



THE RAM'S HORN

A MONTHLY NEWSLETTER OF FOOD SYSTEM ANALYSIS

No. 283, August 2011

ISSN 0827-4053

Markets, Standards & Poorer

"... listening to yesterday's news about the stock markets I kept thinking how utterly bizarre it is that a bunch of hopped-up addicts with no productive power, whose work is entirely fictional, have more control over the international economy than anyone else. Is this not something which deserves commentary?"

—RH subscriber

For 30 years we have reported on, analyzed and commented on the global industrial food system and its alternatives. Like everyone else, we kind of unconsciously assumed that the dominant capitalist economy regime we live under could or would not be significantly altered in the foreseeable future. That did not stop us from denouncing it as unsustainable and unjust, but it did hamper our ability to develop a more radical analysis and build a political movement with a social and ecological agenda. Energy consumption (and our dependency) coupled with climate change, make it all too clear that we simply cannot afford to carry on reformist programs and activities. Now the gyrations, manipulations and predations of The Market have to be added to the list of unsustainabilitys.

There are markets (good) and The Market (bad). The first are social events organized around essential provisioning in and of a community – like farmers' markets and village markets around the world. These are, as we described in our previous issue, elements of a real, material 'household' economy. The Market, on

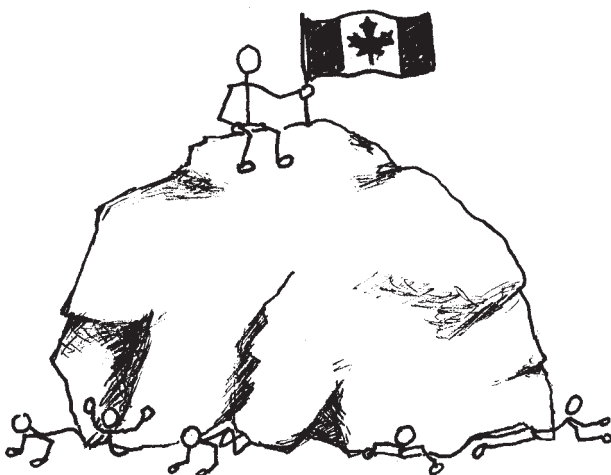
the other hand, is a Mythological Monster that destroys communities and their markets, not by accident, but deliberately. It is this Monster that rejoices in Trade Deals – such as that just concluded by the Harper regime with Honduras.

Trade Minister Ed Fast says the trade deal with Honduras provides 'fresh hope' for people struggling to emerge from poverty, giving the impression that the destitute and deprived are trying to crawl out from under a giant rock, without describing the rock for what it is, the rock of capitalism, with Canada sitting on top helping to hold it down.

For his part, Fast's boss, Harper, said that the trade deal is a key part of the Conservative government's agenda to open new markets for Canadian businesses, declaring that, "Trade does, of course, raise people from poverty." He went on to misrepresent and dismiss critics, first applying the term 'protectionist' to any critics in the same way that the term 'thugs' is applied to those he wishes to condemn: "People who favour protectionism are not, as I've said before, driven by concerns about poverty or human rights. They are driven by a desire to protect local interests. Protectionists are selfish and short-sighted. . . Trade is the key to prosperity." - OC, 13/8/11

This was Harper's 'response' to protesters kept outside the gates of the site where the agreement was signed who denounced the agreement which would further diminish the rights of local workers and add to the profits of Canadian businesses which already operate with impunity – such as Montreal-based Gildan Activewear, the largest private-sector employer in Honduras with 18,000 full-time employees. "We are always concerned about the image and ... record of Canadian companies when they are involved in business anywhere in the world," Harper said. "We take that quite seriously because it does affect our reputation as a country."

'Image' and 'reputation', however, are not quite as substantive as hourly wages and adequate food, and the promised 'prosperity' is unlikely to be enjoyed by more than a small elite.



