

## Agriculture by Marcia Merry

### The story behind 'Nebraska Beef'

*The international grain cartel is attempting to grab strategic control of the meat-packing market.*

**T**his summer, Rudolf Stanko was forced to sell his family meat packing business, Nebraska Beef Co., and go before Agriculture Department hearings on charges of selling dirty meat. Last winter, his Denver company, Cattle King, was forced to shut down under a cloud of publicity about alleged filthy conditions.

A horror story from *The Jungle* of Upton Sinclair? So you are supposed to think, if you watched NBC's "First Camera" program last year or followed newspaper allegations from the self-styled Better Government Association of Chicago. They also claimed that Mr. Stanko was sickening our children with his meat sales to the USDA school lunch program.

The facts are otherwise. The biggest food cartels in the world set in motion their dirty tricks experts to drive the Stanko family out of business, as part of a drive to eliminate any remaining independent meat packers who stand in the way of their cartelization of the U.S. beef-processing industry.

The two largest beef processors in the United States today are Cargill Company, the grain giant which owns the Excel Corporation meat processing company, and Dr. Armand Hammer, who bought the huge Iowa Beef Processing Company a few years ago. Both have been buying up companies, and bankrupting others, in a race to achieve strategic concentration in the business. They now dominate the Midwest procurement of feed cattle and the nationwide sale of boxed beef—the advanced method of wholesale beef distribution.

Earlier this year, the independently owned meatpacker Monfort of Colorado, Inc., won an anti-trust suit against Cargill which prevented them from buying out the number three boxed beef company, Spencer Beef, from Land-O-Lakes, Inc.—a deal which would have made Cargill a world monster beef company. Government-initiated anti-trust investigation and action has been noticeably absent, the more so since a 25-year Cargill man, Daniel Amstutz, was made undersecretary of agriculture last year.

The strategic position of Cargill and Hammer in the beef markets is one part of an international interlocking of food companies and government agencies. Cargill is one of six world grain companies (Bunge, André, Dreyfus, Continental, and the Soviet Exportkhleb) which control the transnational movement of grain and other commodities. But these companies now also dominate most domestic markets. Cargill, for example, controls all poultry production in Argentina.

The rate at which U.S. farmers and ranchers are now being forced to cut back production or go out of business altogether means the national cattle herd is shrinking drastically. Cargill, Hammer, and their collaborators are in a position to create a food shortage as early as this fall (see article, page 4).

Rudolf Stanko was just one more obstacle to be eliminated by the cartels. By ambitious technology development, including using boxed beef, his companies had by 1983 become the number one suppliers of ground

meat to the national school lunch program—providing around 24 million pounds a year.

The operation against Stanko was initiated by the Better Government Association of Chicago, which interconnects on the board level with Walter Mondale's Chicago lawfirm of Winston and Strawn, and with NBC television.

In 1983, the Better Government Association began the "dirty meat" charges against Stanko, and through adverse publicity or direct intervention got the Chicago Public Schools to embargo the use of Nebraska Beef products. In September 1983, the now defunct NBC "First Camera" show aired a broadcast featuring the BGA's claims. NBC continued the publicity barrage through its news channels.

Next, USDA action against Stanko was contrived. Key in this was a former USDA employee, John Copland, working with the BGA and the Institute for Policy Studies, a Washington-based radical environmentalist group which works on behalf of cartel interests. On a "tip" from Copland, who presents himself as a good-guy "whistleblower," the USDA impounded 20 million tons of Stanko's meat and suspended his right to bid for school lunch program sales. The USDA has reportedly destroyed the meat.

As Stanko's business fell off, and the Cargill-tainted USDA refused his bidding rights for government contracts, his companies shut down one by one. Finally, last month a buyer appeared for the last plant—one George Gillette, owner of Packerland, near Chicago, and—by coincidence?—owner of one of the largest franchise groups of NBC affiliates in the United States.

Stanko declares that he will fight the USDA's fraudulent charges.