets a goal of dramatically reducing global deforestation.20

Because of Cargill's size and impact, its signing the pledge was hailed as having the potential to dramatically decrease deforestation, curb climate change, and protect communities around the world.

But after the summit ended and applause died down,



# The New York Declaration on Forests

"Forests are essential to our future. More than 1.6 billion people depend on them for food, water, fuel, medicines, traditional cultures and livelihoods. Forests also support up to 80% of terrestrial biodiversity and play a vital role in safeguarding the climate by naturally sequestering carbon. Yet, each year an average of 13 million hectares of forest disappear, often with devastating impacts on communities and Indigenous Peoples. The conversion of forests for the production of commodities — such as soy, palm oil, beef, and paper — accounts for roughly half of global deforestation...

Forests represent one of the largest, most cost-effective climate solutions available today. Action to conserve, sustainably manage and restore forests can contribute to economic growth, poverty alleviation, rule of law, food security, climate resilience and biodiversity conservation."



More than one million square kilometers of the planet have been cleared of their natural vegetation to grow soy, one of the primary ingredients of animal feed used to raise meat. More than three quarters of the world's soy is used to feed livestock.<sup>21</sup>

Deforestation for soy production accelerates climate change through the release of carbon, destroys wildlife habitat, and disrupts hydrological cycles, limiting the availability of water.

Across the South American frontier, Mighty Earth has tracked Cargill's footprint. Our 2017 report "The Ultimate Mystery Meat (https://www.mightyearth.org/mysterymeat/)" investigated 28 different locations across 3,000 km producing soy in Brazil and Bolivia. It showed that Cargill was one of the two largest customers of industrial scale deforestation.

In addition to their role in creating a market for deforestation-based soy, we found that Cargill finances land-clearing operations deep in virgin forest, building



More than three quarters of the world's soy is used to feed livestock.

# Human Rights Violations and Violence Against Indigenous Communities

Many indigenous communities live in forests and rely on them for food, water, shelter, and their cultural survival. Soy producers, ranchers, and illegal logging interests have often used violence to displace Indigenous People from their ancestral land.

Mighty Earth's investigative teams have visited Indigenous communities whose traditional territories have been cut down and transformed into soy fields whose crops are exported overseas. Workers on these lands say they sell to Cargill. Cargill denies the allegations.

A village leader described to our team the fear his community experiences when planes fly overhead and spray pesticides for soy just a few hundred meters from the village, and of several children dying from drinking



Cargill is one of just three companies — along with Olam and Barry Callebaut — that controls more than half of the global trade in cocoa, the raw material for chocolate.<sup>28</sup>

In 2017, Mighty Earth investigations traced cocoa from illegal operations in national parks, through middlemen, to these traders, who then sold it onto Europe and the United States where the world's confectionary companies made it into chocolate.

Ghana and Côte d'Ivoire are the world's two largest cocoa-producing countries, and in both, the market for cocoa has been the primary driver of forest destruction. Chimpanzees and other wildlife populations have been devastated by the conversion of forests to cocoa farms. In Côte d'Ivoire, as few as 400 elephants remain from an original population in the tens of thousands.

Our investigation found that, for years, Cargill helped to drive the destruction of these countries' forests to grow cheap cocoa — buying cocoa grown through the illegal clearing of protected forests and national parks as a



### **Cargill and Palm Oil**

Palm oil is present in nearly half all of consumer goods, from candy and ice-cream to detergents and shampoo. Concerns about deforestation have prompted many of retailers and manufacturers of these goods to call on growers and traders to reform their practices.

As one of the world's largest importers and exporters of palm oil, Cargill is one of the companies that has helped drive the alarming destruction of tropical rainforest and carbon-rich peatlands, contributing significantly to climate change, the deaths of more than 100,000 orangutans, the loss of Indigenous community lands and livelihoods, and the mistreatment of workers.

Cargill consistently describes itself as a "leader" in the sector — but time and again, all over the world, Cargill keeps coming in last place. It's hard not to see a pattern.

The company has devastated the traditional territories of Indigenous communities<sup>33</sup> and purchased palm oil from rainforest destroyers who illegally burned rainforests and trafficked in slaves and child labor.<sup>34</sup> Executives from one of its suppliers were fined and jailed for causing forest fires<sup>35</sup> — contributing to a toxic haze from fires lit by palm oil and timber companies that have cut short the lives of more than 100,000 people across Southeast Asia.<sup>36</sup>



In southeast Asia trees are systematically burned to make way for a massive pa plantations. Palm oil is used by consumers in Europe, North America, China, a India.



Everyday fertilizer pollution affects millions of Americans that use and rely on waterways.

Producing meat has a larger environmental impact than almost any other human activity.

Cargill is the second-largest feed beef processor in North America and the largest supplier of ground beef in the world.<sup>44</sup>

Feeding and raising meat consumes more land and freshwater than any other industry, and the industry's waste byproducts rank among the top sources of pollution around the world. Many of these impacts are concentrated in the United States, where factory farming has its stronghold, but are spreading rapidly to other parts of the world. The meat industry can dramatically reduce many of these impacts through better farming practices for sourcing feed and raising livestock, such as cover cropping, using rotationally raised small grains in feed, fertilizer management, conservation of native vegetation, feed improvements, and centralized manure processing. Major meat producers like Cargill that have consolidated control over the market have the leverage to dramatically improve their environmental impact. Yet



#### **Cargill's Partners in Crime**



The Dutch company Ahold Delhaize operates 6,500 stores under 21 local brands in 11 countries.