... continued next page

When hearing the words 'stock market', country folk might be led to picture the local auction barn where all sorts of livestock are 'traded' – that is, bought and sold, every week or perhaps once a month. The business-minded, however, know that The Stock Market is much more important than the auction barn, even though pork belly futures were the oldest commodity contract traded on the Chicago Mercantile Exchange, until they were delisted this July after trading had dropped to almost zero. ("Pork belly" is the speculators/traders name for the source of bacon.) This does not mean that the market for hogs and their bellies actually dried up, but that corporations are now bringing home the bacon differently: the meat sector is so vertically integrated that what 'trading' there is goes on largely within a corporation, not publicly – a long way from the local market to which people would drive their pigs. (see *Cargill, pages 7 and 8*)

The stock market got its name because it was the place where the stocks and bonds of corporations that actually produced material goods were bought and sold. The specific locations where these pieces of paper were traded are referred to as the Toronto Stock Exchange, etc. As mentioned above, there have long been commodity exchanges as well, where quantities of commodities such as grains and oil have been traded. The first in North America was the Chicago Board of Trade, founded in 1848. (See *William Cronon's masterful history of the grain trade, Nature's Metropolis – Chicago and the Great West for a fascinating and illuminating story.*)

While food commodities remain somewhere at the bottom of all this, as we have discussed in previous issues of the Ram's Horn, trading has over the years become increasingly detached from the material reality of grains, oil, meat, and even the stocks and bonds of corporations that actually produce goods of value (more or less) to the society. First it moved into 'futures', then derivatives, then into indexes and now, with High Frequency Trading, into nothing more than the difference in the price of some fictional unit of a 'financial instrument' from one split second to another.

In high-frequency trading, computer programs automatically respond to price fluctuations and thus capture trading opportunities that may be open for only a fraction of a second to several hours. HFT uses programs and sometimes specialised hardware to hold short-term positions in equities, options, futures, currencies, and other financial instruments that possess electronic trading capability. Aiming to capture just a fraction of a penny per share or currency unit on every trade, high-frequency traders (or more accurately, their computers) move in and out of such short-term positions several

times each day quite literally at the speed of light, far faster than a mere mortal could actually execute such trades. As a result, fractions of a penny accumulate fast to produce significantly positive results at the end of every day, and at the end of a trading day the firm will hold no net investment position in the securities they have traded.

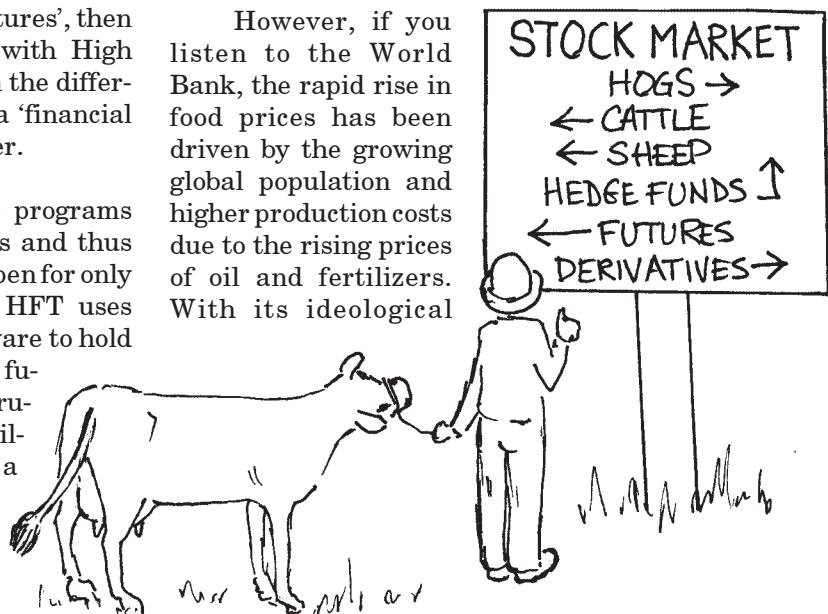
In the period April 2009-Oct 2010 non-commercial, i.e. speculative, trading in wheat, maize and soybeans ranged from 44-58% of total trading in these commodities. There is no way to determine the percentage of this that can be attributed to HFT, but this non-material trading is a major generator of price volatility for the real stuff on which we all depend.

The rapid rise in HFT can be explained by its potential profitability for the Speculator Class: "The stock market's recent wild swings have unsettled many investors, but they have led to record profits for high-frequency traders [who] have roughly tripled their stock trades this month [August]. That has boosted their share of overall US stock trading volume to about 65%, up from 53 % during the previous months before the August turmoil. . . On August 8th, high frequency traders made record profits of about \$60 million in US stock markets alone." – *WSJ, 16/8/11*

This means that on this one day alone, \$60 million was taken out of the US food system, forcing a comparable rise in the cost of real food.

There is one magic word at work here: volatility. Volatility is the basis for the irrational wealth accumulation of well-fed speculators who are literally capitalizing on the fear and actuality of starvation for millions of people, particularly at the moment in Somalia.

However, if you listen to the World Bank, the rapid rise in food prices has been driven by the growing global population and higher production costs due to the rising prices of oil and fertilizers. With its ideological



blindly firmly in place, the World Bank does not cite climate change and adverse weather conditions or commodity speculation as possible causes (*though the FAO does, see page 4*). Consequently, the advice of Robert Zoellick, president of the World Bank, is 'vigilance': "Persistently high food prices and low food stocks indicate that we're still in the danger zone, with the most vulnerable people the least able to cope. Vigilance is vital given the uncertainties and volatility that exists today." (*OC, 16/8/11*) Clearly, people like Zoellick are not in 'the danger zone' and feel little responsibility for the fact that the starving are 'the least able to cope'. 'Moral bankruptcy' might be the best term to apply here.

Now we come to the crux of the matter concerning the chaotic state of the global Market Economy: the privatization of governance. This also points to the reason that food must be removed from corporate control.

"Anxiety heightened," said the *Globe & Mail*, "when Standard & Poor's stripped the US government of its top credit rating." So just who is S&P that they have the power and privilege to downgrade the USA?

In brief, it is a division of publicly-traded publishing company McGraw Hill. As such, its responsibility is to contribute as much as possible to corporate profit, not public good. McGraw-Hill describes itself as "a global information and education company providing knowledge, insights and analysis in the financial, education and business information sectors through leading brands including Standard & Poor's, McGraw-Hill Education, Platts, and J.D. Power and Associates."

S&P began rating corporate bonds and municipal securities in 1922. It became a public company in 1962 and was purchased by McGraw-Hill Companies in 1966. S&P issued its first report on the stability and strength of US and global economies and markets in 2001. The US Justice Department is currently investigating the ratings that Standard & Poor's gave to dozens of mortgage-backed securities in the lead-up to the financial crisis of 2008.

During the boom years, S&P and other ratings agencies reaped record profits as they bestowed their highest ratings on bundles of troubled 'sub-prime' mort-

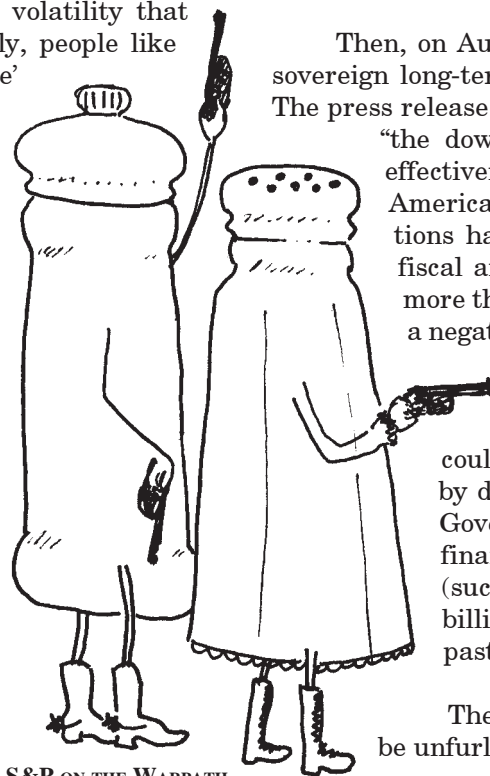
gage loans, which made the mortgages appear less risky and thus more valuable. The ratings agencies are paid by the companies, banks, and governments that want to borrow money or to sell 'securities'. The banks paid upward of \$100,000 for ratings on mortgage bond deals and several hundreds of thousands of dollars for the more complex structures known as collateralized debt obligations.

Then, on August 5, 2011, S&P lowered the US' sovereign long-term credit rating from AAA to AA+. The press release sent with the decision said, in part, "the downgrade reflects our view that the effectiveness, stability, and predictability of American policymaking and political institutions have weakened at a time of ongoing fiscal and economic challenges to a degree more than we envisioned when we assigned a negative outlook to the rating on April 18, 2011." – *standardandpoors.com*

In the present situation, one could think that S&P stands to gain more by downgrading the credit rating of the Government of the USA than those of the financial institutions and corporations (such as GM) that have benefited from billions in government bailouts over the past three years.