Construction is set to begin on a 200,000 square- foot facility Cargill run facility in North Kingstown, R.I., to provide Ahold Delhaize-owned stores with beef, ground pork and prepared meats.<sup>51</sup>



Groundbreaking of 200,000 s/f Infinity Meat Solutions facility - North Kingstown, RI Photo: Retail Business Services LLC

Ahold is very active in calling for responsible food policies. They joined other companies as signatories of

### AHOLD DELHAIZE'S INTERNATIONAL BRANDS

#### **UNITED STATES**

**Food Lion** 

Hannaford

**Giant Food** 

**Peapod** 

Stop & Shop

#### **BELGIUM**

Delhaize

**Proxy Delhaize** 

**AD Delhaize** 

Delhaize Shop & Go

Albert Heijn

ah.be

bol.com

#### **CZECH REPUBLIC**

**Albert** 

#### **GERMANY**

Albert Heijn to go

#### GREECE

**AB Vassilopoulos** 

**AB City** 

**AB Food Market** 

AB Shop & Go

ENA

#### **NETHERLANDS**

Albert Heijn

ah.nl

AH to go

Bol.com

**Etos** 

Gall & Gall

#### **PORTUGAL**

**Pingo Doce** 

#### ROMANIA

Mega Image - Shop & Go

#### **SERBIA**

**Etos: drug stores** 

Maxi: supermarkets

Tempo: hypermarkets

Shop & Go: convenience stores

#### **Cargill's Enablers**



McDonald's is probably Cargill's largest and most important customer. McDonald's restaurants are essentially storefronts for Cargill. Cargill not only provides chicken and beef to McDonald's, they prepare and freeze the burgers and McNuggets, which McDonald's simply reheats and serves.<sup>49</sup>



Burger King's practice of selling meat linked to Cargill and other forest destroyers has earned the fast food giant a 'zero' on the Union of Concerned Scientists deforestation scorecard.Burger King has asked Cargill to stop destroying forests in their supply chain...by 2030.<sup>50</sup>



#### **Conclusion**

2018 brought a drumbeat of troubling news, with the United Nations and the US Government reporting foreboding warnings for the earth's climate and its inhabitants.

First, the Intergovernmental Panel on Climate Change said that we need "rapid and far-reaching transitions in energy, land, urban and infrastructure (including transport and buildings), and industrial systems" to avoid catastrophic impacts from global warming. A few weeks later, the U.S. government's Fourth National Climate Assessment in November of 2018 said that, "without substantial and sustained global mitigation and regional adaptation efforts, climate change is expected to cause growing losses to American infrastructure and property and impede the rate of economic growth over this century."

We still have a choice about the future we want, but we may be the last generation that does. A better world is

### A CALL TO CARGILL'S CUSTOMERS

In June 2019, Cargill announced that they would "fall short" of their 2020 commitment to eliminate deforestation from their supply chains.<sup>58</sup>

Their reasoning? "If Cargill alone takes action, the same practices that exist today will continue."59

But Cargill is acting alone — not to protect forests, but to obstruct the scores of others working towards that goal.

More than 70 consumer goods companies — including Ahold Delhaize, Tesco, Marks & Spencer, McDonald's, Unilever, Walmart and the Consumer Goods Forum — have joined together in support of an international effort to protect the Brazilian Cerrado, the world's most biodiverse savannah.<sup>60</sup>

As supporters of The Cerrado Manifesto, these companies are calling on those that purchase soy and meat from within the Cerrado to take "immediate action," and adopt "effective policies and commitments to eliminate deforestation and conversion of native vegetation and disassociate their supply chains from recently converted areas."

On June 24, Cargill formally announced its opposition to a moratorium on deforestation and the conversion of native vegetation in the Cerrado.<sup>62</sup> This is but the most recent example not only of Cargill's refusal to address the environmental implications of its business practices, but also its obstruction of the efforts of others.

But Cargill can only continue the destructive and reckless practices detailed in this report if restaurant chains and supermarkets continue to buy products from them and sell them to the public.

### IT'S TIME FOR THAT TO END.

We are calling on Ahold Delhaize, Tesco, Marks & Spencer, McDonald's, Unilever, Walmart, Consumer Goods Forum, and other companies serious about climate change to move past polite requests.

These companies must stop buying from Cargill until Cargill stops destroying native ecosystems, exploiting people and communities, and polluting public waterways. Cargill must adopt sustainable farming practices, comprehensive greenhouse gas reduction targets, full transparency for sourcing and supply chains, and respect the rights of Indigenous Peoples. Only then, when Cargill is no longer The Worst Company in the World, can these companies resume their purchases of Cargill products in good conscience.



Untouched forest in Argentina. Photo: Jim Wickens, Ecostorm