The red flag of 'conflict of interest' should be unfurled at this point.

The actual humans who assign the credit ratings to supposedly sovereign states that make or break them, remain unidentified. Perhaps they are just a computer program, not living human beings, but then we would have to ask who is feeding them what information. We should also know what the mechanisms of appeal there are against the judgements. Irrational it may be, but the Monster is not a myth!



S&P ON THE WARPATH

The business activities of Eric Sprott (The Sprott School of Business is a faculty of Carleton University) provide a simple illustration of the difference between material and fictional markets. Sprott has set up and invested his own money in exchange-traded Sprott Physical Silver Trust, which buys silver bullion and stores it at the Royal Canadian Mint. Investors can cash in their units, or take physical delivery of their silver. Sprott also set up a Silver Bullion Fund that makes it possible for investors to speculate on the metal's market price, but without the physical redemption option.

– *GM, 18/8/11*

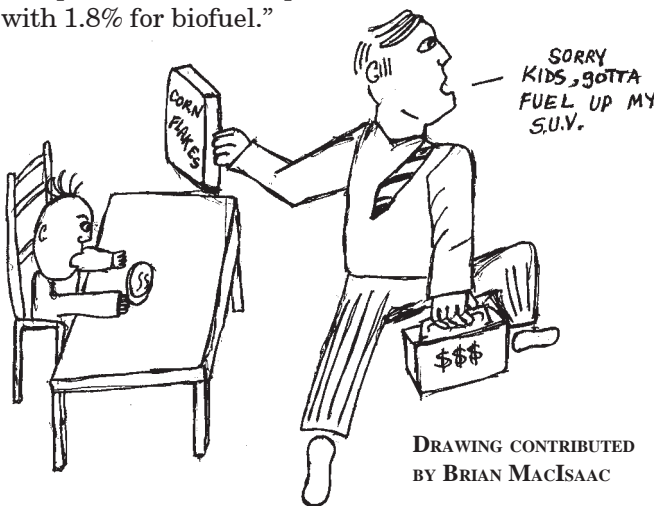
What's really driving up food prices

A report published by the FAO in July notes that the price index for cereals rose 57% between June and December of 2010. It also reports that the growth rate of total cereal consumption has been considerably slower in the period since 2000 than it had been in the 1960s and 1970s, and around the same as it was in the 1980s. It increased relative to the 1990s, but not by very much. And contrary to the general feeling, feed consumption by livestock actually increased more slowly than direct human consumption.

The 'improved' varieties of basic food products represent an output that is hardly better than those of thirty years go, the innovations having served only to counter new parasites and maladies, which have become more and more resistant to agrottoxins.

The FAO food balance sheets show that both direct and indirect demand for grain in China and India barely increased between 2000 and 2007, and cereal imports were actually lower. It is likely that the increasing inequity in income distribution in both countries may have had something to do with this, so that increased demand from high-income groups is counterbalanced by reduced demand from poorer sections. However, the relevant point is that it is not increased demand from China and India that is driving up grain prices. This does not mean that there are not other demand forces at work, such as financial speculation in commodity markets.

The FAO report also notes that the biofuel boom has had a major impact on the evolution of world food demand for cereals and vegetable oils (soy, sunflower, canola): "Excluding use for biofuel, the growth rate for non-feed use is stable compared with the 1990s and markedly inferior to its historical performance. Without biofuel, the growth rate of world cereal consumption is equal to 1.3%, compared with 1.8% for biofuel."



The biofuel industry, based in both emerging countries and in developed countries, absorbs 40% of the maize produced in the United States and two thirds of vegetable oils in the European Union. This spectacular development has been made possible, FAO emphasizes, by massive support in the form of subsidies, tax breaks and purchase obligations. At the same time, subsidies to all other sectors of agriculture have declined.

All this leads FAO to conclude that "The present out of control rise in world demand is not a consequence of world economic development, but the result of public policy led by the United States, Canada and the governments of the European Union, the result of a clear and reversible political choice."

With respect to pollution, the global impact of nitrogen contamination – strongly suspected of being a factor in the proliferation of green algae – costs between 70 and 320 billion Euros annually, that is to say, more than double the monetary benefits accruing from agriculture. Industrial agriculture is one of the primary causes of greenhouse gases, contributing more to global warming than the transportation sector.

– edited from *Le Monde*, 3/8/11
 (thanks to Jordan Bishop for translation)
 and Jayati Ghosh in *Guardian Weekly*, 12/8/11

GM corn for fuel, not food

"US farmers are growing the first corn plants genetically modified for the specific purpose of putting more ethanol in gas tanks rather than producing more food. The food industry also opposes the new GM product because, although not inedible, it is unsuitable for use in the manufacture of food products that commonly use corn. Farmers growing corn for human consumption are also concerned about cross-contamination."

– *The Guardian*, 15/08/11

Beware simple history

Perhaps the mythology of 'modern' agriculture has some similarity to the mythology of 'The Market'. Samuel Bowles argues that the agricultural revolution 11 millennia ago did not occur because the first farmers were more productive than the hunter-gatherers they displaced. Skeletal evidence shows that in many regions of the world, the first farmers were smaller and sicker than foragers, leading archaeologists to wonder if farming really did increase productivity. The fact that the first farmers were often unhealthy could have resulted from living in close proximity to one another and their animals rather than from the use of an inferior technology.

“To find out,” writes Bowles, “I decided to estimate the caloric return for an hour of labour devoted respectively to foraging wild species and to cultivation of the cereals grown by the first farmers, using hand tools. I used archaeological, ethnographic, climate and experimental data to estimate the energetic productivity of labour. I took account of the likely losses of farmers’ stored goods (to pests, rot, theft) and the substantial differences in the processing costs of foraging versus farming: grinding maize takes more time than growing it, for example.

“The results surprised me: the 5 estimates of the hourly caloric return from exploiting wild species averaged 59% greater than the 15 farming estimates if we take account of the time delay between planting and consuming and the greater risk taken by farmers who rely on a couple of crops, in contrast to foragers, whose diversified portfolio of nutrients came from dozens of wild species. Foraging is then 73% more productive than farming.

“Recent data are a poor basis for prehistoric estimates, of course, but they are the best we have and, even allowing for large margins of error, it is unlikely farming was initially more productive than foraging, and possibly it was much less. Many of the biases in the data such as the more productive seeds used by recent farmers, the inferior environments into which modern foragers have been displaced, and the fact that the protein-starved nature of many farmers’ diets is not captured in my calorie calculations, mean that I may have actually underestimated the disadvantages of farming.”

What was revolutionary about modern farming, argues Bowles, is the introduction of new property rights and unprecedented inequalities both between families and between men and women, allowing mini population explosions and even altering the genetic evolution of the species. But initially, it did not do this by raising productivity. Instead, it may have been the social and demographic aspects of farming, rather than its productivity, which were essential to its emergence and spread. Prominent among those aspects may have been the contribution of farming to a sedentary lifestyle and hence to population growth and the emergence of private property, and to the military prowess needed to defend it all. — Samuel Bowles, *New Scientist*, 1/8/11

New GRAIN website

For a number of years, Brewster was on the board of the Barcelona-based NGO originally known as Genetic Resources Action International. This long name was officially changed to its acronym, GRAIN, when it

became clear that the term ‘genetic resources’ had been captured by the corporate biotech interests. For an organization with its small staff scattered strategically around the world, GRAIN is an unparalleled source of information supporting the concerns and interests of small-scale and subsistence farmers in what we once called ‘developing’ countries and their allies and colleagues everywhere, including us.

In addition to launching the terrific website farmlandgrab.org devoted to “food crisis and the global land grab” earlier this year, GRAIN decided, following its 20th anniversary in 2010, to give its main website a thorough overhaul. “Our aim was to keep it simple and easy to navigate, while introducing some changes. Visitors can now publicly comment on the materials posted there. And we created a bulletin board – not a blog – where staff and others can share interesting leads and pointers to things going on around us. If you want to find (some of) our old publications and materials, we built an archive for that. And while the site is still trilingual – you can move around in English, French or Spanish – we compiled a few special pages where you can find translations of some of our recent materials in Arabic, Chinese, Hindi, Japanese and Portuguese.”

Please have a look at grain.org and farmlandgrab.org – and subscribe to ‘*New from GRAIN*’ as well.

Biotech:

Readers may have noticed that biotechnology/genetic engineering does not occupy as much space in *The Ram’s Horn* as it once did. One reason is that CBAN (cban.ca) and its staff, Lucy Sharratt, are providing excellent reportage and timely interventions (as if Harper and the CFIA cared) on biotech/GMO issues. The other reason is that we have just gotten fed up with the same old propaganda and lies from the biotech industry, and we don’t want to bore you with more and more of the same thing! However, there are some interesting developments we need to point out to you.

Labelling GM

The Codex Alimentarius Commission has been labouring for two decades to come up with consensus guidance on the labelling of genetically engineered foods. A major obstacle has been the opposition from the USA to the guidance document. In July, however, during the annual Codex summit in Geneva, the US delegation made a striking reversal of its previous position, allowing the



GM labelling guidance document to become an official Codex text. The new Codex agreement means that any country wishing to adopt GM food labelling will no longer face the threat of a legal challenge from the World Trade Organization (WTO). This is because national measures based on Codex guidance or standards cannot be challenged as a barrier to trade.

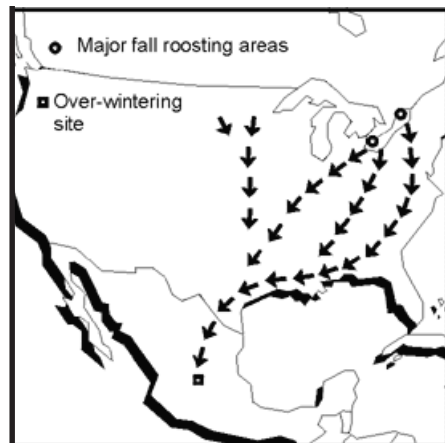
The Codex Alimentarius Commission was created in 1963 by FAO and WHO to develop food standards, guidelines and related texts such as codes of practice under the Joint FAO/WHO Food Standards Programme. Canada, Australia and a very few other minions of the US long stood with the US in opposing any such resolution, but they finally got out of the way. One hates to think of what the very substantial sums of money spent running this boring show for 20 years might have achieved had they gone to actually developing a good GE-free food policy.

Butterflies, not Lawns

Milkweed has never been a problem where we have farmed (thistles, now, that's another matter!) although it does grow along roadsides here in Ottawa. We were very happy, though, to see a lot of milkweed dotting fields in northern Vermont on a recent trip there. Happy, because Monarch butterflies lay their eggs on milkweed plants, and thanks to genetically modified corn and soybeans that withstand herbicides, farmers have wiped out milkweed on 100 million acres of farmland in the US midwest. Combine that loss with deforestation in Mexico, where Monarchs winter, and you have a vanishing species.

In Mexico and the United States, Monarchs are losing habitat at the rate of about 6,000 acres a day, estimate Jim Lovett and Ann Ryan of Monarch Watch. Their centre encourages people to reduce the threat by creating Monarch way stations or microhabitats with milkweed for Monarch eggs and nectar plants for grown butterflies. The program has helped start 5,000 of these habitats. Monarch Watch also encourages people to plant milkweed all over, including roadsides. "We want to discourage the practice of making roadsides look like people's front lawns," Taylor said. "We need a new ethic in approach to a lot of our landscapes.

— source: *Kansas City Star*, 24/7/11



Side effects:

A road train carrying 22 tonnes of GM canola from Cranbrook to Pinjarra, Australia, caught fire after a seize in the front differential sparked a fire which melted a hole in the bottom of the lead trailer, causing canola to spill onto the road and into the gutter. The accident couldn't have happened in a worse spot on the highway for a small group of farmers in the Williams region who have self-declared their properties GM-free.

— *Farm Weekly, Australia*, 19/08/11

Commitment to Profit

Starbucks CEO Howard Schultz says the company is developing more branded foods and beverages, which it will distribute through food retailers. Its offering will focus on health and wellness. "We're deeply committed to building a multibillion dollar business," says Schultz. Packaged goods appeal to Mr Schultz because they promise fatter margins than those in the retail coffee business. Starbucks estimates its consumer products segment can yield operating margins of 30-35%, compared to US retail margins that are expected to be close to 20% this year.

— *GM* 1/4/11

Kraft, the world's second-largest food company, looking for ways "to unlock shareholder value", plans to split itself in two, freeing up "the fast-growing snacks and candy division . . . to aggressively pursue sales in emerging markets." Revenues of the grocery and snacks/candy divisions are respectively \$16 billion and \$32 billion.

— *GM*, 5/8/11

Proctor & Gamble, "The world's largest consumer products company", has reported its fourth quarter profits as rising 15% "as sales gained in emerging markets". Profit in the period ended June 30 rose to \$2.51 billion.

— *GM*, 6/8/11

Record profits are being reported by three of the world's largest fertilizer companies, Agrium, Potash Corp and Mosaic. Mosaic reported a \$629 million profit for the last quarter, up 64% from the same period a year ago, while Potash reported a 75% increase to \$840 million. Agrium has reported a 40% increase to \$718n million. "This illustrates how serious growers are globally about maximizing yields," said Potash CEO Mike Wilson. "Corn is a key crop for fertilizer companies because it typically requires many nutrients and is the most valuable crop grown in the world."

— *GM* 4/8/11

Killing the Wheat Board

In the midst of chaotic wheat supply due to radical weather and prices going up, down, and sideways, the Harper regime remains determined to dump Canada's major contributor to a stable and reasonable wheat market (we won't go so far as to say 'fair' as that is beyond the Wheat Board's possibilities). The grain corporations clap their hands in glee – some more publicly than others. Bunge is crude about it, Cargill quietly goes about arranging its opportunities.

Bunge:

Bunge's chief executive says that while "the concept of the Wheat Board is brilliant . . . still the most efficient system is a free market, a complete free market." He added, "getting rid of the Wheat Board will be good for Canada because the efficient farmer will become even more efficient." CEO Alberto Weisser did not explain the 'efficiencies' of the free market, nor did he explain why the efficient farmer would be more efficient, or what this would mean for the welfare of the farmer or Canada, but a lesser Bunge official said, "It will allow companies like us to get in the chain from farms to the overseas customers." (*GM*, 20/7/11) "More middlemen to extract wealth out of the food system," is what he meant.

While Bunge's Weisser says government intervention causes many problems in world grain markets, such as the sudden rise in world food prices after the Russian moratorium on grain exports last year, what Weisser conveniently ignores is the reason for the Russian export embargo: so the Russian people would get the wheat, not Bunge and other traders. "We are very, very clearly against any kind of interference. Let the markets work," said Weisser. – *WP*, 28/7/11

Cargill:

Cargill plans to construct a new grain terminal in McLennan, Alberta, on the same site as the company's new crop inputs distribution centre, which opened in May 2011. The new facility will double Cargill's grain-

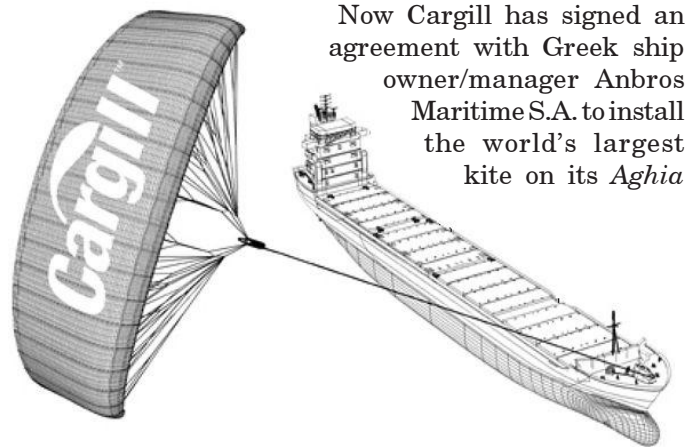
To kill the Canadian Wheat Board, the governing legislation which ensures farmers' control of the Board must be repealed. The National Farmers Union and allies are asking people to help to save the Wheat Board, by asking their MPs to vote against changes in the legislation. You don't have to be a Prairie farmer to support this campaign!

Go to cwbafacts.ca or nfu.ca/cwb.html for more information.

handling capacity in the area with the capability of loading rail cars at a rate of 50,000 bushels per hour. The crop inputs distribution centre includes a 5,000 sq foot chemical and seed shed, a 240 MT fertilizer blending tower and two 50 MT bins for straight product loading. The fertilizer distribution and blending system will allow Cargill to load out around 8 Super B loads per hour, meaning that farmers will be able to truck their grain to the terminal and go home with a load of fertilizer. This the same routine Cargill has in place on the Parana River in Argentina where soybeans are trucked in and fertilizer (from Cargill's global fertilizer operations, of course) taken back in the same trucks.

Transportation efficiency: reduce pollution and costs

Cargill says that although the company does not today own vessels, its ocean transportation business ships more than 185 million tonnes of commodities each year, in the process connecting supply from areas of surplus with demand in areas of deficit.



Marina dry bulk cargo vessel. The Aghia Marina typically transports cargoes of agricultural and industrial raw materials. SkySails, based in Hamburg, has developed a patented technology that uses a kite which flies ahead of the vessel and generates enough propulsion to reduce consumption of bunker fuel by up to 35% in ideal sailing conditions. The SkySails towing kite will be connected to the ship by rope and will fly in a figure-of-eight formation at a height of between 100 to 420 metres. It is computer-controlled by an automatic pod to maximise wind benefits.

"As Cargill is one of the world's largest charterers of dry bulk freight, we take our environmental stewardship commitments very seriously and actively seek opportunities to help raise industry standards in a number of areas," says the head of Cargill's ocean transportation business. – *Cargill.com*, 1/7/11



Doing Good:

Cargill, of course, has its charitable aspect, and has donated \$100,000 to longtime partners, CARE and the World Food Programme (WFP), to fight hunger in the Horn of Africa. "While Cargill does not have business operations in the affected area, we are committed to ensuring people everywhere have access to safe, nutritious food," said Michelle Grogg, senior director of corporate contributions and partnerships.

—Cargill.com, 5/8/11

Expanding, integrating, and recalling:

Cargill is acquiring Provimi, a worldwide animal nutrition business with operations in 26 countries, from a private equity firm. The acquisition "will strengthen and expand Cargill's existing operations creating a global leader in animal nutrition." As its press release says, "Cargill has a long history in the animal nutrition business, dating back to feed sales in 1884. The company currently has animal feed operations in 26 countries worldwide offering both branded and customized feed products and services, as well as ingredients for feed manufacturers and retailers."—Cargill.com, 15/8/11

Can you imagine 36 million pounds (16.36 million kilos) of ground turkey? That's what Cargill had to recall in early August because it might be "linked" to an

outbreak of an antibiotic strain of salmonella that's killed one person and sickened dozens across the country. It is unlikely that Cargill would make such a move without good evidence of necessity. Such major recalls are not all that rare, however, due to the high degree of concentration and centralization of the meat industry. In 2009, for example, Cargill recalled nearly 826,000 pounds of ground beef after 40 people got sick from the same salmonella strain. In 2007 Cargill had to recall 845,000 pounds of frozen ground beef. Cargill is suing the meatpacking plant that supplied it with the beef trimmings that went into the hamburgers Cargill manufactured in a Wisconsin plant.

Reducing [specified] risk:

To Cargill's credit, on the other hand, with a \$10million loan from the federal government and \$25 million from the Alberta government, Cargill is building a facility at its High River meat packing factory to burn 'specified risk materials' (the brains, nerve tissue, spinal cords etc. that are potential carriers of BSE) removed from the 100,000 cows older than 30 months slaughtered annually. The heat generated is intended to produce 80% of the factory's power requirements, eliminating 21,000 tonnes of fossil fuel emissions annually. The material is now shipped to Calgary where it is rendered and the final product sent to a special landfill.



Published by **Brewster and Cathleen Kneen**
phone/fax: (613) 828-6047
email: brewster@ramshorn.ca
www.ramshorn.ca

Subscriptions:

Canada, \$25(regular), \$50 (patron)
United States: US\$25, CDN \$27
outside North America: \$28 (airmail)

cheques payable to The Ram's Horn
2746 Cassels Street
Ottawa ON, K2B 6N7, Canada

If you would like a paper copy of *The Ram's Horn*, please subscribe (see rates and address above). You are also invited to support our work through a donation to help cover costs of research, writing, and circulation of the print version for free to people who cannot afford it, especially those in the 'global south'.

The publishers of The Ram's Horn do not claim copyright 'protection' for this material. It is in the public domain to be freely used and built upon. We appreciate mention of the source. Line drawings not otherwise identified are the work of Cathleen Kneen.

Published 10 times a year; subscriptions expire with the issue number on the label.